

25/11/10

140

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT), BIHAR
(LOCAL AUDIT WING), PATNA -800001

No. L. A. Sur/ 2312

Dated: - 24.12.09

To
The Principal Secretary to the Government of Bihar,
Urban Development and Housing Department,
Patna.

Sir,

Audit Report No.-328/2009-10 on the accounts of Nagar Parishad, Phulwarisharif for the period 2007-08 to 2008-09 is enclosed for your kind information and necessary action..

Yours Sincerely

[Signature]
24.12.09

Sr. Audit Officer/Surcharge

Encl: -As above

328/2009-10
S.O.S
25/11/10

25/11/10
hid. / my

25/11/10
27/11/10

AUDIT REPORT NO.- 328/ 2009-10
NAGAR PARISHAD PHULWARISHARIF

INTRODUCTION:-

The accounts of Nagar Parishad Phulwarisharif, for the Period 2007-08 to 2008-09 were test audited by an audit party of the office of the principal Accountant General (Audit), Bihar, Local Audit Wing, Patna during the 17.08.2009 to 05.09.2009.

2. ADMINISTRATION:-

| (i) | Name of Mukhya Parshad (Chairman) | Period |
|-----|-----------------------------------|--------------------------|
| 1 | Md. Aftab Alam | 01.04.2007 to 08.06.2007 |
| 2 | Smt. Khalida Yusuf | 09.06.2007 to 31.03.2009 |

| (ii) | Name of Upmukhya Parshad (Vice-Chairman) | Period |
|------|------------------------------------------|--------------------------|
| 1 | Sri Chitranjan Paswan | 01.04.2007 to 08.06.2007 |
| 2 | Sri Syed Tasnim Rizwi | 09.06.2007 to 31.03.2009 |

| (iii) | Name of the Executive Officer (S/Sri) | Period |
|-------|---------------------------------------|----------------------|
| 1 | Kamal Kumar Vasudeva, B.E.S. | 01.04.07 to 05.09.07 |
| 2 | Lalit Mohan Prasad | 05.09.07 to 31.03.08 |
| 3 | Sandip Shekhar Priyadarshi, B.A.S. | 31.03.08 to 26.02.09 |
| 4 | Manoj Kumar, B.A.S. | 26.02.09 to 31.03.09 |

3. SCOPE OF AUDIT:-

A list of records and registers test checked in audit has been given in Appendix- I to the report and a list of records and registers which were either not produced in audit or were incomplete & not maintained, has been given in Appendix- II of the report.

4. PREVIOUS AUDIT REPORT:-

The position of outstanding paras of previous audit reports are given below:-

138

| Sl. No. | Audit Report No. | Outstanding Paragraph |
|--------------------------------------------------------|-------------------------------|-----------------------|
| 1 | 371/ 80-81 for 78-79 to 79-80 | 3 |
| 2 | 195/ 81-82 for 80-81 | 5 |
| 3 | 381/ 81-82 for 80-81 | 4 |
| 4 | 137/ 83-84 for 81-82 | 17 |
| 5 | 189/ 83-84 for 82-83 | 7 |
| 6 | 108/ 87-88 for 83-84 to 86-87 | 5 |
| 7 | 91/ 91-92 for 87-88 to 90-91 | 16 |
| (As per letter no. L.A. Sur- 12226/30-31 Dt. 04.06.07) | | |
| 8 | 116/ 94-95 for 91-92 to 93-94 | 2 |
| 9 | 120/ 97-98 for 94-95 to 96-97 | 13 |
| 10 | 122/ 98-99 for 97-98 | 11 |
| 11 | 38/ 02-03 for 98-99 to 01-02 | 8 |
| 12 | 426/ 07-08 for 02-03 to 06-07 | 32 |

(Source: Settlement Register available in Surcharge Section of audit Office)

Effective steps may be taken to comply the outstanding paragraph.

5. FINANCIAL OVERVIEW

The Nagar Parishad was financed by Grants from state Government and its own resources. A summary of receipts and payment of the Nagar Parishad for the period under audit i.e. 2007-08 & 2008-09 is given below:-

| Sl. No. | Particulars | 2007-08 | 2008-09 |
|---------|-----------------|-------------|-------------|
| 1 | Opening Balance | 77,50,847 | 49,33,962 |
| 2 | Receipts | 2,04,11,404 | 3,91,34,919 |
| 3 | Total | 2,81,62,251 | 4,40,68,881 |
| 4 | Expenditure | 2,32,28,289 | 1,07,55,605 |
| 5 | Closing Balance | 49,33,962 | 3,33,13,276 |

6. **CLOSING BALANCE**

Details of Closing Balance as on 31.03.2009 (as per accountant cash book):-

| Sl. No. | Particulars | Amount |
|---------|-------------------------|-----------------------|
| 1 | Municipal Fund | 2,05,97,762.42 |
| 2 | Matching Grant | 1,66,152.00 |
| 3 | MLA Tubewell | 20,69,680.00 |
| 4 | MLC Tubewell | 2,19,044.00 |
| 5 | 12th Finance Commission | 6,50,717.00 |
| 6 | BRGF | 39,76,722.00 |
| 7 | ILCS | 47,29,358.00 |
| 8 | SJSRY | 9,03,840.85 |
| | Total- | 3,33,13,276.27 |

All grants received prior to 2008-09 were merged in Municipal fund.

Closing Balance of Treasury P/L & Bank A/cs as on 31.03.2009 were as under:-

| Sl. No. | Name of A/c | Amount Balance |
|---------|-----------------------------------------------------------------------------|-----------------------|
| 1 | Treasury P/L A/c | 1,98,02,621.91 |
| 2 | Canara Bank, Phulwarisharif S/B A/c No. 2885 (New A/c No. 2819101002885) | 5,23,470.00 |
| 3 | SBI, Anisabad, S/B A/c No. 30411966655 | 39,76,722.00 |
| 4 | Madhya Bihar Gramin Bank, Phulwarishrif A/c No. 465 | 47,29,358.00 |
| 5 | Allahabad Bank, Phulwarisharif S/B A/c No. 112729 (20956875057- New) | 61555.85 |
| 6 | Allahabad Bank, Phulwarisharif S/B A/c No. 112480 (20956873990- New) | 972.00 |
| 7 | Canara Bank, Phulwarisharif S/B A/c No. 1874 (2819101001874- New) | 841313.00 |
| | Total- | 2,99,36012.76 |
| | Advance to different supplies / persons as per advance ledger | 34,10,632.00 |
| | Cash with Accountant | 181.51 |
| | Gross Total- | 3,33,46,826.27 |

Bank Reconciliation prepared by Nagar Parishad:-

Balance as per Accountant Cash Book - 3,33,13,276.27

Add:-

136

(i) Cheque issued but not presented to Treasury

| Cheque No. | Date | Amount | |
|------------|----------|--------|-----------|
| BB 217084 | 14.02.09 | 550 | |
| BB 217086 | 14.02.09 | 16000 | |
| BB 217087 | 14.02.09 | 3000 | |
| BB 217088 | 14.02.09 | 4000 | 23,550.00 |

(ii) Amount withdrawn from Treasury Vide Ch. No. BB 217059 on 24.12.08,
But not debited by Treasury 10,000.00

Balances of Treasury P/L A/c Bank A/c etc.- 3,33,46,826.27

7. ACCOUNTANTS CASH BOOK

Following discrepancies were noticed in Accountant's Cash Book:-

(A) A sum of Rs. 1691/- was excess drawn by the cashier, which may be recovered & shown to next audit.-

| Sl. No. | Vouchers Nos. & Date | Amount of Voucher booked in cash book | Amount of cheque issued | Excess Drawn | Cheque No. & Date | Treasury/ Bank |
|---------|----------------------|---------------------------------------|-------------------------|--------------|-------------------|---------------------------------------------------------|
| 1 | 218-248 dt. 20.08.07 | 2,04,801 | 205302 | 501 | 128244/20.08.07 | Treasury |
| 2 | 625 dt. 28.03.08 | 48,560 | 48968 | 408 | | Amount Spent from cash in hand with Sri Ramsewaj Sharma |
| 3 | 15 dt. 17.05.08 | 8280 | 8980 | 700 | 927914/17.05.08 | Canara Bank |
| 4 | 65-97 dt. 25.06.08 | 11510 | 9217 | 82 | 217011/25.06.08 | Treasury |
| | | | 2375 | 1691 | 217013/25.06.08 | - do - |
| | Total- | 273151 | 274842 | | | |

(B) Treasury cheque no. 217033 was issued on 06.08.2008 for Rs. 96,000, but only Rs. 70,000 was booked in advance ledger. Disbursement of balance amount Rs. 26,000 was not shown to audit. This shows that the amount of Rs. 26000/- was kept in hand by the cashier, which may be recovered from him.

(C) Cheque no. 926839 was issued on 19.03.08 for Rs. 1,60,975/- but only Rs. 1,60,607/- was booked in cash book. Balance Rs. 368/- may be recovered from persons concerned.

Keeping aforesaid facts in view, the bank reconciliation prepared by the Nagar Parishad was not correct. Correction of discrepancies in Accountant's cash book may be made & the corrected bank reconciliation may be prepared & shown to next audit.

8. IMPORTANT AUDIT FINDINGS

| Sl. No. | Para No. | Particulars | Amount in Rs. |
|---------|----------|---------------------------------------------|---------------|
| 1 | 14 | Non-Short Credit of collection money | Rs. 711572/- |
| 2 | 15 | Non-Realisation of Mobile Tower Fee | 320000/- |
| 3 | 16 | Lapse of Bank D/D due to negligence | 296950/- |
| 4 | 24 | Doubtful execution of works | 800700/- |
| 5 | 25 | Excess payment in execution of schemes | 319863/- |
| 6 | 26 | Execution of work without labour & material | 66838/- |
| 7 | 27 | Fake muster rolls | 108742/- |
| 8 | 28 | Muster Roll without date | 46130/- |
| 9 | 31 | Cement lying with Executing Agent | 102220/- |
| 10 | 32 | Irregular finalisation of Tender | 18105891/- |
| 11 | 33 | Non-Deduction of VAT | 741296/- |
| 12 | 34 | Non- Remittance of Royalty & VAT | 1067857/- |
| 13 | 36 | Voucher not passed for | 1435674/- |
| 14 | 37 | doubtful payment for diesel | 23238/- |
| 15 | 38 | Voucher wanting | 849347/- |

9. INTERNAL AUDIT

Under Section 97 of the Bihar Municipal Act, 2007, the municipality may proscribe for internal audit of the day to day accounts or the municipality.

So, the Mukhya Parshad or Upmukhya Parshad or Empowered stranding Committee or Executive Officer may exercise internal checks to avoid irregularities in the municipal accounts. On scrutiny of the records, revealed that no such checks were conducted by anyone so that a lot of irregularities were noticed. These irregularities have

134
been discussed in subsequent paragraph. It is therefore impressed upon the authority to conduct day to day check to stop recurrence of such irregularities in future.

10. GOVT GRANT

Govt. Grant Register was not maintained properly. Only the grant received was indicated in the register but voucher wise expenditure against each grant was not recorded. Thus, could not be ascertained in audit than whether the grants received were utilised on the purposes for which these were received.

Grants received prior to 2008-09 were merged in Nagar Parishad fund. However a sum of Rs. 3,41,09,503/- (Detailed in Appendix- III of the report) was received as grant during 2007-08 to 2008-09. Govt. Grant Register may be maintained properly and shown to next audit.

11. BUDGET

Budget Estimates for 2007-08 was not shown to audit. Budget Estimates for the year 2008-09 was discussed in the meeting on 11.03.2008. After discussion and finalization of budget it was sent to the Govt. vide letter no. 151 lk0 dated 26.03.08. Approval from the Govt. was still awaited.

12. COLLECTION ACCOUNT OF TAXES

The Demand and Collection Register, which is a basic record for collection of taxes, was not maintained, so actual position of taxes for the period under audit could not be ascertained. However, from the figure furnished by Nagar Parishad, position of demand & collection of holding taxes during 2007-08 & 2008-09 was as under:-

| Year | 2007-08 | 2008-09 |
|----------------|-----------|-----------|
| Demand Arrear | 5,95,511 | 5,28,822 |
| Demand Current | 5,54,059 | 25,00,810 |
| Total Demand | 11,49,570 | 30,29,632 |
| Collection | 6,20,748 | 24,87,049 |
| Balance | 5,28,822 | 5,42,583 |

Effective steps may be taken for improvement of collection of taxes.

Demand and collection register may be maintained & shown to next audit.

13. NON-IMPOSITION OF PROFESSIONAL TAX & OFFENSIVE DANGEROUS TRADE TAX

Professional Taxes offensive & Dangerous Trade Tax were not imposed by the Nagar Parishad till the date of audit.

Effective steps may be taken to impose the same enhance the own source of income.

2010-11 Report (containing) para 3.4

14. NON/ SHORT CREDIT

A total sum of Rs. 711572 (684872 + 26700) was found short/ non- deposited by the officials of Nagar Parishad. When pointed in audit Rs. 26700/- was deposited in the bank at the instance of audit credit of which in bank account (ay) be shown to next audit. Balance amount of Rs. 684872/- may be recovered and deposited into municipal fund & shown to next audit. (Details in Appendix- IVA & B to the Report)

684872
26700
711572

14. (A) NON-PRODUCTION OF MISC. RECEIPT BOOK

Three Receipts Books Sl. No. 1701 -1800, 2101 - 2200 & 2801 - 2900 were not produced in the audit as ascertained during physical verification of Misc. Receipts Books. The authority may ensure the available of the same & these may be produced in the next audit.

15. NON-REALISATION OF MOBILE TOWER FEE

As per list furnished by Nagar Parishad, A sum of Rs. 3,20,000/- was outstanding against cellular mobiles companies as on 31.03.2009 as detailed under:-

| Sl. No. | Name of Collular Co. | Outstanding Amount |
|---------|------------------------------------|--------------------|
| 1 | Tota Indicom | 80,000 |
| 2 | Bharti Televentures Ltd. (Air tel) | 1,60,000 |
| 3 | Air cell | 80,000 |
| | Total outstanding amount | 3,20,000 |

Efforts may be made to release the outstanding amount from the concerned cellular companies, and deposited into municipal fund & shown to next audit.

1.30
83
47

16. LAPSE OF BANK DEMAND DRAFT AMOUNTING RS. 2,96,950/-
DUE TO NEGLIGENCE

Following amounts were received by the Nagar Parishad in the firm of Bank Demand draft/ Pay order/ Banker's cheque as detailed under:-

| Sl. No. | Particulars | No. of D/D/ Pay order/ Banker's Cheque | Amount in Rs. |
|---------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------|-----------------|
| 1 | Sale of 78 BOQ for tender of Schemes (390 of BRGF, IDSMT & other during Feb' 2009 | 78 | 72,000 |
| 2 | Registration fee from 21 contractors D/D Dated 9/6/08 - 17/6/08 | 21 | 1,27,500 |
| 3 | Sale of BOQ to S/Sri Ravishankar Kumar & Vivekanand Singh D/D Nos. 774020 & 774021 Dated: 22.05.08 issued from SBI, Main Branch, Patna. Amount - Rs. 5000/- each | 2 | 10,000 |
| 4 | Earnest money deposited by Sri Ravishankar Kumar D/D No. 232773 Dt. 25.05.08 issued from SBI, Main Branch, Patna | 1 | 41,200 |
| 5 | Amount deposited by Sri Ravishandkar at the time of executing agreement | 2 | 62,000 |
| | D/D No. | Date | Amount |
| | 535786 | 27.06.08 | 40000 |
| | 535790 | 28.06.08 | 22000 |
| | issued by Bank of India, Anisabad Branch, Patna. | | |
| | Total- | 104 | 3,12,700 |

During scrutiny of records/ files, it was noticed that a total of 104 Bank D/Ds were not deposited in the treasury/ bank rather kept in files / hand. Thus, they became

time-barred. Due to negligence, the municipality suffered a loss of huge interest on Rs. 3,12,700/-.

On Audit query, the Nagar Parishad deposited some bank D/Ds in Canara Bank S/B A/c No. 2819101002885 & the bank credited Rs. 15750/- on 26.08.2009 being the amount of 15 bank d/ds out of 78 Bank D/Ds mentioned at Sl. No. 1. Balance 89 Bank D/Ds /Banker's cheque amounting Rs. 2,96,950/- may be got revalidated and deposited in the treasury/ treasury/ bank may be shown to next audit. Besides above, the responsibility of non-deposit of the time-barred bank demand draft/ banker's cheque may be fixed.

17. **SWARNA JAYANTI SAHRI ROZGAR YOJNA (S.J.S.R.Y)**

The financial position of S.G.S.R.Y. was as under:-

| | 2006-07 | 2007-08 |
|-------------|------------|---------------|
| O.B | 98,364.85 | 1339710.85 |
| Receipt | 2130670.00 | 78879 (Intt.) |
| Total | 2229034.85 | 1418589.85 |
| Expenditure | 889324 | 546324 |
| Balance | 1339710.85 | 872265.85 |

It is obvious there opening balance for 01.04.08 came to Rs. 872265.85 but Rs. 874073.75 was shown in the next Cash Book on 01.04.08 this resulted into over statement of balance of Rs. 1807.90. Interest received during 2008-09 was Rs. 29767 and expenditure was nil. Thus the closing balance as on 31.03.09 should have been Rs. 902032.85 instead of showing Rs. 903840.85. Discrepancies in both the figures may be removed and shown to next audit.

Grant of Rs. 2130670/- was received vide letter no. 243 न०वि०वि० dated 27.06.06 by the Nagar Parishad. As per instructions contained in the said letter, target was fixed for imparting training to 147 trainees and 117 micro enterprises (grant to beneficiaries). As per the utilisation certificate sent to the Govt. vide L.N. 365 dt. 28.07.08 the item wise expenditure was as under.

130

| Particulars | Amount (Rs.) | |
|---------------------------------------------------------------------|---------------|-------------|
| Expenditure on Urban wage employment programme (UWEP) | Rs. 10,84,168 | |
| Grant (Micro enterprises) | Rs. 729450 | |
| Training and training material | | |
| Paid to Mithila Vikas Ashram, Sri Ram Path Punai chak, Patna | Rs. 150000 | |
| Paid to samadhan Sava Samiti, South Chanmari Road Kankar bag, Patna | Rs. 187200 | Rs. 337200 |
| | | Rs. 2150818 |

AUDIT REMRKS

- (i) As per utilisation Certificate Rs. 2150818 was shown utilised but as per cash book the figure of expenditure was arrived at only Rs. 14,35,648/- during 2006-07 to 2008-09. This showed that the utilisation certificate sent to Govt. was not correct.
- (ii) Attendance Register of 147 trainees to whom training was imparted and acknowledgement from the trainees to whom the training materials were supplied was not shown to audit. The same may be shown to next audit till then the entire expenditure of Rs. 337200 in this account is held under audit objection.

18. NATIONAL SLUM AREA DEVELOPMENT PROGRAMME

No. grant was received during 2007-08 to 2008-09 under N.S.D.P. A sum of Rs. 28073/- was lying unspent since 24.08.06 and the Cash Book was not written since 01.04.08. The Cash Book may be updated and the balance amount may be either utilised or refunded to the sanctioning authority.

19. DELETED

20. BACKWARD REGION GRANT FUND (BRGF)

A sum of Rs. 3919562 was received by Nagar Panchayt vide D.D.C. Patna letter No. 3/ लेखा जिनोशो dated 21.04.08 which was deposited in Treasury vide Chalan no. even dated 14.05.08. The said amount along with interest was lying unspent as on 31.03.09 resulting in blockage of fund. The grant almost one year may be utilised as per sanctioning at the earliest to achieve the purpose of receiving the grant.

21. DELETED

22. GRANT FOR ADMINISTRATIVE BUILDING.

A sum of Rs. 3879075/- was received by Nagar Parishad vide letter no. U.D. & D. depts 1398 dated 30.03.07 for construction of administrative building. No sincere efforts have been made for utilisation on construction of the administrative building even after completion of two years which has resulted in blockage of money. The Grant may be either utilised or refunded to the sanctioning authority.

23. PHYSICAL PROGRESS OF SCHEMES

The details of Schemes under taken and Completed during the period under audit was as under.

(Rs. in)

| Year | Fund | Number of Scheme | | | | Estimated cost of incomplete scheme | Advance involved in incomplete scheme |
|---------|----------------|------------------|-----------|----------|--------------|-------------------------------------|---------------------------------------|
| | | Under taken | Completed | Closed | In completed | | |
| 2007-08 | Nagar Parishad | 124 | 89 | 1 | 34 | 5142604 | 3371100 |
| | U.D. &H Grant | 5 | 3 | Nil | 2 | 934000 | 600000 |
| | XII F.C. | 2 | 1 | Nil | 1 | 687900 | 661500 |
| | S.J.S.R.Y | 1 | 1 | Nil | Nil | Nil | Nil |
| 2008-09 | Nagar Parishad | 8 | 0 | 0 | 8 | 158600 | 60,000 |
| | Total- | 140 | 94 | 1 | 45 | 6923104 | 4692600 |

140 Schemes were under taken during 2007-08 to 2008-09 by the Nagar Parishad out of which 94 schemes were completed, 1 scheme was closed and rest 45 schemes remained incomplete till date. The estimated cost of incomplete schemes was Rs. 6923104/- and Rs. 4692600/- was lying as advance with different executing Agencies.

Sincere efforts may be made to completed the schemes early.

24. DOUBTFUL EXECUTION OF WORKS WORTH RS. 8,00,700/-

| | |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------|
| (I) Scheme No. 89 (MU)/ 07-08 | Construction of P.C.C. Road from the house of Sabir Hussain to the house of Jank Miya in Nahaspura (North) ward no- 16 |
| Estimated Cost | Rs. 374300/- |
| Executing Agent | Sri Md. Jamil Alam |
| Work Order | 30.10.2007 |
| Date of Completion of work | 29.02.08 |

128

Details of Measurement:-

| | |
|-----------------------------------------------|---------------------------------------|
| First Running Account bill 28.11.07 | Rs. 95476 |
| Second Running Account bill 12.12.07 | Rs. 111394 |
| Third and final Running Account bill 30.01.08 | Rs. 166574 |
| Sing Board | Rs. 1000 |
| Total Rs. | 374444 limited to Rs. 374300/- |

Details of Material purchased:-

| | | |
|----------|------------------------------------------|------------|
| 18.12.07 | Stone Chips 2820 cft @ Rs. 3135.50 % cft | Rs. 88421 |
| | Cement 120 bags @ Rs. 190 | Rs. 24320 |
| | Mixture Machine 45hr. @ Rs. 186 | Rs. 8370 |
| | Centering 780 cft | Rs. 3510 |
| | | Rs. 124621 |
| 25.11.07 | Earth 73 Trailer | Rs. 27900 |
| | Picket 19620 Mos | Rs. 40327 |
| | Local Sand 2687 cft | Rs. 12890 |
| | Sone Sand 1410 cft | Rs. 17815 |
| | | Rs. 98932 |
| 02.12.07 | Cement 70 bag @ Rs. 195 | Rs. 13650 |
| 06.12.07 | Cement 50 bag @ Rs. 195 | Rs. 9750 |
| 12.12.07 | Cement 40 bag @ Rs. 195 | Rs. 7800 |
| | | Rs. 31200 |
| 02.01.08 | 300 bag cement departmentally supplied | |

The details of Second running account bill of Rs. 111394/- was as under:-

| | |
|-------------------------------------------------------|---------------------|
| P.C.C. in 3393 sft x 4½" = 1255.4 cft @ Rs. 6570% cft | Rs. 82485 |
| extra 236 bags of Cement @ Rs. 40/ bag | Rs. 9440 |
| Carriage of Sone Sand 565 cft | Rs. 5952 |
| Stone Chips 1130 cft | Rs. 21023 |
| Total | Rs. 118900 |
| Less C.P. | (-) Rs. 7506 |
| | Rs. 111394/- |

How the measurement of P.C.C. work was done on 12.12.07 as no stone Chips was available on that date (purchased on 18.12.07) only 120 bags of cement were

available on that date No reply was furnished to audit as to how the P.C.C. work was done without stone chips and sufficient quantity of cement.

| | |
|----------------------------------------|----------------------------------------------------------------------------------------|
| (II) Scheme No. 86 (MU)/ 07-08 | Renovation of Drain and Construction of P.C.C. Road in ward no. 14, Kharakuan Mohalla. |
| Name of the Executive Agency | Sri Ram Sewak Sharma |
| Estimated Cost | Rs. 426400/- |
| Work done as per M.B. | Rs. 435157 limited to Rs. 426400/- |
| Amount Paid to the Agency | Rs. 426400/- |
| Date of Completion of work as per M.B. | 21.01.2008 |

Details of Vouchers

(a) Material

| Sl. No. | Firm | Bill /date | Particulars | Amount in Rs. |
|---------|------------------------------------------------------|---------------|----------------------|---------------|
| 1 | P & S stone Chips Co. | 115/02.12.07 | Stone Chips 1554 cft | 48718 |
| 2 | Hind Bricks | 112/02.12.07 | Bricks 21693 Nos | 47724 |
| 3 | Patna Cement Bhandar | Even/30.12.07 | Earth 2448 cft | Rs. 9792 |
| | | | Local Sand 270 cft | Rs. 1350 |
| | | | Sone Sand 1095 cft | Rs. 13688 |
| | | | Cement 356 bags | Rs. 67640 |
| | | | | 92470 |
| 4 | Surbhi IRON | Even/15.01.08 | M.S. Gril 4492 kg. | 174739 |
| (b) | Hire Charge of Mixture machine and Vibratory Machine | | | 11750 |

(C) Muster Rolls

| | | |
|--------------------------------|------------------|---------------|
| 06.12.07 to 12.12.07 28 labour | Rs. 14098 | |
| 20.12.07 to 26.12.07 65 labour | Rs. 32584 | |
| 17.01.08 to 20.01.08 18 labour | Rs. 5160 | |
| | | 51842 |
| | Total-Rs. | 427243 |

126

Scrutiny of vouchers revealed that Bricks, Earth, Local Sand, Sone Sand and Cement were purchased on 30.12.07 but as per Measurement Book and Mustor Roll said materials were shown utilised in scheme prior to 30.12.07 i.e. between 06.12.07 to 26.12.07. How the work was completed without required quantity of Bricks, Earth Local Sand, Sone Sand and Cement, remained unexplained in audit.

AUDIT REMARKS:-

Keeping the above facts noticed in both the scheme it is evident that

- (a) False measurement of works was is practice in the Nagar Parishad.
- (b) Final payment was being made without any superior checks of M.B., vouchers, Scheme progress, Running Accounts bill and other Connecting papers, exercising by the Assistant Engineer/ Executive Engineer/ Executive Officer.
- (c) Execution of scheme no. 86 (MU)/ 2007-08 and 89 (MU)/ 2007-08 was thus doubtful.

The matter requires high level enquiry and the enquiry report may be sent to the Examiner of Local Accounts Bihar, Patna.

Till then the entire payment made in execution of both the scheme amounting to Rs. 800700/- is held under audit objection.

25. EXCESS PAYMENT OF RS. 319863/- IN EXECUTION OF SCHEME.

| | |
|--------------------------------|---------------------------------------------------------------------------------------------------------|
| (i) Scheme no. 9/ MU/2007-08 | Construction of Cannal and P.C.C. Road in ward 16 from House of Kedar Sharma to Hose of Late Madhu Raj. |
| Executing Agent | Sri Ram Sevak Sharma |
| Estimated cost | Rs. 491700/- |
| Value of work done as per M.B. | Rs. 492759 limited to Rs. 491700/- |
| Actual Amount paid to Agency | Rs. 491700/- |

Details of Vouchers

| | | |
|-------------------------|------------|-------------------|
| Earth Brick, Local Sand | Rs. 152495 | |
| Sone Sand | Rs. 16762 | |
| Cement & Stone Chips | Rs. 92673 | |
| Hume Pipe | Rs. 80510 | |
| Notice Board | Rs. 1000 | |
| Muster Roll | | |
| 04.05.07 to 10.05.07 | 19964/- | |
| 10.07.07 to 16.07.07 | 33296/- | Rs. 53260 |
| | | Rs. 396700 |

As least of the 3 item viz Estimated Cost, Value of work done as per M.B. and amount of vouchers is payable to the Executing Agency. So, Excess payment of Rs. 95000/- (Rs. 491700 - Rs. 396700) was made to the executing agent which may be recovered from the responsible person and deposited in Nagar Parishad fund.

| | |
|--------------------------------|--------------------------------------------------------------------------------------------------|
| (ii) Scheme no. 16/ MU/2007-08 | Construction of P.C.C. Road from the house of Md. Ali to Nahar (Canal) in ward no. 14, Ishanajar |
| Executing Agent | Sri Ram Sevak Sharma |
| Estimated cost | Rs. 497400/- |
| Value of work done as per M.B. | Rs. 499219/- |
| Work completed on | 01.08.07 |
| Actual Amount paid to Agency | Rs. 497400/- (including Royalty of Rs. 13650) |

Details of Voucher

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|
| Materials (Rs. 1,87,127 + Rs. 257176) | Rs. 444303 |
| Notice board | Rs. 1000 |
| Muster Roll (11.05.07 to 17.05.07) | Rs. 20884 |
| Note - Muster Rolls amounting to Rs. 32240 was not passed and checked by any superior authority hence not admissible in audit and not taken here | Rs. 466187 |
| Less:- Cost of unutilised cement lying with the executing Agency 212 bags (As per vouchers 674 bags - As per M.B. consumption of 462 bags) @ Rs. 190 | (-) Rs. 40280 |
| | Rs. 425907 |

Least of the three items Estimated cost Rs. 497400, work done as per M.B. Rs. 499219 and amount of vouchers Rs. 425907/- is payable to the Executing Agency. Thus Rs. 71493/- (Rs. 497400 - Rs. 425907) was paid to Executing Agency in excess which may be recovered from person responsible and deposited into Nagar Parishad Fund.

124

| | |
|---------------------------------|----------------------------------------------------------------------------------------------------------------|
| (iii) Scheme no. 18/ MU/2007-08 | Construction of underground Drain and P.C.C. Road from Patna Khagaul main road to House of Sri Arshad Abdullah |
| Name of Executing Agent | Sri Ram Sevak Sharma |
| Estimated cost | Rs. 731800/- |
| Actual Amount paid to Agency | Rs. 731800/- |
| Value of work done | Rs. 733334/- Limited to Rs. 731800 |

Details of Vouchers

| | |
|----------------------------------|------------|
| Brick Bat (Rs. 155109 - Rs. 583) | Rs. 154526 |
| Sone Sand and Hume pipe | Rs. 138742 |
| Earth | Rs. 18000 |
| Stone metal | Rs. 119593 |
| Morum | Rs. 7335 |
| Stone Chips | Rs. 84206 |
| Cement 60 bags | Rs. 11400 |
| Hire Charge of Road Roller | Rs. 13700 |
| Muster Roll (35812 + 53486) | Rs. 89298 |
| | Rs. 636800 |

Least of the three items Estimated cost Rs. 731800/- work done as per M.B. Rs. 733334/- and amount of vouchers Rs. 636800/- is payable to the Executing Agency. Thus Rs. 95000 (Rs. 731800 - Rs. 636800) was paid to Executive Agency in excess which may be recovered from person responsible and deposited into Nagar Parishad Fund.

| | |
|----------------------------|---------------------------------------------------------------------------------------------------------------------------------------|
| (iv) Scheme no. 01/2007-08 | Construction of hume pipe Drain and P.C.C. Road from the house of Jagdish Prasad to the house of Nathun Ram in Road no. 3, Ward no- 4 |
| Estimated cost | Rs. 428300 |
| Executing Agent | Md. Jamil Alam |
| Physical Status | Completed |

As per vouchers, 573 bags of Cement was purchased and payment was made accordingly but as per Measurement book 401 bags of cement only was utilised in the scheme as detailed below:-

| | |
|------------------------------------------------------------------|-----------------|
| 450 feet laying of 1 feet diameter N.P. hume pipe 450x9/100 i.e. | 40 bags |
| P.C.C. work 2006.50 cft x 18 /100 ---- | 361 bags |
| Total- | 401 bags |

As such payment for 172 bags (573 - 401) made to Executing Agent was in excess, Cost of which Rs. 32680/- (172 bags @ Rs. 190) may be recovered from the responsible person and deposited into Nagar Panchayat fund.

| | |
|---------------------------|-----------------------------------------------------------------|
| (v) Scheme no. 15/2007-08 | Construction of Drain and P.C.C. Road in Ishanagar ward no. -15 |
| Executing Agent | Ram Sevak Sharma |

As per vouchers 696 bags of cement and 2592 cft of stone chips were purchased and payment was made accordingly but the materials utilised as per M.B. was as under.

| | |
|---------------------------------------|-----------------|
| P.C.C. Road 2746.34 Cft x 18/ 100 | 494 bags |
| Messory Brick Drain 435 feet x 20/100 | 87 bags |
| Total- | 581 bags |
| Stone Chips utilised in P.C.C. | 2472 cft |

As such payment for 115 bags (696 - 581) of cement and 120 cft (2592-2472) of stone chips was in excess cost of which Rs. 25690/- (115 bags @ Rs. 190 and 120 cft @ 3200 per hundred cft) may be recovered from the person responsible and deposited into Nagar Parishad Fund.

Abstract

| Scheme no. | Amount (Rs.) |
|------------|-------------------|
| 9/07-08 | 95000 |
| 16/07-08 | 71493 |
| 18/07-08 | 95000 |
| 1/07-08 | 32680 |
| 15/07-08 | 25690 |
| | Rs. 319863 |

122

26. **EXECUTION OF WORK WITHOUT LABOUR AND MATERIAL**

Test check of scheme files M.Bs and other connecting papers in respect of schemes taken up from own source during 207-08 reveled that sinking of Hand Pump was done departmentally and agreements were made with departmental staff. The following schemes were completed and payment was made accordingly.

| Sl. No. | Scheme no. and details | Final payment (Rs.) | Name of Agency S/Sri |
|---------|----------------------------------------------------------------------------------------------------------------------------------|---------------------|----------------------|
| 1 | 46 (MU)/ 07-08, Sinking of Hand Pump in Jama Khari quarter near Rastriya ganj mohalla in ward no. - 7, Estimate Cost Rs. 17619/- | 15800 | Ram Sevak Sharma |
| 2 | 45 (MU)/ 07-08, Sinking of Hand Pump in Harijan Toli Bagicha in Kumhar Tli, Ward no. 6, Estimated cost Rs. 17619 | 15800 | -do- |
| 3 | 101 (MU)/07-08 Sinking of Hand Pump in front of D.S.P. office , Estimated Cost Rs. 17619/- | 17619 | -do- |
| 4 | 102/07-08 Sinking of Hand Pump in opposite of Mahavir Sansthan, Harunnagar Phase I, ward no. 8, Estimated Cost Rs. 17619/ | 17619 | -do- |
| | Total- | Rs. 66838/- | |

As per norms payment was to be made on the basis of Muster Roll and Material consumed but schemes were completed and payment was made without any engagement of labour and use of material, So, the execution of schemes seems to be doubtful and as such entire payment of Rs. 66838/- is not acceptable in audit. The same may be recovered from the executing agents/ J.E. and deposited in Nagar Parishad fund.

27. **FAKE MUSTER ROLLS**

Test check of scheme files for the year 2007-08 revealed the following facts

(121)

(i) In Muster Roll -I (Sl. No. 03,25,39) of scheme no 2/07-08 and Muster Roll -I (Sl. No. 25,46,57) of scheme no 3/07-08 for the period 10.12.07 to 17.12.07, names of 3 Labourers were Common while name of 20 labourers were with Comon names and different Surnames.

(ii) In Muster Roll I of Scheme no 3/07-08 (Sl. No. 8, 10, 14, 15, 17, 18, 19, 24) for the period 10.12.07 to 17.12.07 and in Muster Roll -I of Scheme no. 4/07-08 (Sl. No. 10, 7, 13, 14, 16, 42, 19, 49) for the period 15.12.07 to 22.12.07 names of 8 labourers were common for Commen period.

(iii) Muster Roll- I of the Scheme no. 2/ 07-08 did not bear the payment order of the Executive order.

(iv) Complete address of labourers was not indicated in any of the Muster Rolls.

Keeping the aforesaid facts in view the Muster Rolls amounting to Rs. 1,08,742/- was fake as detailed below:-

| Sl. No. | Scheme | Period of M.R. | Amount Rs. | Name of executive agency |
|---------|---------|----------------------|-----------------|--------------------------|
| 1 | 2/07-08 | 10.12.07 to 17.12.07 | 36122 | Sri Ram Sevak Sharma |
| 2 | 3/07-08 | 10.12.07 to 17.12.07 | 35664 | |
| 3 | 4/07-08 | 15.12.07 to 22.12.07 | 36956 | |
| | | Total- | 108742/- | |

The matter require through investigation by the higher authorizing. Pending Compliance the entire expenditure of Rs. 1,08,742/- on a/c of muster roll is held under objection.

28. MUSTER ROLL WITHOUT DATE

Test check of scheme files revealed that muster rolls amounting to Rs. 46130/- in 15 schemes did not bear the date of engagement of labours.

Details are as under:-