

**URBAN DEVELOPMENT AND HOUSING
DEPARTMENT**

**INTERNAL AUDIT REPORT
OF ULB - BARH NAGAR
PARISHAD, BIHAR**

01-04-2018 to 31-03-2019

F/Y 2018-19

M/S R.N.SINGH & CO.

CHARTERED ACCOUNTANTS.

208, HEM PLAZA; FRASER ROAD;

PATNA: 800001.

PHONE NO: 9431019502.

Report Issued on 06th July 2019

Urban Development and Housing Department

Executive Summary

1. INTRODUCTION

Name of the Municipality	Nagar Parishad BARH
Period covered under current audit	01-04-2018 to 31-03-2019
Name of Chief Municipal Officer for the period under Audit	Smt. Jaya

2. Results and Findings

Sr.No.	Strengths observed during the audit engagement
1.	Barh Nagar Parishad has properly maintained the General Cash book which is the consolidated cash book of all the schemes
2.	Board meetings of Barh Nagar Parishad are held regularly and problems faced in smooth operation are resolved by passing resolution
3.	Separate file of the parties to whom payments are made are properly maintained.

Sr.No	Weaknesses observed during the audit engagement
1.	we observed that the collection of property tax (Holding Tax) is very poor there are total demand for the FY 2017-18 is 1,09,21,170.00 including arrear of FY 2018-19 Rs. 48,27,747.00 but collected only Rs. 58,85,545.00 till the 4 th Qtr. of FY 2018-19 which is only 53.89% of total demand and collected amount is not deposited timely into Bank. In some cases, collected amount has been retained by the Tax Collectors for a period of 1-2 months from the date of collection of taxes.
2.	Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required.
3.	Tractor Trolley purchased from Vinayak Auto agencies as on dated 27/04/17 for Rs. 7, 86,000.00 without E-Tendering.
4.	UC of various scheme for RS. 631.93 are pending for submission to the Urban Development & housing Department till the 4 th Qtr. of financial year 2018-19 and their details provided in detailed report.

5.	ULB has Rs. 2,17,31,764.00 idle fund remaining in its account since the financial year 2016-17. If these funds be transferred to other account or utilised in other scheme, there would not be any blockage of fund.
6.	During the audit we have observe that BARH Nagar Parishad has not taken Registration and insurance for vehicle.
7.	During the audit we have observe that vouchers are not serially arranged and binded.
8.	No advance and recovery register is maintained by the Barh Nagar Parishad. Advance are given to employee without any requisition form.
9.	Double entry accounting system has not been implemented by the Barh Nagar Parishad.
10.	Ulb has not implemented computerized accounting system.
11.	ULB has not in practice to maintain subsidiary cash book, which is mandatory as per UD & HD guidelines.
12.	Barh Nagar Parishad is not in practice to prepare fixed asset register.
13.	Stock Register is not properly maintained by the nagar Parishad.
14.	Barh Nagar Parishad is not in practice to prepare the Bank Reconciliation Statement of different schemes.
15.	ULB has not been in practice to prepare monthly receipt and payment account.
16.	Cash Book has not been authorized by the executive Officer on daily basis.
17.	Demand and collection register is not maintained by the ULB.
18.	Daily Collection Register has not been maintained.
19.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.
20.	Log book is not properly maintained and consequently its analysis is not possible.
21.	During the audit we have observe that vouchers are not serially arranged and binded.
22.	Barh nagar Parishad is purchasing daily consumable stocks like Chuna, Bleaching Powder, lime powder etc. form supplier Mr. Sanjeet kumar jaiswal two or three times of market price. Details provided in detailed report.
23.	TDS, Royalty and Labour Cess have been deducted but it has not been deposited till date. Therefore, TDS Return has not filed till date. As per Income Tax Act 1961, penalty may be levied on ULB. It is a statutory irregularity.

24.	Tower tax has not been collected, since the establishment of the ULB even though number of tower is 17 as on 31-03-2019. Thus total outstanding tax amount is Rs. 17,80,000.00 For registration fee, renewal fee.
25.	The collection of shop rent tax is very poor. In Barh nagar Parishad, demand for shop rent is raised for 21 shops in Bosted Road Marketing Complex Block "A" and "B" for total of Rs. 6,90,080.00/- for the year 2018-19 including Rs. 3,45,040.00 for the financial year 2017-18. . But no amount has been collected during the financial year 2018-19.
26.	Section 84 of the Bihar Municipal Act, 2007. Provides that Municipality shall submit its budget intimates for the ensuring year to the State Govt. by 15 th of the March. But information furnished by the Nagar Parishad revealed that budget estimates were not passed on time by the board, which resulted into delay transmission of the same to the State Government.
27.	No Separate Grant register is being maintained; hence, it is difficult to find out the amount of unutilized grant at any point of time.
28.	Procurement register is not maintained by the Barh Nagar Parishad.
29.	Various register books of records etc. are not being prepared by the ULB such as Demand Register, statutory register with regards TDS, VAT, Labour Cess and royalty, Bid register of shop, Survey register/files of hoardings.
30.	Municipal Accounts Committee has not been constituted by the Barh Nagar Parishad.
31.	Barh Nagar Parishad has not in practice to deduct PF, and ESIC with respect to contractual employees.
32.	Barh nagar Parishad has not in practice to deduct Tds at the time of salary payment to the permanent and contractual employees.
33.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.

3. Opinion

As per Our Opinion the following improvement which is required. ULB is not working properly, even internal control is poor. Revenue collection of the ULB is very poor it may be increased too much higher level. All cash collection from source of revenue is not deposited in the bank on same day. It is deposited in the bank after making daily expenditure. Due to lack of manpower, there is delay in performing day-to-day work. There should be proper segregation of duties to perform day-by-day work in efficient manner. Bank reconciliation should be done monthly basis. We find that rules and regulation are there but ULB is not following them properly. Most of the Books of Accounts as prescribed by BMAR are not maintained by the ULB. There are serious lapses in deduction and deposit of statutory dues, such as Royalty, TDS, Labour Cess Etc. Separate Bank Account should be maintained for each Scheme.

4. Audit Recommendations

SL. No.	Observations	Recommendations
1.	Double entry accounting system has not been implemented by the Barh Nagar Parishad.	<ul style="list-style-type: none">• ULB should adopt double entry accounting system. Double entry accounting allows accounting department to prepare financial statement easily.• Double entry accounting system present accurate report of book of accounts of the income statement, balance sheet, cash flow statement and other financial statements and reports.• It provide check and balance which prevent fraudulent activity and reduce errors. Double entry accounting system prevents fraud in a greater way than single-entry accounting because it makes it difficult to manipulate accounts. You can easily detect accounts manipulation by examining the journal entries and comparing them to previous journal entries for the same or similar transactions.
2.	ULB has not implemented computerized accounting system.	ULB must have to implement computerized accounting system. It provides automatic ledger entries, accuracy and speed of automatic calculation, automatic production of trial balance from ledger entries, potential to create customized reports and provide additional analysis.
3.	ULB has not in practice to maintain subsidiary cash book, which is mandatory as per UD & HD guidelines.	ULB must have to maintain subsidiary cash book of all scheme which will help in cross verification of entry and utilization of grant from main cash book.

4.	Barh Nagar Parishad is not in practice to prepare fixed asset register.	<p>Barh nagar Parishad must have to maintain fixed asset register that will help in:-</p> <ul style="list-style-type: none"> • Track and identify the asset. • Security of the asset specifically to prevent theft. • Calculate depreciation annually. • Track gross book value and net value of asset. • Assists in conducting audit of assets and asset verification. • Help in estimating the repairs and maintenance cost. • Assists in estimating the future capital investment in fixed assets. • Comply with statutory requirements.
5.	Stock Register is not properly maintained and not regularly authorized from executive officer.	<p>ULB must have to maintain Material Receipt notes, Store ledger, Statement of closing stock and statement of material issued respectively in Form No. ST-1, ST-2, ST-3 ST-4.and regularly authorized from executive officer.</p>
6.	Barh Nagar Parishad is not in practice to prepare the Bank Reconciliation Statement of different schemes.	<p>Ulb must have to maintain Bank Reconciliation statement as per UD & HD guidelines, which will help in:-</p> <ul style="list-style-type: none"> • Accurate balance. • Prevent Theft. • Prevent mistakes. • Accounts in good standing.
7.	ULB has not been in practice to prepare monthly receipt and payment account.	<p>ULB should prepare receipt and payments accounts on monthly basis. Due to which it become very easy to find out how much fund has been received by the ULB.</p>

8.	Cash Book has not been authorized by the executive Officer on daily basis.	Cash book should be daily balanced and authorized by the executive officer.
9.	Demand and collection register is not maintained by the ULB.	ULB should maintain separate grant register as per UDHD guidelines.
10.	Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required.	As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014 Tax Collected has to be deposited on same day or latest before noon on the following working day.
11.	Daily Collection Register has not be maintained.	ULB should maintain DCR register separately for each head of its own revenue sources for appropriate internal control and also for appropriate disclosures of books of accounts.
12.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13	ULB should be prepare summary of daily collection in form GEN-13.
13.	UC of various scheme for Rs. 631.93 are pending for submission to the Urban Development & housing Department till the 4 th Qtr. of financial year 2018-19.	ULB should have to be prepare UC in prescribe format of various scheme as soon as possible and submit the same UD & HD Dept. also on regular interval as per prescribe guideline.
14.	Log book is not properly maintained and consequently its analysis is not possible.	ULB should maintain log book of vehicles & generator so that consequently its analysis is possible.
15.	No advance and recovery register is maintained by the Barh Nagar Parishad. Advance are given to employee without any requisition form.	Barh nagar Parishad must have to maintain advance register otherwise it would be very difficult to find out details regarding how much advance has been given to any particular person and how much recovery of same has been made from them.
16.	During the audit we have observe that vouchers are not serially arranged and binded.	Barh nagar Parishad must have to vouchers are serially arranged and binded because it creates difficulties during verification of payment.

17.	Tractor Trolley purchased from Vinayak Auto agencies as on dated 27/04/17 for Rs. 7, 86,009.43 without any e-tendering.	ULB must have to procured all Equipment's/Store/Material for value more than the Rs. 5,00,000.00 through E-tendering.
18.	During the audit we have observe that BARH Nagar Parishad has not taken Registration and insurance for vehicle that will lead to loss to Ulb in case of any damage or theft and it is also non-compliance of rules and regulations.	Barh Nagar Parishad must have to take registration and insurance that will prevent from loss to ULB.
19.	TDS, VAT, Royalty and Labour Cess have been deducted but it has not been deposited till date. Therefore, TDS Return has not filled till date. As per Income Tax Act 1961, penalty may be levied on ULB. It is a statutory irregularity.	Barh nagar Parishad must have to deducted and deposited statutory liability within the stipulated time limit otherwise it amounts to huge penalty which leads to loss of nagar Parishad.
20.	Tower tax has not been collected, since the establishment of the ULB even though number of tower is 16 as on 31-03-2019. Thus total outstanding tax amount is Rs. 17,80,000.00 For registration fee, renewal fee.	Barh nagar Parishad must collect mobile tower tax which comes under its jurisdiction otherwise it leads to loss of revenue to Barh nagar Parishad.
21.	The collection of shop rent tax is very poor. In Barh nagar Parishad, demand for shop rent is raised for 21 shops in Bosted Road Marketing Complex Block "A" and "B" for total of Rs. 6,90,080.00/- for the year 2018-19. But no amount has been collected during the financial year 2018-19.	Nagar Parishad Barh must collect shop rent which comes under its jurisdiction otherwise it leads to loss of revenue to Nagar Parishad Barh.
22.	No Separate Grant register is being maintained; hence, it is difficult to find out the amount of unutilized grant at any point of time.	Ulb should maintain separate grant register for each scheme.

23.	Procurement register is not maintained by the Barh Nagar Parishad.	Barh nagar Parishad must have to maintain procurement register as per UDHD guidelines and also without procurement register verification of procurement process is very difficult.
24.	Cheque issue register is not maintained by the Barh Nagar Parishad and it is showing non-guidelines of UD & HD.	Barh nagar Parishad must have to maintain cheque issue register that will help in verification of payment process.
25.	Various register books of records etc. are not being prepared by the ULB such as Demand Register, statutory register with regards TDS, VAT, Labour Cess and royalty, Bid register of shop, Survey register/files of hoardings.	ULB should maintain all the books of account, register, records etc. as prescribe in Bihar municipal accounts Act, Manual and Rules.
26.	Municipal Accounts Committee has not been constituted by the Barh Nagar Parishad.	Municipal accounts committee must be constituted by the Barh nagar Parishad.
27.	Barh Nagar Parishad has not in practice to deduct PF and ESIC with respect to contractual employees.	Barh nagar Parishad must have to deduct PF and ESIC with respect to contractual employees.
28.	Barh nagar Parishad has not in practice to deduct Tds at the time of salary payment to the permanent and contractual employees.	Barh Nagar Parishad must have to deduct TDS at the time of salary payment to the permanent and contractual employees and deposited within the stipulated time limit.

5. Comments from Management

Sr.No	Observation	Management Comment
1.	we observed that the collection of property tax (Holding Tax) is very poor there are total demand for the FY 2017-18 is 1,09,21,170.00 including arrear of FY 2018-19 Rs. 48,27,747.00 but collected only Rs. 58,85,545.00 till the 4 th Qtr. of FY 2018-19 which is only 53.89% of total demand and collected amount is not deposited timely into Bank. In some cases, collected amount has been retained by the Tax Collectors for a period of 1-2 months from the date of collection of taxes.	<p>Provided in the Discussion Note.</p>
2.	Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required.	
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6. Acknowledgement: -

We thank Smt. Jaya (Executive Officer), for his support during the period of our audit. We are also thankful to accountant and other staff of the Nagar Parishad for their co-operation during the period of audit.

For R. N. SINGH & CO.

Chartered Account

ICAI Reg.No:322066E



CA Chanakya Shree

Partner

M.No: -079322

UDIN- 20079322AAAALO9776

Date- 11-06-2020



Detailed Audit Report

1. Introduction

The Internal audit of (BARH Nagar Parishad) covering the period from 1st April 2018 to 31st March 2019 was conducted by following persons under guidance of TL CA Chanakya Shree and MAE CA Ashok Kumar Pandey:-

Mr. Santosh Kumar

2. Administration

The present body of the ULB has taken charge on 19-01-2019. The incumbency in the key administrative and executive positions was as under:

Smt. Shakuntla Devi Chairman from 01/04/2014 to till date.

Smt. Jaya Executive Officer from 19/01/2019 to till date.

3. Review of outstanding audit paras:

Status of Audit Observations is as under:

Sl. No.	Particulars of Audit and date of report	Total no. of audit Paras	Total no. of audit Paras where necessary improvement/ corrective measure is required	Total no. of audit Paras where recovery of cash is proposed	Total no. of audit Paras where recovery has been made	Total amount of Recovery	Total no. of outstanding para where no action has been taken	No. and Date of Compliance Report
1.	AG Audit for the 2015-2016	19	19	05	00	00	19	Not Complied
2.	Internal Audit for the Year 2016-2017 (Qtr. 1)	18	18	00	00	00	18	Not Complied

3.	Internal Audit for the Year 2016-2017.(Qtr.2)	15	15	00	00	00	15	Not Complied
4.	Internal Audit for the Year 2016-2017.(Qtr3)	18	18	0	00	00	18	Not Complied
5.	Internal Audit for the Year 2016-2017.(Qtr4)	14	14	0	0	0	14	Not Complied

Detail Report on Compliance of Previous Internal Audit Report: -

Sr.No.	Audit Observation	Nature of Irregularities	of	Compiled/Non-Complied
1.	ULB is not in practice to maintain subsidiary cash book of different schemes.	Persisting	since last year.	Not Complied
2.	ULB is not in practice to maintain Double Entry Accounting System. It is not implemented at the unit	Persisting	since 2016-17.	Not Complied
3.	Municipal Accounts Committee has not been constituted by the Barh Nagar Parishad	Persisting	since 2016-17.	Not Complied
4.	ULB is not in practice to maintain the Advance and recovery register.	Persisting	since 2016-17.	Not Complied
5.	ULB has not implemented the computerized accounting system.	Persisting	since 2016-17.	Not Complied.
6.	ULB is in practice to deposit the amount of TDS, Royalty, Labour cess and VAT through BRGF has not been deposited till the date of audit.	Persisting	since 2016-17.	Not Complied.
7.	Advertisement tax are not being collected by the Nagar Parishad Barh.	Persisting	since 2016-17.	Not Complied.
8.	ULB has idle fund remaining in its accounts.	Persisting	since 2016-17.	Not Complied.

9	<p>During the year 2016-17, Sairat for 10 different places are required to be done. But Sairat of only 6 places are done. Other 4 places sairat is not done which amount of Rs. 4, 94,250/-. It results in loss of income to the ULB</p> <table border="1" data-bbox="395 521 842 846"> <thead> <tr> <th>Sl. No.</th> <th>Particular of Sairat</th> <th>Minimum Bid Value</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Bus Stand & Temp Stand</td> <td>4,13,600/-</td> </tr> <tr> <td>2.</td> <td>Kachra</td> <td>25,000/-</td> </tr> <tr> <td>3.</td> <td>Gumti</td> <td>35,650/-</td> </tr> <tr> <td>4.</td> <td>Sauchalay</td> <td>20,000/-</td> </tr> <tr> <td colspan="2">Total</td> <td>4,94,250/-</td> </tr> </tbody> </table>	Sl. No.	Particular of Sairat	Minimum Bid Value	1.	Bus Stand & Temp Stand	4,13,600/-	2.	Kachra	25,000/-	3.	Gumti	35,650/-	4.	Sauchalay	20,000/-	Total		4,94,250/-	Persisting since 2016-17.	Not compiled.						
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10	<p>Barh Nagar Parishad had done Sirat for 6 different places for the year 2016-17 amounting to Rs. 6, 46,500/- . ULB has received the amount of Sairat from concerned parties but the agreement to Sairat is not entered with them till the audit date.</p> <table border="1" data-bbox="352 1249 874 1727"> <thead> <tr> <th>Sl. No.</th> <th>Particular of Sirat</th> <th>Minimum Bid Value</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Tempo from Station</td> <td>1,20,000/-</td> </tr> <tr> <td>2</td> <td>Magahi punima Mela</td> <td>2,60,000/-</td> </tr> <tr> <td>3</td> <td>Kartik Purnima Mela</td> <td>46,000/-</td> </tr> <tr> <td>4</td> <td>Bisua Mela</td> <td>65,000/-</td> </tr> <tr> <td>5</td> <td>Other Mela</td> <td>90,500/-</td> </tr> <tr> <td>6</td> <td>Rickshaw</td> <td>65,000/-</td> </tr> <tr> <td colspan="2">Total</td> <td>6,46,500/-</td> </tr> </tbody> </table>	Sl. No.	Particular of Sirat	Minimum Bid Value	1	Tempo from Station	1,20,000/-	2	Magahi punima Mela	2,60,000/-	3	Kartik Purnima Mela	46,000/-	4	Bisua Mela	65,000/-	5	Other Mela	90,500/-	6	Rickshaw	65,000/-	Total		6,46,500/-	Persisting since 2016-17.	Not Compiled.
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Total		6,46,500/-																									
11	In Barh Nagar Parishad demand for Shop Rent tax is	Persisting since	Not Compiled.																								

	raised for 21 shop in Bosted Road Marketing Complex Block "A" and "B" for total of RS. 3,45,040/- for the year 2016-17 But no amount has been collected during the 1 st , 2 nd , 3 rd and 4 th quarter of financial year 2016-17	2016-17.	
12	Mobile tower tax of Rs. 12, 00,000.00 is outstanding to collect.	Mobile tower tax has not been collected since the date of installation.	Not Compiled.
13	A Sum of Rs. 11,895.00 for stamp duty is outstanding to collect from Sairat holders.	Persisting since 2016-17.	Not Compiled.
14	Main cash book has not been maintained in such a manner through which it has been very difficult to find out how much property tax, assigned revenue and Others (Fees & user chares) have been collected during 4 th quarter of financial year 2016-17	Persisting since 2016-17.	Not Compiled.

4. Finance

I. Budgetary provisions and expenditure for the last three years

Year	2016-17	2017-18	2018-19
Final/Revised Budget	7,68,15,09,200.00	4,36,75,13,693.00	4,29,40,85,662.00
Actual Expenditure	7,88,84,108.00	5,84,96,548.00	10,93,20,700.00
Savings(+)/ Excess(-)	7,60,26,25,092.00	4,30,90,17,145.00	4,18,47,64,962.00

II. Volume of transactions

Period	Budgeted	Previous year (2017-18)	current year (2018-19)
Opening balance	29,28,20,477.00	15,87,87,871.00	18,60,66,160.00
Receipts	4,00,23,65,386.00	8,57,74,837.00	10,05,43,850.00
Total	4,29,51,85,863.00	24,45,62,708.00	28,66,10,010.00
Net expenditure	4,29,40,85,662.00	5,84,96,548.00	10,93,20,700.00
Closing balance	11,00,201.00	18,60,66,160.00	17,72,89,310.00

III. Bank Reconciliation: -

We have observed that Barh nagar Parishad is not in practice to maintain different subsidiary or scheme wise cash book. However, bank reconciliation statement has not been prepared by the ULB. Moreover, the balance of different bank accounts has been provided which are as follows.

Details of closing balance

Si. No.	Name of Scheme	Bank name	Balance as per cash book As on 31-03-2019	Balance as per pass book As on 31-03-2019	Difference	Account Number
1.	Treasury P& L	Treasury	139876438.25	139876438.25	0.00	Treasury
2.	13/14 th finance	SBI/973	0.00	0.00	0.00	973
3.	BRGF	PNB/2396	2037191.00	2037191.00	0.00	2396
4.	SBM	B.O.I/7455	113434.00	113434.49	0.00	7455
5.	SBM	IDBI/5976	3038429.00	3038429.00	0.00	5976
6.	HFA (House for All)	IDBI/5985	21739495.00	21739495.00	0.00	5985
7.	Revenue Receipt	PNB/3282	360774.00	360774.04	0.00	3282
8.	Pension/ Kabir Anthuosti	AXIS/1957	2377171.00	2377171.00	0.00	1957
9.	E-Governance	AXIS/3314	28202.00	28202.00	0.00	3314
10.	SJSRY	AXIS/9025	5320579.00	5320579.00	0.00	9025
11.	BRGF	Canara Bank/8667	22690.00	Updated passbook not provided	-	8667
12.	SBM (icici)	ICICI/0626	2427629.00	2427629.00	0.00	0626
13.	NULM	IDBI/3662	19709.00	19709.00	0.00	3662

IV. Revenue Receipts: -

Income Details (Amounts to be provided in Rupees)						
Sl No.	Details	2017-18		2018-19		2019-20
		2017-18	2016-17	2018-19	2017-18	2019-20 2018-19
	Total Receipts (A+B)	85774837	137817543	100543850	85774837	Not Applicable
A.	Revenue Receipts (1+2+3)	10865919	206458354	24503274	10865919	
1.	Own Revenue Receipts (a+b)	9671710	13488697	6764954	9671710	
a)	Tax Revenue (levied and collected by municipal body)	7942630	13488697	5885545	7942630	
i)	Property tax (Holding Tax)	7942630	13488697	5885545	7942630	
ii)	Other tax (levied and collected by municipal body) (mobile tower tax, advertisement tax, latrine tax)	0	0	0	0	
b)	Non-tax revenue (levied and collected by municipal body)	1729080	0	879409	1729080	
i)	Fees & fines (0		0	0	
ii)	User Charges (Hire Charges for Vehicles, uses of municipal property, and other hire charge)	1729080	0	879409	1729080	
iii)	Other non-tax revenue (levied and collected by municipal body)	0	0	0	0	
2	Other Revenue Receipts	996989	1012897	1641655	996989	

a)	Income from interest/investments	996989	1012897	1322355	996989	
b)	Other Revenue income	0	0	319300	0	
3.	Transfers/ Grants/ Assigned Revenues	197220	6144240	16096665	197220	
a)	State Assigned Revenue	0	2000000		0	
b)	State Finance Commission (SFC) Grants/ Devolution	0	493600	15824445	0	
c)	Octroi compensation	0	0		0	
d)	Other State Govt. Transfer	197220	3650640	272220	197220	
e)	Central Finance Commission (CFC) Grant	0	0	0	0	
f)	Other Central Govt. Transfer	0	0	0	0	
g)	Others	0	0	0	0	
B.	Capital Receipts	74908918	117171709	76040576	74908918	
1	Sale of Municipal Land	-	-	-	-	
2	Loans (from State Govt. or Banks etc.)	-	-	-	-	
3	State Capital Account Grant (under State Schemes etc.)	74908918	86717184	52935273	74908918	
4	Central Capital Account Grant (under Central Schemes etc.)	0	30454525	23105303	0	Not Applicable
5	Other Capital Receipts	0	0		0	

v. Revenue and Capital Expenditure Information: -

Expenditure Details (Amounts to be provided in Rupees)							
Sl. No	Details	2017-18			2019-20		
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
Total Expenditure (1+2)		58496548	78884108	109320700	58496548	Not Applicable	
1	Revenue Expenditure	37730049	46056080	51331846	37730049		
1.1	Administrative Expenses, Establishment and Salaries (All Departments-Regular and Contractual Staff)	32578429	28909964	30466934	32578429		
1.2	Operation and Maintenance (O&M)	3268252	12958625	16205229	3268252		
1.3	Loan repayment (Interest payments)	0	0	0	0		
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	1883368	4187491	4659683	1883368		
2.	Capital Expenditure	20766499	32828028	57988854	20766499		
2.1	All developmental works under Central/State specific schemes	20766499	32608159	57539776	20766499		
2.2	Loan Repayments (Principal Amount)	-	0	0	0		
2.3	Other Capital expenditure	-	219869	449078	-		

VI. Status of implementation of Double Entry Accounting System

Double Entry Accounting System is not implemented by the Barh Nagar Parishad during the financial year 2018-19.

VII. Status of Municipal Accounts Committee; if meeting is held

BARH Nagar Parishad has not been constituted Municipal Accounts Committee under section 98 of the Municipal Act, 2007.

5. Audit Observations

Part – A

All Audit objections/irregularities which has monetary implication, particularly in following areas

a. Leakage of own source revenue either due to wrong assessment or non-levy of property tax, mobile tower tax, rent on municipal properties, advertisement tax, fee etc.

(a) Mobile Tower Collection: -

Audit Objective – As per Point No. – 5.00 of TOR

Criteria – Tower Tax is taxes on Communication Tower & related structure as defined in BIHAR COMMUNICATION TOWERS AND RELATED STRUCTURES RULES, 2012. As per the rule, all operators are required to register with their concerned ULBs and pay registration fee & renewal charges on annual basis for communication tower erected within municipal area. Currently the registration fee for Nagar Parishad is Rs. 40,000/- per tower and annual renewal fee is Rs. 10,000/- per annum per tower.

Condition –As per details provided to us there are total 17 (Seventeen) Mobile Towers installed within the Area of Barh Nagar Parishad up to 31.03.2019 and Rs. 17,80,000.00 has been due but not collected till the date of audit from these tower operators as Tower Tax.

Consequence Effect / Impact - Due to non-collection of Tower Rent with in prescribe time line, ULB incurred interest loss and also the due to non-collection of taxes, and public interest has also been suffered.

Cause – We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval. The ULB has not proper mechanisms for supervision and monitoring of the Tower Rent due to which result in Revenue leakage.

Corrective Action / Recommendation – As per our opinion, management should review the collections on monthly and take appropriate actions against irregularity

Si. No.	Tower Name	Address	Year of installation	Amount due (till 31-03-2018)	Amount due (Renewal 2018-19)
1.	TATA Indicom	Ward no. – 10	Not provided	1,00,000.00	10,000.00
2.	Idea	Ward no. – 17	Not provided	1,00,000.00	10,000.00
3.	Aircel	Ward no. –23	Not provided	1,00,000.00	10,000.00
4.	TATA Indicom	Ward no. –02	Not provided	1,00,000.00	10,000.00
5.	Airtel	Ward no. –04	2008-09	1,00,000.00	10,000.00
6.	Airtel	Ward no. –26	2006-07	1,00,000.00	10,000.00
7.	BSNL	Ward no. – 10	Not provided	1,00,000.00	10,000.00
8.	Reliance	Ward no. – 17	Not provided	1,00,000.00	10,000.00
9.	Aircel	Ward no. – 01	Not provided	1,00,000.00	10,000.00
10.	BSNL	Ward no. – 05/01	Not provided	1,00,000.00	10,000.00
11.	Reliance	Ward no. –07	Not provided	1,00,000.00	10,000.00
12.	Aircel	Ward no. –07	Not provided	1,00,000.00	10,000.00
13.	Idea	Ward no. –26	Not provided	1,00,000.00	10,000.00
14.	BSNL	Ward no. –01	Not provided	1,00,000.00	10,000.00
15.	Vodafone	Ward no. –23	Not provided	1,00,000.00	10,000.00
16.	ATC Tower	Ward no. –04	2011-12	1,00,000.00	10,000.00
17.	Reliance Jio	Details Not Provided	2016-17	10,000	10,000.00
Total				16,10,000.00	1,70,000.00

(b) Advertisement Tax

Audit Objective – As per Point No. – 5.00 of TOR

Criteria – Non – levied of advertisement tax by the ULB.



Consequence / Effect / Impact - Due to non - levied of collection of advertisement tax, there is a revenue loss to ULB.

Cause – This happens due to lack of awareness of imposition of advertisement tax of concerned person of the ULB.

Corrective Action / Recommendation – There should be proper monitoring and further steps are required to be taken for collection of advertisement tax by concerned ULB.

(c) Holding & Property Tax Deposit – Irregularity: -

Audit Objective – As per Point No. – 5.00 of TOR

Criteria – As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014 Tax Collected has to be deposited on same day or latest before noon on the following working day.

Condition – we observed that the collection of property tax (Holding Tax) is very poor there are total demand for the FY 2017-18 is 1,09,21,170.00 including arrear of FY 2018-19 Rs. 48,27,747.00 but collected only Rs. 58,85,545.00 till the FY 2018-19 which is only 53.89% of total demand and collected amount is not deposited timely into Bank. In some cases, collected amount has been retained by the Tax Collectors for a period of 1-2 months from the date of collection of taxes.

Consequence / Effect / Impact - Due to non-deposit of Tax on due time, ULBs is suffering from Revenue Loss in the form of Bank Interest which could have been earned on these Receipts. Further this is a lapse on Internal Control due to non-submission of Counterfoil and record updation of assesses due.

Cause – This happens due to non-follow up and monitoring of activities of Tax Collector by the concerned officer on regular interval.

Corrective Action / Recommendation – There should be day to day monitoring on Collection of Taxes by Tax Inspector/Collectors and deposit of collection into Bank either on same day or latest before noon on the following working day.

(d) Holding & Property Tax Collection: -

Audit Objective – As per Point No. – 5 of TOR

Criteria – Non-Collection of Property Tax/Holding Tax by the concerned ULB.

Consequence / Effect / Impact - Holding / Property Tax is collected by the tax collector from all wards but in some cases, property tax is not being collected from long period by the tax collector. Due to non-collection of Property/Holding Tax, there is a major operational revenue loss to ULB and there is no record / register to know total current & arrear demand of holding tax. Demand / Arrear Register have also not been provided to us for verification.

Cause – This happens due to lack of proper follow up and monitoring of activities of Tax Inspector / Collector by the concerned officers on regular interval.

Corrective Action / Recommendation – There should be day to day monitoring on Collection of Taxes and also maintenance and updating of Demand & Collection Register on regular interval.

(e) RENT OUTSTANDING

Audit Objective– As per Point No. – 5 of TOR

Criteria– Non-Collection of rent and imposition of late fine by the concerned ULB.

Consequence / Effect / Impact- Due to non-collection of Rent there is a revenue loss to ULB. The collection of shop rent tax is very poor. In Barh nagar Parishad, demand for shop rent is raised for 21 shops in Bosted Road Marketing Complex Block "A" and "B" for total of Rs. 6,90,080.00/- for the year 2018-19 including Rs. 3,45,040.00 for the financial year 2017-18. But no amount has been collected during the financial year 2018-19.

Cause– This happens due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval. The ULB does not have proper mechanisms for supervision and monitoring of the Rent which results in Revenue leakage.

Corrective Action / Recommendation– There should be proper monitoring and further steps are required to be taken for collection of Rent by concerned ULB.

b. Excess payments against bill, lack of prudence in payment against vouchers inefficiency in control resulting loss to ULB'S;

No observation found in this regard.

C. Report on finding of field survey of property tax of minimum 20 high value properties;

Property Tax on 20 high value property

Property / Holding tax are assessed by the ULB. There for property tax on Minimum 20 high value could be determined.

Sr. No.	Name of Holder	Holding No.	Type of Building	Area	Rate	Annual Valuation	Tax (Area*Rate)*9%	Remarks
1.	Urmila Devi	03/0444	Commercial	1296	30	38800	3538	Correct Valuation
2.	Kanchan Devi	05/190/195	Commercial	735	30	22050	2441	Correct Valuation
				2517	20	50340		
3.	Masir Ahamad	03/0202	Residential	2020	12	24240	1128	Correct Valuation
4.	Indra Devi	05/0149/172	Commercial	2251	30	67530	2533	Correct Valuation
5.	Murgendra Krishna Prashad	03/0465	Residential	1014	22	3535	3616	Correct Valuation
			Commercial	505	7	39750	3653	Correct Valuation
6.	Nisha Devi	03/0468	Commercial	1325	30	39750	3616	Correct Valuation
7.	Md. Makshud Alam	05/0148/173	Commercial	3915	30	117450	3653	Correct Valuation
8.	Jay Prakash Singh	03/0469	Residential	1553	13	20189	1837	Correct Valuation
9.	Ramachandra Prashad	03/0296	Commercial	1714	18	30852	1618	Correct Valuation
				250	6	1500		Correct Valuation
10.	Saryug Singh	03/0303	Commercial	100	7	700	1488	Correct Valuation
			Residential	712	22	15664		Correct Valuation
11.	Siwanandan Prashad	03/0485	Residential	1862	13	24206	2202	Correct Valuation
12.	Ambika Saw	03/0324	Residential	1264	22	27808	1380	Correct Valuation
13.	Kumari Manju Singh	03/0487	Commercial	2499	10	24990	2274	Correct Valuation
14.	Aarya Samaj School	03/0332	Residential	1498	12	17976	1635	Correct Valuation
15.	Smt. Sabita Devi	05/0104	Commercial	3720	22	81840	2593	Correct Valuation
			Residential	1760	30	52800		Correct Valuation

16.	Dharmshila Devi	03/0333	Commercial	1876	10	18760	1925	Correct Valuation
			Commercial	800	3	2400		Correct Valuation
17.	Schitanand Prashad Singh	03/0337	Residential	1010	22	22220	2022	Correct Valuation
18.	Anup Kumar Sinha	03/0351	Residential	1352	12	16224	1476	Correct Valuation
19.	Laxmipati Prashad	03/0352	Residential	2028	12	24336	2213	Correct Valuation
20.	Zila Parishad	03/0520	Commercial	8003	30	240090	30469	Correct Valuation
				3647	20	72940		
				3427	10	21796		

Part-B

All Audit objections/regularities which has no monetary implication, but significant violation of act, Rules directives of UD&HD. Mention the reference to Act & Rules wherein remedial measure is required.

a. Non –maintenance of books of accounts, subsidiary registers: -

We have observe that following register which are given below that have not been maintained by the Barh Nagar Parishad:-

1.	UlB is not in practice to maintain subsidiary cash book of all scheme.
2.	Monthly receipt and payment account is not prepared by the Barh nagar Parishad.
3.	Monthly income and expenditure account is not prepared by the UlB.
4.	Grant register is not maintained by the Barh nagar Parishad
5.	Scheme register is not maintained at the UlB level.
6.	Advance issue and recovery register is not maintained by the UlB.
7.	Pay-roll register is maintained by the UlB.
8.	Assessment register of property tax.
9.	Provision made register of all taxes/user charges/ fees & fines.
10.	Demand and collection register of shop rent.

11.	Rent register of shop.
12.	Demand and collection of mobile towers and registration files of mobile tower.
13.	UlB is not in practice to maintain procurement register.
14.	Bid register is not maintained by the UlB.
15.	Cheque issue register is not maintained by the Barh Nagar Parishad.
16.	Records and revision of Taxes and rent.
17.	Civil suit register is not maintained at the UlB level.
18.	Demand and collection register of Hoardings.
19.	UlB is not in practice to maintain fixed asset register.
20.	Stocks register are not properly maintained.
21.	Sairat register is not maintained at the UlB level.
22.	Log book is not prepared at the UlB level.

(b). Irregularity in procurement process: -

- During the audit we have observe that Barh nagar Parishad has purchased 6 Tractor Trolley from Vinayak Auto Agencies as on dated 27/04/17 for Rs. 7,86,000.00 without any E-tendering and Quotation.
- Barh nagar Parishad is purchasing daily consumable stocks like Chuna, Bleaching Powder, lime powder etc. form supplier Mr. Sanjeet kumar jaiswal two or three times of market price. Details provided below:-

Sr.No.	Particular	Market Price	Purchased Price
1.	Chuna Powder	8.00/-	21.00/-
2.	Bleaching Powder	15.00/-	46.00/-
3.	Methanol Chemical	350.00/-	790.00/-

(c). Non-compliance of directives by UD &HD, Government of Bihar: -

Such details have not been provided by the ULB.

(d). Non- compliance of Act & Rules: -

- i. The ULB is not preparing the Accounts and Financial Statement as per Section 86 & 88 of the Bihar Municipal Act, 2007. As required under section 88 of the said Act, the ULB is required to prepare within four months from the close of the year, Financial Statement Containing an Income & Expenditure Accounts and a Receipt and Payment Account for the previous year w.r.t. the accounts of the ULB.
- ii. The ULB is not preparing Fund Wise Receipts & Payments under BMAR Form No. 71 within 20th day of the subsequent months as per Rule 120 of the Bihar Municipal Accounts Rule 2014.
- iii. The ULB is not preparing following Financial Statement of the Preceding years as required under Rule 122 of the Bihar Municipal Accounts Rule, 2014:
 - a. Receipt & Payment Accounts for the Year (BMAR Form No 71).
 - b. Income & Expenditure Account for the Year (BMAR Form No 73).
 - c. Balance Sheet as on 31st March of the Year (BMAR Form No 74).
- iv. The ULB is not depositing the Collection of revenue from its own sources on the same day on which it is being collected.

(e). Lack of internal control measures: -

- There should be subsidiary cash book for each scheme however, subsidiary cash book has not been prepared by the Barh nagar Parishad.
- No advance and recovery register is maintained by the Barh nagar Parishad. Advance are given to the employee without any requisition form.
- Log book is not properly maintained and consequently its analysis is not possible.
- Bank reconciliation statement is not prepared by the Barh Nagar Parishad.
- Cash book has not been balanced and authorized by the executive officer on daily basis.

(f). Non-compliance of TDS, GST and other relevant statute: -

We observed that TDS, GST, Royalty and Labour Cess for the FY_2018-9 has been deducted but not deposited to appropriate authority by the ULB till the date of audit. Also Return Filing of TDS and GST has not been made by the ULB.

(g). Deficiency in pay-roll system: -

The Pay-roll system at the ULB is not satisfactory. The register, records relating to statutory deduction like PF, ESIC, Income tax are not maintained. The PF, ESIC with respect to permanent and contractual employee are neither deducted nor paid to the statutory authority.

(h). Utilizations of grant and report on missing Utilization certificates of financial year 2018-19:-

During the course of audit we observed that some of the UCs has been pending for submission to the UD & HD and the details of the pending UCs(in lakh) are as follows:-

S. No.	Name of the Scheme	Letter No.	Amt. Allotted	UCs Pending Amt.
1.	CM Nal Jal	173/28.10.16	199.97	199.97
2.	5 th Finance	47/14.09.17	259.85	65.97
3.	Professional Tax	24/30.06.17	20.57	20.57
4.	14 th Finance	98/24.01.18	104.44	104.44



i. Physical verification of inventory/stores: -

Inventory/ Stores Register is not properly maintained and Fixed Assets Register have not been maintained in concerned ULB and in the absence of above register; it is difficult to verify the same.

j. Advances, their adjustment & recovery: -

No advanced and recovery register is maintained by the Barh Nagar Parishad. Advances are given to the employees without any requisition form. Approval is given by the executive officer on the concerned file. After the submission of bills, concerned advances are adjusted with the concerned files. ULB does not summery details of the amount of advances given to the Employees.

k. Any other matter as may be prescribed in due course: -

ULB has idle fund remaining in its account during the financial year 2018-19. If these funds be transferred to other account or utilised in other scheme, there would not be any blockage of fund. Details of idle fund are as follows: -

Si. No.	Scheme	Amount	Pending Since
1.	Administrative building	6129000.00	31/03/2017
2.	Civil Amenities (Nagrik subidha)	9281376.25	31/03/2017
3.	Purchase of Laptop/tablet	200130.00	31/03/2017
4.	Stamp Duty	320723.00	31/03/2017
5.	State plan ward No.2	3398012.00	31/03/2017
6.	State plan ward No.17	2402553.00	31/03/2017
Total		2,17,31,764.00	



PART – “C”

Scope of Audit

Sl. No	Particular	Remarks/ Observation
1	Whether all these the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	No observation found in this regard.
2	What is the status of implementation of SAS of Property Tax in the ULB; If SAS has been implemented then witness some assessment procedures to check any in-consistencies in assessment. At least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not).	We have been witnessed the 20 high value of property same has been reported in point c, PART A of the report.
3	Whether all compliance have been complied regarding Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR Rule 22: All moneys to be brought to account Rule: 27: Collections to be deposited into Bank on the same day Rule 69: Grant Related Compliance Rule 120-121: Monthly Receipt & Payment Account and Trial Balance Rule 130: Audit to be completed & reported within 6 month	All the compliance has been made at ULB except Rule: 27 & Rule 120-121. <ul style="list-style-type: none"> • Ulb is not in practice to deposit holding collection into bank on the same day. • Ulb is not in practice to prepare monthly Receipt & payment account and trial balance.
4	Whether all such compliance of financial guidelines of schemes of MOHUA and UD & HD, Gob have been complied.	Yes, Compliance of financial guidelines of schemes of MOHUA and UD & HD, Gob have been complied.
5	If any revenue losses and opportunities lost or missed including in the area of Property Tax,	Loss of Rs. 17,80,000.00 has been made to the ULB for non-collection

	Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sai rat etc. have incurred then quantify the same.	registration and renewal fee from installed transmission tower in the jurisdiction of ULB.
6	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	No Observation Found in this regard.
7	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	Procurement register is not maintained by the Barh nagar Parishad for all Procurements with value above Rs. 15,000/-
8	An assessment of presence or absence of a system of issuance of utilization certificate for the different schemes for any utilization made during the reporting period; Where there is no system for issuance of U/Cs, prepare Utilization Certificate for various schemes/grants as per the guidelines of such scheme available on the UD & HD website.	UC of Rs 631.93 lakhs of various scheme are pending for submission to the Urban Development & housing Department till the 4th Qtr. of financial year 2018-19.
9	Verify instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	We have been verified such instances and found some irregularities. Details of irregularity have annexed in Executive Summary in Observation Para, and recommendations have also been annexed in Recommendation in Executive Summary.
10	Whether all such payments have been made according to payment terms & conditions of tenders and rate offers are according to procurement law and policies.	Yes, all payment has been made according to payment terms & conditions of tenders.
11	Whether the fixed deposit and other funds should be kept in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.	No, Such type of issued found in this regards.

12	Verify all major areas of ULBs and assessed revenue loss and if any losses have been identified then prepare a statement of loss for revenue losses.	We have verified all major areas of ULB and assessed some revenue losses, same have been reported in "Part A".
13	Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.	We observed that statutory compliance has not been accomplished by ULB regarding deduction, deposit and return also. Details of major statutory irregularities are: <ul style="list-style-type: none">• TDS return has not been filled.• TDS have not been deposited within the stipulated time line.• Labor cess has not been deducted appropriately.• VAT liability has not been settled till the date of audit. Penalty and Interest may be levied on ULB as per Statutory Laws.

General Observations: -

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Advance register, annual accounts, assets register were not maintained. Effective steps may be taken to improve the maintenance of accounts and increasing of its own sources of revenues.

For R.N. Singh &Co.

Chartered Accountants

FRN: 322066E

CA Chanakya Shree

Partner

Mem No: 079322

UDIN- **20079322AAAALO9776**

Date- 11-06-2020



Discussion Note of Barh Nagar Parishad

For the financial year 2018-19

Sr.No.	Observation	Management Comment
1.	we observed that the collection of property tax (Holding Tax) is very poor there are total demand for the FY 2017-18 is 1,09,21,170.00 including arrear of FY 2018-19 Rs. 48,27,747.00 but collected only Rs. 58,85,545.00 till the 4 th Qtr. of FY 2018-19 which is only 53.89% of total demand.	We are arranging camp to increase the collection of holding tax self assessment is being done.
2.	Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required. In some cases, collected amount has been retained by the Tax Collectors for a period of 1-2 months from the date of collection of taxes.	Daily collection Book , I will have to make sure to get it (amount collected) submitted daily or next day.
3.	Tractor Trolley purchased from Vinayak Auto agencies as on dated 27/04/17 for Rs. 7, 86,000.00 without E-Tendering.	Minimum three required but if first time we don't get three bidder than second time we can go with two bidders.
4.	UC of various schemes for RS. 631.93 lakhs are pending for submission to the Urban Development & housing Department till the 4 th Qtr. of financial year 2018-19 and their details provided in detailed report.	Current status should be sent.
5.	ULB has Rs. 2,17,31,764.00 idle fund remaining in its account since the financial year 2016-17. If these funds be transferred to other account or utilised in other scheme, there would not be any blockage of fund.	Fund is to be refund Departmental guidelines will be called for the fund plan should be sent.
6.	During the audit we have observe that BARH Nagar Parishad has not taken Registration and insurance for vehicle.	In process.
7.	During the audit we have observe that vouchers are not serially arranged and binded.	We will try to arrange as per serial.



Handwritten signature and date: 18-02-2020

EXECUTIVE OFFICER

8.	No advance and recovery register is maintained by the Barh Nagar Parishad. Advance is given to employee without any requisition form.	Advance register maintained in progress according to requisition.
9.	Double entry accounting system has not been implemented by the Barh Nagar Parishad.	TC cand & Co we have done.
10.	ULb has not implemented computerized accounting system.	It is done.
11.	ULB has not in practice to maintain subsidiary cash book, which is mandatory as per UD & HD guidelines.	It is already in Practice.
12.	Barh Nagar Parishad is not in practice to prepare fixed asset register.	Still under process.
13.	Stock Register is not properly maintained by the nagar Parishad.	Prepare a committee for physical verification of stock then new register will be opened on the recommendations of the committee.
14.	Barh Nagar Parishad is not in practice to prepare the Bank Reconciliation Statement of different schemes.	BRS prepared by DEAS.
15.	ULB has not been in practice to prepare monthly receipt and payment account.	Monthly receipt and payment prepared on Account cash book manually.
16.	Cash Book has not been authorized by the executive Officer on daily basis.	Cash Book authorized by the Executive Officer on daily basis.
17.	Demand and collection register is not maintained by the ULB.	Demand & Collection register ward wise should be prepared.
18.	Daily Collection Register has not been maintained	Daily Collection Register has been prepared by Tax Collector.
19.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.	Daily Collection Register has been prepared by Tax Collector register.
20.	Log book is not properly maintained and consequently its analysis is not possible.	We are making arrangement according BMR format soon.
21.	During the audit we have observe that vouchers are not serially arranged and binded.	We will try to arrange as per serial.



Signature
18-02-2020

EXECUTIVE OFFICER
Nagar Parishad

22.	Barh nagar Parishad is purchasing daily consumable stocks like Chuna, Bleaching Powder, lime powder etc. from supplier Mr. Sanjeet kumar jaiswal two or three times of market price. Details provided in detailed report.	Steps are taken.
23.	TDS, VAT, Royalty and Labour Cess have been deducted but it has not been deposited till date. Therefore, TDS Return has not filled till date. As per Income Tax Act 1961, penalty may be levied on ULB. It is a statutory irregularity.	GST and TDS deposit to the concern Department on monthly and other taxes deposited by yearly basis.
24.	Tower tax has not been collected, since the establishment of the ULB even though number of tower is 17 as on 31-03-2019. Thus total outstanding tax amount is Rs. 17,80,000.00 For registration fee, renewal fee.	survey then notice to the tower holder.
25.	The collection of shop rent tax is very poor. In Barh nagar Parishad, demand for shop rent is raised for 21 shops in Bosted Road Marketing Complex Block "A" and "B" for total of Rs. 2,57,025.00 for the 4 th Qtr. of financial 2018-19. But collected only Rs. 21,626.00 and remaining Rs. 2,35,399.00 dues during the 4 th quarter of financial year 2018-19.	Notice should be issued.
26.	Section 84 of the Bihar Municipal Act, 2007. Provides that Municipality shall submit its budget intimates for the ensuring year to the State Govt. by 15 th of the March. But information furnished by the Nagar Parishad revealed that budget estimates were not passed on time by the board, which resulted into delay transmission of the same to the State Government.	In Future Budget submitted by the Nagar Parishad Barh on timely.
27.	No Separate Grant register is being maintained; hence, it is difficult to find out the amount of unutilized grant at any point of time.	Will be maintained.
28.	Procurement register is not maintained by the Barh Nagar Parishad.	Will be maintained.



guyh
18-02-2020
EXECUTIVE OFFICER
Nagar Parishad Barh (D...)

29.	Various register books of records etc. are not being prepared by the ULB such as Demand Register, statutory register with regards TDS, VAT, Labour Cess and royalty, Bid register of shop, Survey register/files of hoardings.	All various register books of records maintain in Tally software.
30.	Municipal Accounts Committee has not been constituted by the Barh Nagar Parishad.	Empowered S. Committee is in function instead of Municipal Accounts Committee.
31.	Barh Nagar Parishad has not in practice to deduct PF and ESIC with respect to contractual employees.	Already in practice.
32.	Barh Nagar Parishad has not in practice to deduct Tds at the time of salary payment to the permanent and contractual employees.	In future deduct Tds at the time of salary payment to the permanent and contractual employees by Nagar Parishad Barh.
33.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.	Daily Collection Register has been prepared by Tax Collector register.
34.	DEAS team has not provided any help and data, which are required for Audit Purpose and they have also not provided their work details.	No comments..
35.	Nagar Parishad has not in practice to collect Advertisement Taxes, which causes heavy revenue loss to Nagar Parishad.	Steps are taken for collection of Advertisement taxes.

guyh
18-02-2020

Budh
EXECUTIVE OFFICER
Nagar Parishad Barh (Patna)
Bip



नगर विकास एवं आवास विभाग

वित्तीय वर्ष-2003-04 से 2017-18 में प्राप्त सहायक अनुदानों की निकास/व्यय एवं अवशेष राशि की चालान द्वारा कोषागार में जमा विवरणी संबंधित प्रतिवेदन।

DDO Code :- URB 0.003

Treasury Code :- BRH400/300

PL Account No:- 153

Bank Account No:- 848600109002

क्र.सं.	वर्ष	सहायक अनुदान आवंटन का मंडल	संबंधित स्वीकृति संख्या एवं तिथि	स्वीकृति एवं आवंटन में निकास राशि	आवृत्त राशि के निरूद्ध निकास द्वारा निकासी की गई राशि	टी0सी0 नो एव तिथि	पी0 एत0 खाता में जमा राशि की गई राशि	वित्तीय वर्ष जिसमें राशि का व्यय की मयी	संबंधित मद में व्यय की गई राशि	संबंधित आवंटन की मयी निकासी के निरूद्ध किए गए व्यय के उपयुक्त	कोषागार में जमा की गई राशि	चालान सं0/ तिथि	समाप्त उपयुक्तता प्रमाण पत्र में निहित राशि की तिथि	समाप्त उपयुक्तता प्रमाण पत्र में निहित राशि की तिथि	लंबित U.C. की राशि	बैंक खाता में जमा अवशेष राशि	पी0 एत0 खाता में जमा अवशेष राशि	अनुप्राप्ति
1	2016-17	14th fin	30	86.98	86.98	122170002/03	0.00	2017-18	86.98	0.00	86.98	18.09.17	0.00	0.00	0.00	0.00	0.00	
2	2016-17	CM Nali gali	43	32.82	32.82	122170007/03 DT 29.08.16 & 30.08.16	0.00	2017-18	32.82	0.00	32.82	01.08.18	0.00	0.00	0.00	0.00	0.00	
3	2016-17	Professional tax	156	27.09.16	16.83	122170002 DT 14.11.16	0.00		16.83	0.00	16.83		0.00	0.00	0.00	0.00	0.00	
4	2016-17	5th fin	163	19.10.16	233.40	22023902	0.00	2017-18	233.40	0.00	233.40		0.00	0.00	0.00	0.00	0.00	
5	2016-17	CM Nal Jal	173	28.10.16	199.97	122150001 DT 17.11.16	0.00		0.00	199.97	199.97		199.97	0.00	199.97	0.00	199.97	
6	2016-17	City manager salary	182	18.11.16	1.82	122170001 DT 17.12.16	0.00		1.82	0.00	1.82		0.00	0.00	0.00	0.00	0.00	
7	2016-17	Phed Nal Jal	246	09.03.17	44.33		0.00	2017-18	44.33	0.00	44.33		0.00	0.00	0.00	0.00	0.00	
8	2016-17	5th fin	123	21.03.16	220.24	122170004 DT 26.03.16, 122170006 DT 28.03.16, 122170007 DT 28.03.16	0.00	2017-18	220.24	0.00	220.24		0.00	0.00	0.00	0.00	0.00	
9	2016-17	ward councillor Honorarium	12	18.05.16	10.46	122170002 DT 09.06.16	0.00	2018-19	10.46	0.00	10.46		0.00	0.00	0.00	0.00	0.00	
10	2017-18	City manager salary	11	31.05.17	1.97	122170001 DT 24.06.17	0.00	2017-18	1.97	0.00	1.97		0.00	0.00	0.00	0.00	0.00	
11	2017-18	5th fin	354	29.03.17	236.23	25984887	0.00		236.23	0.00	236.23		0.00	0.00	0.00	0.00	0.00	
12	2017-18	5th fin	47	14.09.17	259.85	122170003 DT 16.10.17, 122170004 DT 16.10.17	0.00		0.00	259.85	259.85		0.00	0.00	65.97	0.00	65.97	
13	2017-18	ward councillor Honorarium	76	15.06.17	6.66	122170002 DT 19.08.17	0.00		6.66	0.00	6.66		0.00	0.00	0.00	0.00	0.00	
14	2017-18	Professional tax	24	30.06.17	20.57	122170001 DT 16.08.17	0.00		0.00	20.57	20.57		0.00	0.00	20.57	0.00	20.57	
15	2017-18	State plan	32	27.07.17	6.44	122170004 DT 21.08.17	0.00		6.44	0.00	6.44		0.00	0.00	0.00	0.00	0.00	



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
क्र. सं.	मसालक चक्रदान आवंटन का वित्तीय वर्ष	सहायक अनुदान आवंटन का मद	संबंधित स्वीकृत्यार्थ सं. एवं तिथि	स्वीकृत्यार्थ एवं आवंटनार्थ में निकाय को आवंटित राशि	आवंटित राशि के विरुद्ध निकाय द्वारा निकासी की गई राशि	टी/सी/नो एच. तिथि	पी.ओ. एल.ओ. खाता में रखी गई राशि	बैंक खाता में जमा की गई राशि	वित्तीय वर्ष जिसमें राशि का व्यय की गयी	संबंधित मद में व्यय की गई राशि	संबंधित आवंटन के अनुरूप की गयी निकासी के विरुद्ध किए गए व्यय के उपखर्च	कोषागार में जमा की गई राशि	चालान सं./ तिथि	समाप्त उपखर्गिता प्रमाण पत्र में निहित राशि	समाप्त उपखर्गिता प्रमाण पत्र की तिथि	लंबित U.C. की राशि	बैंक खाता में जमा अवशेष राशि	पी.ओ. एल.ओ. खाता में जमा अवशेष राशि	
16	2017-18	14th fin	34 02.08.17	104.70	104.70	T22170003DT 19.08.17, T22170003DT 19.08.17	104.70	0.00	00-Jan	104.70	0.00	---	---	104.70		0.00	0.00	0.00	
17	2017-18	CM Nali gali	39 11.08.17	85.24	85.24	T22170006DT 21.08.17, T22170007DT 21.08.17	85.24	0.00		85.24	0.00	---	---	85.24		0.00	0.00	0.00	
18	2017-18	CM Nali gali	69 30.10.17	73.05	73.05		73.05	0.00		0.00	73.05	---	---	73.05		0.00	0.00	0.00	
19	2017-18	14th fin	98 24.01.18	104.44	104.44	T22170002DT 12.02.18, T22170003 DT 12.02.18	104.44	0.00		0.00	104.44	---	---			104.44	0.00	104.44	
20	2018-19	5th fin	15 03.07.18	253.00	253.00		253.00	0.00											
21	2018-19	5th fin	21 30.07.18	258.74	258.74		258.74	0.00											
22	2018-19	BILL BILL PAY	174 30.03.19	156.47	156.47		0.00	0.00	2018-19	156.47	0.00	0	0			0.00	0.00	0.00	



EXECUTIVE OFFICER
NAGAR PARISHAD BARI