



नगर विकास एवं आवास विभाग
URBAN DEVELOPMENT & HOUSING DEPARTMENT
Government of Bihar

INTERNAL AUDIT REPORT

FOR
FY 2018-19

BIHIYA NAGAR PANCHAYAT

GROUP-06
ULBs-18

Vinod & Co. LLP
CHARTERED ACCOUNTANTS
We Plant Quality





Secretary,
Urban Development & Housing Department,
Patna-Bihar

Subject: Submission of Bihiya Nagar Panchayat Annual Internal audit report with management comments for the financial year 2018-19.

Ref No.: Project No. 07/LA.-115/17-83 (NTP) dated; 16.01.2019

Dear Sir,

With reference to the above, we Vinod Singhal & Co.,LLP Chartered Accountants appointed as internal auditor of 18 ULBs of Bihar under Group-06 for the project namely "Appointment of internal auditor 140 ULBs of Bihar."

We have conducted Annual internal audit of Bihiya Nagar Panchayat for the financial year 2018-19. Through this letter we are submitting Annual internal audit report of Bihiya Nagar Panchayat for the year 2018-19 with management comments.

We confirm that the internal audit report has been prepared as per terms of reference of RFP.

Thanking You

For Vinod Singhal & Co, LLP
Chartered Accountants
PAN: 005826C/C400276

K. Sodhani

Mr. Krishan Kumar Sodhani
PAN: 404603



DIN No.: 20404603AAAATC7671

Date: 22-12-2020
Place: Patna

For: State Level Project Monitoring Unit
M.P. Financials Consultants Pvt. Ltd.

CONTENTS

Project Title	Internal audit of 18 ULBs of Group-06 of Bihar
Report Title	Annual internal audit report of Bihiya Nagar Panchayat
Period	1 st Apr -2018 to 31 st -March-2019
Reporting Entity	Vinod Singhal & Co., LLP, Chartered Accountants
Reporting for	Bihiya Nagar Panchayat
Report Prepared by	Team, Vinod Singhal & Co. LLP
Date of submission	2 nd Dec 2019

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EXECUTIVE SUMMARY

INTRODUCTION

Name of the Municipality	Bihiya Nagar Panchayat
Period covered under current audit	01.04.2018 to 31.03.2019
Name of Municipal Commissioner for the period under Audit <i>Executive Officer</i>	Mr. Kishore Kunal

RESULTS AND FINDINGS

➤ **Strengths observed during audit engagement**

In the existing system as prevailing in the Nagar Panchayat day to day work is in progressive manner in respect of execution of the projects.

➤ **Weaknesses observed in the functioning of office, maintenance of records etc. observed during the audit engagement:**

SINo	Audit Observations
1	Partial Compliance of AG Report for the F.Y. 2013-2015
2	Non-updating of bank reconciliation on monthly basis.
3	Not provided tally data for verify the Implementation of Double Entry Accounting System
4	No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.
5	Non-levy of following taxes: <ul style="list-style-type: none"> * Surcharge on transfer of lands and buildings * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists. * Tax on profession. * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles. * User Charges for provision of water-supply, drainage and sewerage * User Charges for Solid Waste Management * User Charges for Parking Facility * User Charges for Garbage Clearance * Collection of fees for sanction of building plans and issue of completion certificates, * Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings, * Collection of Development Charges
6	Non Compliance of provision of BMA rule-22, Late-Deposit of tax collection of taxes with cashier and with bank around 08-23 delay.
7	Non-Collection of notice fees
8	Non collecting arrears of taxes and rental income
9	Non preparation of payment voucher
10	Non conducting field survey of 20 high value properties and arrear of taxed since 2009-10
11	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014
12	Irregularities in tender issue process: Non-preparation of budget register



	Quality test was not available Completion certificate was not found in case of completion of contract. Non-compliance of statutory dues
13	Non-maintenance of register for all Procurements with value above Rs. 15,000
14	Non-providing of wages payment register
15	No separate earnest & security deposit register was maintained by ULB.
17	Non-Compliance of Act & Rules-Refer Part-B sub point D for details
18	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque handling and statutory compliances.
19	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns 3. Non providing any details regarding royalty, labour cess, Vat, service tax and provident fund.
20	Deficiency in payroll system and of muster roll register Non-preparation of salary payment voucher Salary payment voucher was not mentioned in cash book
21	Non providing details regarding Utilisation of Grant and utilisation certificates
22	Non maintenance of inventory & store register and non-conducting of physical verification of inventory/Stores

3. OPINION

The management has to take stringent effort in forming accountability at various levels of the ULB, introducing reforms in financial management and accounting systems, development of strong internal control and organizational design of Municipalities, ensuring capacity building of the municipal personnel and other matters incidental thereto for overall improvement of the ULB.

4. AUDIT RECOMMENDATIONS

Sl. No	Audit Observations	Auditor Recommendations
1	Partial Compliance of AG Report for the F.Y. 2013-2015	During audit we observed that the compliance of C & AG report for the F.Y.2013-14 and 2014-2015 has not be fully done by ulb. Further due to lack of co-operation we were also unable to help them in comply with C & AG audit report. We requested to management to nominate someone to comply with C & AG audit queries. We suggest that ULB officials should take appropriate action to prepare compliance of C & AG internal audit compliance.
2	Non-updating of bank reconciliation on monthly basis.	Bank Reconciliation help us to monitor 1. Difference between Bank Passbook and Cash Book 2. Unauthorised withdrawal from Bank 3. Excessive debited by Bank 4. Helps to know any other reasons of difference. Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.
3	Not provided any data for verify the Implementation of Double Entry Accounting System	As per requirement of BMAR-2014, Part -A, Chapter -2 Rule -4, "All ULB referred in Schedule -I shall maintain its Books of Account using the double entry system". Since Bihya Nagar Panchayat is Covered under Schedule -I, therefore they should have to maintain their accounts in double entry accounting system in compliance of such rule. We found the detail that double accounting system is implemented at Bihya ULB however we not got any data for verification the same.
4	No details were made available regarding meeting of municipal accounts committee held during	As per requirement of BMA-2007, Chapter-XII, ULB should held meeting of Municipal Accounts Committee each year. During our Audit no any evidence has been produced to us w.r.t. meeting of municipal accounts



the financial year 2018-19.	committee. <i>ULB should ensure timely meeting of accounts committee in compliance of BMA-2007.</i>
<p>Non-levy of following taxes</p> <ul style="list-style-type: none"> * Surcharge on transfer of lands and buildings * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists. * Tax on profession. * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles. * User Charges for provision of water-supply, drainage and sewerage * User Charges for Solid Waste Management * User Charges for Parking Facility * User Charges for Garbage Clearance * Collection of fees for sanction of building plans and issue of completion certificates, * Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings, * Collection of Development Charges 	<p>As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. <i>ULB should take steps to implement required taxes to boost their revenue</i></p>
Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22	<p>As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. <i>Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</i></p>
Non-Collection of notice fees	<p>As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but In case of Bihiya Nagar Panchayat, ULB has not provided any information regarding charging and collection of notice fees. <i>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</i></p>
Non collecting arrears of taxes and rental income	<p>Bihiya ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the such data that there is huge arrear of taxes at Bihiya ULB. <i>Therefore, the management should take proper step to boost collection of arrears. Further a weekly or fortnightly meeting with all tax collectors to be held for getting the reason of non-collection and resolving the same.</i></p>



9	Non preparation of payment voucher	ULB should prepare voucher based on running voucher as per provision of Rule No. 16, 17 and 18 of BMAR -2014.
10	Non conducting field survey of 20 high value properties	Being ULB was not maintaining any details of high value properties, details given in report has been prepared based on receipts book. Survey of the same could not be conducted due to non-support of Daroga & tax collectors in filed survey. ULB should identify and prepare separate list of high value properties by conducting re-assessment of prospective properties on timely basis to boost their revenue.
11	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	Detail of registers not maintained by ULB is mentioned under Part-B (a). ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR - 2014.
12	Irregularities in tender issue process	Proper tender documents regarding tender approval and allotment were not properly maintained or made available for audit. In provided cases we are unable to comment on channel of procurement of tender and their required compliances. Further, no statutory compliance register was maintained in regards with statutory dues deducted from party bills. So, ULB should maintained proper tender register and file that include related documents of tender. Statutory compliance register should be maintained for all statutory deductions made form parties invoices.
13	Non-maintenance of register for all Procurements with value above Rs. 15,000	ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000
14	Non-providing of wages payment register	As ULB is not maintaining wages payment register, salary deduction register, Payment vouchers, Bio-metric and any payroll software. ULB should ensure that all requirements should be in place and complied for effective wages and salary management.
15	Non-Compliance of Act & Rules	Refer point of Part-B (d) of audit report for status of non-compliance of Act & Rules. ULB should ensure compliance of all applicable Act & Rules.
16	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque handling and statutory compliances.	We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances. We suggest that: 1. MIS System should be implemented over daily collection and deposit. 2. Reason for non-deposit/ late deposit should be strongly need to ask to minimise delay. 3. Need to identify a person to comply with the statutory compliances. In case failure to comply with statutory compliances he should also be penalised. Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.
17	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns	As ULB is not proper in statutory compliance, that cause monetary/non monetary implication on ULB in mode of interest, penalty and Late fee & imprisonment. So, management should ensure statutory compliance time.
18	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque handling and statutory compliances.	During the audit we observed that there is very poor internal control available at Bihiya Nagar Panchayat. Management should implement internal control system and a mechanism for timely evaluation of same. Further any discrepancies arises/ found during such verification should be reported immediately.
19	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns 3. Non providing any details regarding royalty, labour cess, Vat,	statutory compliance register was maintained in regards with statutory dues deducted from party bills. So, ULB should maintained proper statutory compliance register. Statutory compliance register should be maintained for all statutory deductions made form parties invoices. Non compliance with statutory dues will cause of penalty, interest prosecution.



	service tax and provident fund.	Management should insure that all statutory dues are paid on time and returns related thereof filed on time.
20	<p>Deficiency in payroll system and of muster roll register</p> <p>Non-preparation of salary payment voucher</p> <p>Salary payment voucher was not mentioned in cash book</p>	<p>Every payment should be accompanied with payment voucher. Further as per Section 2(2 3) of the Indian Stamp Act 1899 makes it mandatory for affixing of stamp on any receipt as defined therein above Rs 5000. Therefore, management should ensure that the payment is accompanied with payment voucher.</p> <p>Meaning of Receipt :</p> <p>"Receipt" includes any note, memorandum or writing-</p> <p>(a) whereby any money, or any bill of exchange, cheque or promissory note is acknowledged to have been received, or</p> <p>(b) whereby any other movable property is acknowledged to have been received in satisfaction of a debt, or</p> <p>(c) whereby any debt or demand, or any part of a debt or demand, is acknowledged to have been satisfied or discharged, or</p> <p>(d) which signifies or imports any such acknowledgment; and whether the same is or is not signed with the name of any person</p>
21	Non providing details regarding Utilisation of Grant and utilisation certificates	Grant is blood of ulb. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirement of grant. Further timely submission of utilisation certificate helps the grant realising authority to send the money for fulfil the requirement of future. <i>Therefore, management should ensure that UC has been submitted with concerned department on time.</i>
22	Non maintenance of inventory & store register and non-conducting of physical verification of inventory/Stores	<i>Management should implement the control system over inventory and store. Stock register should be in place and get it verified by a responsible person as authorised by management time to time. Further any discrepancies arises/ found during such verification should be reported immediately.</i>

5. COMMENTS FROM MANAGEMENT

Audit observations with audit recommendation has been submitted with management for providing management Comments.

6. ACKNOWLEDGEMENT

Considering the Physical Environment, accessibility, literacy of the Human Resources, communication facilities and so many other hindrances, we are in opinion that, the working of the ULB has a deep impact on the economic & social aspects and values of the inhabitants of the demarcated area. And the unit specifically dedicated for the development of Nagar Parishad in the state of Bihar according to plan & for matters ancillary thereto.



DETAILED AUDIT REPORT

1. INTRODUCTION:

S.NO.	Name Of ULB	Period-covered		Audit Team
		From	TO	
1	Bihiya Nagar Panchayat	01-04-2018	31-03-2019	1. Name of Team Leader : CA Krishan Kumar Sodhani 2. Name of MAE : CA Rahul Kumar Shrivastwa 3. Name of Auditor : Sanjeev Kumar

2. ADMINISTRATION:

Sl. No	Particulars	Details
1	The present body of the ULB has taken charge on	09-06-2017
2	The incumbency in the key administrative and executive positions was as under:	
2.1	Name of Mayor:	Mr. Deepak Kumar
2.1.1	Period of Service:	From: 09-06-2017 To: Till date
2.2	Name of Commissioner/Executive Officer:	Mr. Kishore Kunal
2.2.1	Period of Service:	From: 23-01-2019 To: Till date

3. REVIEW OF OUTSTANDING AUDIT PARAS:

3.1. Status of Audit Observations is as under:

(Rs. In Lakh)

S.N	Particulars of audit and date of report	Total no. of audit paras	Total no. of audit paras where necessary improvement /corrective measures 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 O/s para where no action has been taken	No. & date of compliance report
1	Audit report submitted by AG for the F.Y. 2013-14 and 2014-15	23	19	11	3	63.77	13	Letter No. 289 dated 11.06.2016

3.2. Details of total no of audit paras:

Period of AG audit report : Financial year 2013-14 & 2014-15

Compliance report date & Number : Letter No. 289 dated 11.06.2016

(Rs. In Lakh)

S. No	Audit Para Number	Heading of the audit para	Amount involved	Recovery Proposed	Recovery Complete	Action Taken or Not
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Part-I of AG Audit Report						
1	8	Non-compliance of previous audit report	-	-	-	No Action Taken
2	9	General comment on un satisfactory maintain of books of accounts	-	-	-	
3	10	Discussion with Executive officer	-	-	-	
4	11	Result of audit finding	24.42	24.42	-	
5	12	Non following rules in budget preparation:	-	-	-	
		i. Budget not prepared in define format	-	-	-	
		ii. No public participation in budget preparation	-	-	-	
6	13	Non maintenance of annual account	-	-	-	
7	14	Non preparation of:	-	-	-	
		i. Income -expenditure account	-	-	-	
		ii. Bank reconciliation statement	-	-	-	
Part-II (A) of AG Audit Report						
NIL						
Part-II (B) of AG Audit Report						
8	1	Sairat Agreement:	9.29	9.29	-	Yes
		a. Recovery of market tales without agreement or order				
		b. Recovery of duty on vehicle and market tales without agreement in FY 2013-14				
		c. No explanation provided w.r.t. what action has been taken for recovery of arrear amount from barrier holder				
9	2	Non recovery of arrear on mobile tower	6.54	6.54	-	Yes
10	3	Deleted				
11	4					
12	5	Not deposited of house tax in respective account	1.63	1.63	.80	Yes
13	6	Not deposited of amount collected through misc. receipt	9.10	9.10	9.10	Yes
14	7	Non collection of stamp duty on	.82	.82	-	Yes



I. Budgetary provisions and expenditure for the last three years

Year	Year- 2016-17	Year- 2017-18	Year- 2018-19
Final/Revised Budget Data	10,23,82,951	12,18,07,403	146,421,800
Actual Expenditure Data	4,77,09,481	5,55,37,778	108,363,069
Savings (+)/Excess (-)	5,46,73,470	6,62,69,625	38,058,731

Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2017-18, 2018-19, & 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17, 2017-18 & 2018-19 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

II. Volume of transactions

Period	Budgeted for F.Y. 2018-19	Actual for the F.Y. 2016-17	Actual for the F.Y. 2017-18	Actual for the F.Y. 2018-19	Cumulative for the current period
Opening balance	7,74,98,308	3,85,45,708	5,76,30,975	77,498,307	77,498,307
Receipts	11,99,66,800	6,67,94,948	7,54,05,110	92,237,105	92,237,105
Total	19,74,65,108	10,53,40,656	13,30,36,085	169,735,412	169,735,412
Net expenditure	14,64,21,800	4,77,09,681	5,55,37,778	108,363,069	108,363,069
Closing balance	5,10,43,308	5,76,30,975	7,74,98,307	61,372,343	61,372,343

Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2017-18, 2018-19 & 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2017-18, 2018-19 & 2019-20 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

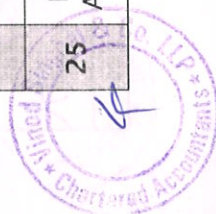
III. Bank Reconciliation position as on reporting date

Bank Reconciliation position as on 31-03-2019

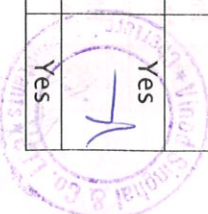
S. N	Name of Bank	Bank A/C No.	Purpose of Bank Account	Balance as per Cash Book	Balance as per Bank Statement	Differences	Reconciled (Yes/N o)
1	CENTRAL COB 107 (M R Rashid)	001434001100107	INTERNAL SOURCE	13,599.00	13,599.00	-	Yes
2	ICICI 3201 SBM	062201003201	SBM	616,777.00	616,777.00	-	Yes
3	PNB 1614 (BRGF)	6002000100051614	BRGF	46,731.24	46,731.24	-	Yes
4	PNB1799 GENERAL FUND	6002000100031799	GENERAL FUND	254,087.84	87,171.84	166,916.00	Yes
5	PNB 2783 KABIR ANTEYOSTHI VG W-01	6002000100052783	KABIR ANTEYOSTH	12,497.09	12,497.09	-	Yes
6	PNB 2792 KABIR ANTEYOSTHI SG W-01	6002000100052792	KABIR ANTEYOSTH	-	-	-	Yes
7	PNB 2808 KABIR ANTEYOSTHI SG W-02	6002000100052808	KABIR ANTEYOSTH	43,332.09	43,332.09	-	Yes
8	PNB 2817 KABIR ANTEYOSTHI SG W-02	6002000100052817	KABIR ANTEYOSTH	11,333.09	11,333.09	-	Yes
9	PNB 2826 KABIR ANTEYOSTHI SG W-03	6002000100052826	KABIR ANTEYOSTH	84,013.09	84,013.09	-	Yes
10	PNB 2835 KABIR ANTEYOSTHI VG W-03	6002000100052835	KABIR ANTEYOSTH	44,685.09	44,685.09	-	Yes
11	PNB 2847 PENSION YOJNA	6002000100042847	SALARY/PENSION	48,755.84	48,755.84	-	Yes
12	PNB 2880 KABIR ANTEYOSTHI SG W-04	600200010005	KABIR ANTEYOSTH	-	-	-	Yes



13	PNB 2899 KABIR ANTEYOSTHI VG W-04	2880	600200010005 2899	KABIR ANTEYOSTH	-	-	-	Yes
14	PNB 2905 KABIR ANTEYOSTHI SG W-05	2905	600200010005 2905	KABIR ANTEYOSTH	27,179.09	27,179.09	-	Yes
15	PNB 2914 KABIR ANTEYOSTHI VG W-05	2914	600200010005 2914	KABIR ANTEYOSTH	47,337.09	47,337.09	-	Yes
16	PNB 2932 KABIR ANTEYOSTHI VG W-06	2932	600200010005 2932	KABIR ANTEYOSTH	2,864.09	2,864.09	-	Yes
17	PNB 2941 KABIR ANTEYOSTHI SG W-06	2941	600200010005 2941	KABIR ANTEYOSTH	15,687.09	15,687.09	-	Yes
18	PNB 2978 KABIR ANTEYOSTHI SG W-07	2978	600200010005 2978	KABIR ANTEYOSTH	233.89	233.89	-	Yes
19	PNB 2987 KABIR ANTEYOSTHI VG W-07	2987	600200010005 2987	KABIR ANTEYOSTH	40,887.89	40,887.89	-	Yes
20	PNB 2996 KABIR ANTEYOSTHI SG W-08	2996	600200010005 2996	KABIR ANTEYOSTH	39,447.09	39,447.09	-	Yes
21	PNB 3001 KABIR ANTEYOSTHI VG W-08	3001	600200010005 3001	KABIR ANTEYOSTH	195.09	195.09	-	Yes
22	PNB 3010 NAGAR SIKSHAK	3010	600200010005 3010	SIKSHAK NIYOJAN	618,583.24	618,583.24	-	Yes
23	PNB 3108 KABIR ANTEYOSTHI SG W-09	3108	600200010005 3108	KABIR ANTEYOSTH	133.59	133.59	-	Yes
24	PNB 3560 KABIR ANTEYOSTHI VG W-09	3560	600200010005 3560	KABIR ANTEYOSTH	6,326.09	6,326.09	-	Yes
25	PNB 3579 KABIR ANTEYOSTHI SG W-10	3579	600200010005 3579	KABIR ANTEYOSTH	15,636.09	15,636.09	-	Yes



26	PNB 3588 KABIR ANTEYOSTHI VG W-10	600200010005 3588	KABIR ANTEYOSTH I	14,389.09	14,389.09	-	Yes
27	PNB 3694 KABIR ANTEYOSTHI VG W-11	600200010005 3694	KABIR ANTEYOSTH I	2,905.09	2,905.09	-	Yes
28	PNB 3700 KABIR ANTEYOSTHI SG W-11	600200010005 3700	KABIR ANTEYOSTH I	3,347.09	3,347.09	-	Yes
29	PNB 3719 KABIR ANTEYOSTHI SG W-12	600200010005 3719	KABIR ANTEYOSTH I	3,182.09	3,182.09	-	Yes
30	PNB 3728 KABIR ANTEYOSTHI VG W-12	600200010005 3728	KABIR ANTEYOSTH I	6,233.09	6,233.09	-	Yes
31	PNB 3737 KABIR ANTEYOSTHI SG W-13	600200010005 3737	KABIR ANTEYOSTH I	76,461.09	76,461.09	-	Yes
32	PNB 3746 KABIR ANTEYOSTHI VG W-13	600200010005 3746	KABIR ANTEYOSTH I	39,401.09	39,401.09	-	Yes
33	PNB 3755 KABIR ANTEYOSTHI VG W-14	600200010005 3755	KABIR ANTEYOSTH I	8,575.09	8,575.09	-	Yes
34	PNB 3764 KABIR ANTEYOSTHI SG W-14	600200010005 3764	KABIR ANTEYOSTH I	51,964.09	51,964.09	-	Yes
35	PNB 7238 SBM	600200010010 7238	SBM	1,405,096.20	1,351,096.20	54,000.00	Yes
36	PNB 7344 E-GOVERNANCE	600200010010 7344	E- GOVERNAN CE	16,608.10	16,608.10	-	Yes
37	PNB 7581 HFA	600200010011 7581	HFA	572,364.35	572,364.35	-	Yes
38	PNB 8325 PROPERTY TAX	600200010010 8325	INTERNAL SOURCE	357,336.10	357,336.10	-	Yes
39	SBI 4319 13TH/14TH		13TH/14TH				Yes



SI No	Details	2017-18		2018-19		2019-20		2018-19	
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19	2018-19	
	Total Receipts (A+B)	75,405,111	66,794,948	92,237,105	75,405,111	Not Applicable	92,237,105		
A	Revenue Receipts (1+2+3)	37,646,295	21,058,973	54,382,383	37,646,295	Not Applicable	54,382,383		
1	Own Revenue	2,510,208	962,412	739,951	2,510,208	Not Applicable	739,951		
a)	Tax Revenue (levied and collected by municipal body)	1,185,821	325,385	708,756	1,185,821	Not Applicable	708,756		
i)	Property tax	1,185,821	-	-	-	Not Applicable	-		
ii)	Other tax (levied and collected by municipal body)	-	-	-	-	Not Applicable	-		
b)	Non-tax Revenue (levied and collected by municipal body)	1,324,387	637,027	31,195	1,324,387	Not Applicable	31,195		
i)	Fees & fines	7,723	52,027	31,195	7,723	Not Applicable	31,195		
ii)	User Charges	-	-	-	-	Not Applicable	-		
iii)	Other non-tax revenue (levied and collected by municipal body)	1,316,664	585,000	-	1,316,664	Not Applicable	-		
2	Other Revenue Receipts	1,153,937	398,424	1,610,363	1,153,937	Not Applicable	1,610,363		
a)	Income from interest/investments	791,339	396,304	428,945	791,339	Not Applicable	428,945		
b)	Other Revenue income	362,598	2,120	1,181,418	362,598	Not Applicable	1,181,418		
3	Transfers/Grants/Assigned Revenues	33,982,150	19,698,137	52,032,069	33,982,150	Not Applicable	52,032,069		

Comment:
1. Bank Reconciliation statement prepared by the Bihya Nagar Panchayat for the reporting period. They are preparing the same on the last page of Cash book in every month.

IV. Revenue & Capital Receipts information:

Income Details (Amount in Rs.)		2017-18		2018-19		2019-20	
2017-18	2016-17	2018-19	2017-18	2019-20	2018-19	2018-19	
60	TREASURY WARD PARSAD	PL-158	TREASURY	5,25,06,625.00			
				152,99,781	112,637.00		
				656,04,342			
				8,45,6,821.00			

State Government (P)
State Government (C)
State Government (G)

	14,058	9,272	4,159	14,058	Not Applicable	4,159	
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	19,775,766	11,387,288	17,970,946	19,775,766	Not Applicable	17,970,946
2	Capital Expenditure	18,053,084	24,528,891	53,051,882	18,053,084	Not Applicable	53,051,882
2.1	All developmental works under Central/State specific schemes	17,354,684	23,734,345	52,784,210	17,354,684	Not Applicable	52,784,210
2.2	Loan Repayments (Principal Amount)	-	-	-	-	Not Applicable	-
2.3	Other Capital expenditure	698,400	794,546	267,672	698,400	Not Applicable	267,672

Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 & 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2015-16, 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

VI. Status of Implementation of Double Entry Accounting System

Till FY 2015-16 an outsourcing firm M/s Manas Dash & Co. (Chartered Accountants) was appointed for converting the books of account from single accounting system to double accounting system. They have prepared and submitted final statement till 2015-16 at ULB. We are submitting herewith copy of coverage of Balance Sheet for the FY 2015-16 for your ready reference.

Further, TROS Consultancy Pvt Ltd has appointed dated 01.09.2017 towards converting the books of account from single accounting system to double accounting system for the FY 2017-18 and onwards. Further vide office order No. 954 dated 05.12.2018 the period has extended for 11 month. However, We have not received the copy of Trial balance, Receipt and Payment account and other financial data for our audit and reporting purpose. Therefore we are unable to comment on the current working status of the double accounting system. We are submitting herewith copy of agreement for your ready reference.

VII. Status of Meeting of Municipal Accounts Committee

There is no any accounting committee has been formed at ULB. We are submitting here with copy letter taken from ULB in respect of these committee as . . .



5. AUDIT OBSERVATION

5.1. 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.

1. **Non-levy of taxes:** As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. **In case of Bihiya Nagar Panchayat**, the following mentioned tax/charges are not implemented that leads to loss of revenue to ULB.

- * Surcharge on transfer of lands and buildings
- * Fire tax.
- * Surcharge on electricity consumption within the municipal area
- * Tax on congregations.
- * Tax on pilgrims and tourists.
- * Tax on profession.
- * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy Goods vehicles, and buses, which shall be heavy passenger motor vehicles.
- * User Charges for provision of water-supply, drainage and sewerage
- * User Charges for Solid Waste Management
- * User Charges for Parking Facility
- * User Charges for Garbage Clearance
- * Collection of Development Charges

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

Criteria - Non levied the taxes reported above by ULB.

Condition -As per details provided to us the ULB is not charging the above mention taxes.

Consequence Effect /Impact - Due to non-collection of taxes with in prescribe time line, ULB incurred interest loss and also the due to non-collection of taxes, 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 working on timely basis

2. **Late deposit of property tax:** As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made.

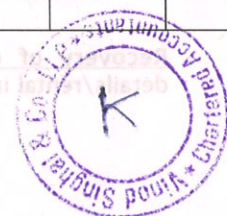
In case of Bihiya Nagar Panchayat, during verification of receipts book and deposit slips issued by cashier, we have noticed that there was gap of 15-26 days in collection of tax and deposit of tax into Bank.

Sl. No	Serial Number	Amount of Tax	Date of Collection as per Receipts Booked	Date of Deposit into Bank	Delay in deposit with cashier
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1	1293	1298	19,923	2-4-18 To 6-4-18	19-May-18	43	45
2	1298	1300	16,190	4/6/2018	NO ANY DETAILS FOUND	-	-
3	1	13	24,291	24-7-2018 To 28-7-2018	30-Jul-18	2	6
4	14	16	13,818	28-7-2018 To 4-8-18	30-Oct-18	87	95
5	17	36	41,903	1-9-2018 To 12-9-2018	13-Sep-18	1	12
6	37	50	12,866	14-9-2018 To 15-9-2018	18-Sep-18	3	4
7	51	62	19,723	20-9-18 To 26-9-18	27-Sep-18	1	7
8	63	87	85,498	28-9-18 To 22-10-2018	24-Oct-18	2	26
9	88	100	37,765	25-10-2018 To 29-10-2018	31-Oct-18	2	6
10	101	106	4,444	1-11-2018 To 15-11-2018	12-Dec-18	27	42
11	107	118	51,012	3-12-2018 To 20-12-2018	16-Jan-19	27	44
12	119	150	8,046	23-12-18 To 31-12-18	29-Jan-19	29	37
13	151	188	54,532	24-12-2018 To 19-01-2019	30-Jan-19	11	37
14	189	192	31,009	21-01-2019 To 31-01-2019	31-Jan-19	0	10
15	193	200	15,540	23-01-2019 To 4-02-2019	11-Feb-19	7	19
16	201	210	15,382	05-02-2019 To 13-02-2019	20-Feb-19	7	15
17	211	236	30,162	13-02-2019 To 27-02-2019	01-Mar-19	2	16
18	237	248	64,552	27-02-2019 To 15-03-2019	29-Mar-19	14	30
19	249	269	53,220	18-03-2019 To 12-04-2019	22-Apr-19	10	35

Note:



1. Above calculations has been made on the basis of sample data.
2. Date of receipts has been taken from receipt book and date of deposit into bank has been taken from cash book as well as from bank deposit slip.

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

Criteria - As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000.00

Condition -As per details provided to us the ULB is not depositing the amount collected from public on time.

Consequence Effect /Impact - Due to non-deposit of cash on timely basis there is loss of interest to ULB. It seems that huge fund easily available with cashier on the cost of Bihiya ULB.

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 control, supervision, and monitoring over collection and deposit of taxes.

Corrective Action / Recommendation - Management should reconcile time to time the physical cash with cash book for stopping the misuse of cash.

3. **Non collection of Notice fees:** As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but **In case of Bihiya Nagar Panchayat**, ULB has not provided any information regarding charging and collection of notice fees. ULB is suffering financial loss due to Non collection of notice fee.

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

Criteria - As per sec 158 of Bihar Municipal Act, 2007 The amount of notice fee should be collected by the municipality.

Condition -As per details provided to us the ULB is not collecting notice fee.

Consequence Effect /Impact - Due to non-collection of notice fee there is loss of interest to ULB

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 control, supervision, and monitoring over issue of notices and collection of notice fee.

Corrective Action / Recommendation - Management should monitor the notices issued on periodic basis towards charging and collection of notice fee.

4. **Recovery of outstanding taxes/rental income:** We are stating below the outstanding tax details/rental income as on 31-03-2019.

S. No.	Type of Income	Amount (Rs.)
1	Property Tax	Details not provided
2	Mobile Tower Tax	Details not provided
3	Licence Fees	Details not provided
4	Other Income head	Details not provided
5	Arrear of Shop Rent	Details not provided

Suggestion:

- a. ULB has not provided outstanding data and MPR for the M/o March 2019. In absence of data we are unable to write anything.

B. Excess payment against bill, lack of prudence in payment against voucher, inefficiency in controls resulting loss to ULBs.

B (1) Payment of bills after due date: ULB has not provided a single bill for our verification after various reminder. However, we have downloaded an electricity bill for the month of March 2019. There is outstanding amount of Rs. 5,42,960, However there is an interest amounted to Rs. 62,051 has already included in the total amount. Refere "Annexure- 7"
Since we have not received any other bill for our verification, Therefore, we can't comment that the bill is paid on due date or not.

B (2) Pass payment without preparation of payment vouchers: The ULB does not prepare Payment Vouchers for making payment to the parties/vendors. Payment was made on the basis of bills only raised in the name of ULB which is passed by the competent authority.

B (3) Irregularities in payments: In absence of documents we are unable to comment on the same.

C. Report on findings of field survey of Property Tax of minimum 20 high value properties.

Being no support regarding filed survey has been provided by ULB staff. Therefore we are unable to comment on the same.

5. 2. PART-B

A. Non-maintenance of books of accounts and subsidiary registers:

The unit has not maintained the following prescribed registers as required in BMAR (Please find attached letter to the ULB regarding non-submission of the following documents):-

1. Journal Book
2. Ledger
3. Contra Voucher
4. Journal Voucher
5. Receipt Voucher
6. Register of Cheque Received
7. Statement on status of cheque received
8. Register of Bills for Payment
9. Payment order
10. Register of Advance
11. Register of Permanent Advance
12. Deposit Received Register
13. Summary statement of Deposits Adjustment
14. Bill of Income
15. Summary Statement of Bill Raised
16. Register of Notice Fee Warrant Fee other fees
17. Summary statement of Notice Fee Warrant Fee other fees
18. Summary statement of Refund and Remissions
19. Summary statement of Write offs
20. Statement of outstanding liability for expenses
21. Register of Immovable and Movable Property
22. Register of Land
23. Function wise Income Subsidiary Ledger
24. Function wise Expenditure Subsidiary Ledger
25. Asset Replacement Register



26. Register of Public Lighting System
27. Building Register
28. Status and Heritage Assets Register
29. Road and Street register
30. Bridges Flyover Subway and Causeway Register
31. Drains Register
32. Ponds and Lakes Register
33. Grants Register

Required at – Property Tax and other taxes

1. Summary Statement of bills raised
2. Summary statement of Demand Adjustment raised
3. Summary statement of refunds and remissions
4. Summary Statement of write-offs
5. Money Receipt Book
6. Hand Book (details due from tax pay)

Documents required at – water Supply

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds remissions
4. Summary statement of write- offs

Documents required at – Rentals Fees and Other Income

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds
4. Summary statement of write- offs

Documents required at- Public Works

1. Summary Statement of status of CWIP
2. Work Sheet
3. Deposit works register

Documents required at – Stores

1. Material Receipt Note
2. Statement of Material Issues

Other

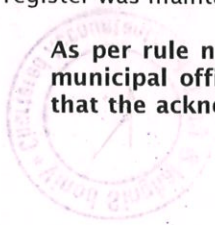
1. Balance confirmation as on 31.03.2019
2. BRS of all Bank Accounts (including dormant accounts)
3. Physical Verification report of cash and Stock

Final Accounts for the year 2016-17, 2017-18 and 2018-19

1. Audited Balance Sheet
2. Audited Income & Expenditure Account
3. Audited Receipts & Payments Account and unaudited Receipts & Payment

B. Irregularity in procurement process:

1. **Irregularities in tender issue process:** we have not received any tender file for our Audit.
2. **whether a register is kept for all Procurements with value above Rs. 15,000/-:** No procurement register was maintained at ULB level for procurement with value above Rs. 15,000/-
3. **As per rule no 75, disbursement to the daily wage workers is to be witnessed by the chief municipal officer / engineer and he has to sign the disbursement certificate after ensuring that the acknowledgement has been obtained from the workers on the master payroll (BMAR**



Form -33): ULB have not provided any documents for our verification therefore we are unable to comment on it.

4. **No separate earnest & security deposit register:** Earnest money deposit & security deposit register help in tracking refund of EMD/SD on time to concerned parties, but in ULB, no such register was maintained/provided for verification.

C. Non-Compliance of directives by UD&HD, GoB:

Sl.No.	Direction issued by UDHD	Complied or Not
1	No such non-compliance of directives by UD&HD, GoB was observed during the audit	

D. Non-Compliance of Act & Rules:

Sl. No	Requirement	Criteria	Auditors Comment
1	The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day on which collection is made	BMAR Rule No.-22	Refer point: Part-A (a) (2) No, during audit we observed that there was max 26 days delay in deposit of tax into bank.
2	Whether every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.	BMAR Rule No.- 27	Yes, every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.
3	Whether the collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.	BMAR Rule No.- 27	Yes, Collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.
4	Whether bill collector get its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated stall of the Municipality	BMAR Rule No.- 27	Yes, bill collector gets its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated stall of the Municipality
5	Whether every bill collector invariably remits his collections (in cash and/or cheques) to Cashier dallies before 4.30 PM and take the cashier's acknowledgment in the collection register.	BMAR Rule No.- 27	Refer point: Part-A (a) (2a) No, in actual we noted that tax collector was not remitting his collections to cashier. However, they are directly deposited the same in bank. We noted that there were delay in deposit of tax with Bank is 26 days.
6	Whether Grant Register as prescribed in BMAR Form 28 was maintained by the Municipality to record receipts and utilization of grants sanctioned by the Government.	BMAR Rule No.- 69	Refer point: Part-B (h) (1) and (2) Yes, Scheme wise grant register was maintained by the ULB.
7	Whether specific grants, which have certain conditions attached for utilizing such grants including the requirement to use it for capital purposes or use it in a particular proportion or manner. Usually such grants have requirements for submitting utilization certificates e.g. Finance Commission grant, SFC grant for specific purpose, namely, road repairs. It is the responsibility of the Chief Municipal Officer that the conditions attached to the grant are complied with without	BMAR Rule No.- 69	Refer point: Part-B (h) (1) and (2) No such details/information produced for verification.



	exception.		
8	Whether The grant received for a specific purpose was diverted for any other purpose.	BMAR Rule No.- 69	No such details/information was provided.
9	Whether the Utilization Certificate was signed by Chief Municipal Officer for verification of the financial outlays and physical progress reported on BMAR Form No 29.	BMAR Rule No.- 69	Refer PART-B (h) No, Utilization certificates were produced for verification.
10	Whether Municipality has returned unutilized grant for more than three years from date of receipt to the source from where such grant was received	BMAR Rule No.- 69	No such circumstances were noticed during the audit.
11	Whether the Chief Municipal Officer prepare a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.	BMAR Rule No.- 120	No, Bihiya Nagar Panchayat was not preparing a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.
12	Whether ULB prepare monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.	BMAR Rule No.- 121	No, Bihiya Nagar Panchayat was not preparing monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.
13	Whether ULB sent the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter	BMAR Rule No.- 121	No, Bihiya Nagar Panchayat was not sending the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter
14	The Chief Municipal Officer shall, within three months after the end of each financial year be prepared financial statements for the preceding year in respect of the accounts of the Municipality. The Financial Statements shall comprise of a. Receipts and Payments Account for the year (BMAR Form No.71) b. Income & Expenditure Statement for the year (BMAR Form No.73) c. Balance Sheet as on 31st March of the year (BMAR Form No.74) d. Significant accounting policies adopted by the Municipality in presentation of the financial statements. e. Notes to Accounts, which shall disclose Contingent liabilities, and such other information as, may be useful in understanding the financial statements clearly. f. Comparative amounts shall be entered on the financial statements for the preceding financial year except. In the case of the first year to which those rules apply	BMAR Rule No.- 122	BMAR Rule No. - 122 were not followed by ULB during the F.Y. 2018-19.
15	Whether the municipality is regular in depositing statutory dues including tax deducted at source, GST, TDS on GST, service tax, VAT, works contract tax, cess payable to the government etc. and If not, the nature and cause of such delay and the amount not deposited: (BMAR Rule No.-130)	BMAR Rule No.-130	Refer PART-B (g)



16	Whether the municipality is regular in remittance of pension and leave encashment contributions or any other amounts which the municipality is liable to remit towards the retirement dues of its employees, including employees on deputation;(BMAR Rule No.-130)	BMAR Rule No.-130	No, Detail w.r.t. such payment has not provided by ULB
17	Whether all transactions (incomes, expenditures, assets and liabilities) are correctly classified and stated in sufficient detail;	BMAR Rule No.-130	As ULB has implemented double entry accounting system from the F.Y. 2018-19. But we are not able to comment on this point as tally data for audit period was not made available for audit.
18	Whether all grants sanctioned or received by the municipality during the year, have been accounted properly, and where any deduction is made out of such grants towards any dues of the ULB? Whether such deductions have been properly accounted;	BMAR Rule No.-130	Yes, all grant received by ULB during the year have been accounted properly in grant register. No details regarding deductions from grant were made available to comment thereon.
19	Whether any Special Funds have been created as per the provision of any statute and whether the Special Funds have been utilized for the purposes for which they have been created;	BMAR Rule No.-130	No details regarding creation of special fund and their use were made available to comment thereon.
20	Whether the ULB is maintaining proper records showing full particulars, including quantitate details and situation of fixed assets; whether these fixed assets have been physically verified at reasonable Intervals; whether any material discrepancies were noticed on such verification and if so, whether the same has been properly dealt with in the books of account;	BMAR Rule No.-130	ULB was not maintaining fixed assets register for the financial year 2018-19. Further no, fixed assets physically verified report was made available to comment upon.
21	Whether in case of leasehold property given by the ULB, lease rentals are collected regularly by the ULB and that the lease agreements are renewed after their expiry;	BMAR Rule No.-130	No details regarding lease hold property was made available to comment upon.
22	Whether there exists an adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets?	BMAR Rule No.-130	No, ULB was not followed adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets. As ULB was not maintaining any store and assets purchase register.
23	Whether any expenses of personal nature of the Officers or employees has been charged to the municipality' s accounts; If so, the details thereof;	BMAR Rule No.-130	We have not observed such type of transaction during audit.
24	Whether the Bank Reconciliation statements have been property prepared for all the bank accounts of the ULB and the remedial actions including all correcting entries have been taken on timely basis;	BMAR Rule No.-130	Refer Point-04 (III) No, ULB has not prepared bank reconciliation for all bank accounts maintained.
25	Whether the year-end and reconciliation procedures prescribed have been carried out as per the rules;	BMAR Rule No.-130	As ULB has implemented double entry accounting system from the F.Y. 2018-19. But we are not able to comment on this point as tally data for audit period was not made available for audit.
26	Whether all the expenditure incurred by the Municipality is authorized by appropriate provision in the sanctioned budget. whether made originally or subsequently and are in all cases such as are authorized by Act;	BMAR Rule No.-130	No irregularities were not noticed.



27	Whether all revenue has been properly assessed, accounted for, collected and recovery action taken on timely basis;	BMAR Rule No.-130	Refer-PART-A (a)(4) Yes, ULB has accountant revenue properly. But collection and recovery of taxes details were not up to the mark.
28	Whether all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by Act;	BMAR Rule No.-130	Refer-PART-A (a)(2) Yes, all sums due to and received by the Municipality have been brought to account but was not within the prescribed time limits. As there were around 8-23 days delay in submission of property tax collection in bank.
29	Whether the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order;	BMAR Rule No.-130	As supported documents regarding use of grant was not provided for verification.
30	Whether, proper books of account as required by the Act and Rules have been kept by the Municipality so far as It appears from examination of those books. (Rule-130 of BMAR-2014)	BMAR Rule No.-130	Refer-PART-B (a) No, some required books accounts as per BMAM/BMAR has not been maintained.
31	Whether physical verification has been conducted by the ULB at reasonable intervals in respect of stores;	BMAR Rule No.-130	No store verification report was made available during the reporting period to comment upon.
32	Whether the procedures of physical verification of stores followed by the ULB are reasonable and adequate?	BMAR Rule No.-130	No, procedures of physical verification of stores followed by the ULB have been provided to comment upon.
33	Whether any material discrepancies have been noticed on physical verification of stores as compared to book records, and If so, whether the same has been properly dealt with in the books of account; Whether proper procedures are in place to Identify any unserviceable or damaged stores and whether provision for the loss In this respect, If any, has been made In the accounts;	BMAR Rule No.-130	No such details provided
34	Whether the valuation of stores is in accordance with the accounting principles laid down in the rules? Whether the basis of valuation of stores is same as in the preceding year? If there is any deviation in the basis of valuation, the effect of such deviation, if material, should be reported;	BMAR Rule No.-130	No such details provided
35	Whether the parties to whom loans or advances have been given by the ULB are repaying the principal amounts as stipulated and are also regular in payment of the Interest and If not, whether reasonable steps have been taken by the municipality for recovery of the principal and interest?	BMAR Rule No.-130	No such details provided
36	Whether advances given to municipal employees and interest thereon are being regularly recovered;	BMAR Rule No.-130	Refer point Part-B (g) No such detail is provided by ULB for our verification; therefore, we can't comment on it.
37	Municipal Fund: Whether ULB has created required fund as mentioned in chapter IX of BMA-2007	BMA,2007: Chapter IX	No, ULB is using single entry accounting system, so there was no fund was accounting followed.
38	Investment of surplus money. Whether municipality has invested surplus fund as per the requirement of the chapter-X of BMA-2007. Auditor will report on the fixed	BMA,2007: Chapter X	No such details were provided



	deposit and other funds should be in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period. Check whether comparative interest rate is invited from parties before investing surplus funds:		
39	Preparation of budget estimate of Municipality. Whether The budget estimate stated the rates at which various taxes, surcharges, cesses and fees shall be levied by the Municipality in the year next following,	BMA,2007: Chapter XI	Yes, followed by the ULB
40	Maintenance of accounts. Whether the Chief Municipal Officer prepared and maintained accounts of receipts and expenditure of the Municipality in such form, and in such manner, as may be prescribed,	BMA,2007: Chapter XII	Receipts and payments details were being maintained in form of cash book. Audited receipts & payments account as per BMAM was not prepared by ULB.
41	Financial Statement. Whether the Chief Municipal Officer shall, within four months of the close of a year, cause to prepare a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality,	BMA,2007: Chapter XII	No, ULB was not preparing a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality.
42	Submission of financial statement and balance sheet to auditor. The financial statement prepared under section 88 and the balance sheet of the assets and the liabilities prepared under section 89 shall be placed by the Chief Municipal Officer before the Empowered Standing Committee which, after examination of the same, shall adopt and remit them to the Auditor as may be appointed in this behalf by the State Government.	BMA,2007: Chapter XII	No, Financial Statements were not provided for audit by ULB
43	As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act,2007 various tax is applicable on ULBs	BMA,2007: Chapter XV	Refer-PART-A(a)(1) for status of taxes not collected by ULB
44	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007,) Municipality shall, by regulations, provide for issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore,	BMA,2007: Chapter XIX	Refer-PART-A(a)(3)

E. Lack of internal control measures: We have observed the following areas where internal control measures are required by ULBs-

1. Voucher file was not maintained
2. No internal mechanism for statutory compliance
3. No MIS was prepared for tracking of payments
4. Required books of accounts as per BMAM was not maintained
5. Statutory compliance reconciliation was not maintained
6. Year-end reconciliation was not available
7. Bank reconciliation of any bank account was not prepared.
8. Bank balance as per cash book was not maintained.
9. Cheque receipt register was not maintaining
10. No control over cancelled or missing cheque
11. Assets & stock register were not maintained

F. Non-compliance of TDS, VAT, Roalty, Gst, EPF and other relevant Statute



1. Details of Delay in deposit of TDS are mentioned below:

During the audit, we observed that statutory compliance file not properly maintained by the ULB. TDS detail was not in the proper manner. They had presented the excel sheet towards deduction of TDS, However we observed that there are many instances where PAN of the assessee is missing. Further, no any single TDS Challan presented for our verification. We asked several times for TDS Challan along with TDS Return; however, the concerned person has not presented the same for our verification. Therefore, we can't comment on the deduction and deposit of the same.

Note:

1. The above Statutory deductions details were taken from ULB and we have verified the same with concerned files.
2. We have not received statutory compliance register and expenses invoices for our verification.
3. Non-payment of tax on due or before date will attract interest @ 1.5% p.m. or part of month
4. As per provision of sec. 276B, If a person fails to pay to the credit of the Central Government to the amount of tax deducted at source by him as required by or under the provisions of Chapter XVII-B; or the tax payable by him, as required by or under sub-section (2) of section 115-O; or the second proviso to section 194B, he shall be punishable with rigorous imprisonment for a term which shall not be less than **three months** but which may extend to **seven years** and with fine.

2. Details of TDS returns filled are mentioned below:

During the audit, we observed that ULB was not regular in filling of TDS return, as per below mentioned details this is clear that either ULB had not filled TDS return or if filled then not followed due date of return filling. This practice of delay in filling of TDS return would cause ULB in form of penalty.

Sl. No	Quarter	Due date of Return	Actual date of Return filled	Remark
1	Quarter-1 of F.Y. 2018-19	31 st -Jul-2018	Not Available-	Can't Comment
2	Quarter-2 of F.Y. 2018-19	31 st -Oct-2018		Can't Comment
3	Quarter-3 of F.Y. 2018-19	31 st -Jan-2018		Can't Comment
4	Quarter-4 of F.Y. 2018-19	31 st -May-2019		Can't Comment

Note:

1. As per provision of Sec. 234E where a person fails to file the TDS/TCS return on or before the due date prescribed in this regard, then he shall be liable to pay, by way of fee, a sum of Rs. 200 for every day during which the failure continues. The amount of late fees shall not exceed the amount of TDS. Further as per provision of Sec 271H diductor or collector of tax at source fail to file the return within the stipulated date, he/she can also be penalized with a fee which is not less than Rs 10,000. The amount of penalty could go up to Rs. 1 lakh.
2. **Downloading of TDS Certificates from TRACES made mandatory:** In this regard, your attention is invited to the **CBDT circulars 04/2013 dated 17.04.2013, CBDT Circular No. 03/2011 dated 13-5-2011 and CBDT Circular No. 01/2012 dated 9-4-2012** on the **Issuance of certificate for Tax Deducted at Source** in Form 16/16A as per IT Rules 1962. It is now **mandatory for all diductor's to issue TDS certificates after generating and downloading the same from "TDS Reconciliation Analysis and Correction Enabling System"** or TRACES Portal. In view of above circulars, it may kindly be noted that the TDS Certificates **downloaded only from TRACES Portal** will be valid. Certificates issued in any other form or manner will not comply to the requirements referred in the Income-tax Act 1961 read with relevant Rules and Circulars issued in this behalf from time to time. Further as per the provisions of section 203 of the Income Tax Act, 1961 read with rule 31A, Certificate of tax deducted at source is to be **furnished within fifteen (15) days from the due date for furnishing the statement** of tax deducted at source. Failure to comply with the provisions of the Act will attract **penalty under the provisions of section 272A of the Act, a sum of one hundred rupees for every day** during which the failure continues.
3. In case of ULB the commissioner/ Executive officer as the case may be in charge will be person who is liable to deduct and pay the TDS and issue of TDS certificate on time. Therefore, management is suggested to take a serious note on the status of Tax collected or deposited, timely submission of return thereof and issuance of TDS Certificate.

G. Deficiency in payroll system:



Particulars	Comments
Status of maintenance of salary register for all employees (Permanent/Daily wages/Contract worker)	Yes. Salary register was maintained for all employees.
Non availability of Salary payment voucher	ULB was not in practice to issue salary payment voucher. Payment of salary was passed based on approval by competent authority on salary register.
Matching of voucher number with cash book	No salary payment voucher number was mentioned in cash book.
Salary register contains all elements of salary	Yes all elements of salary were mentioned in salary register.

Report on Utilisation of Grant and report on missing Utilisation Certificates:

Non-providing of utilization certification: ULB has not provided any hard and soft copy of approved utilization certificate letter sent to the department. However, we have taken some abstract from cash book and detail of such abstract are given below

Name of Grant/Scheme Fund	Opening Balance as on 01-04-2018	Received during the year		Expense during the year	Closing Balance as on 31-03-2019	Remarks
		Letter Number & Date of Receipts	Amount			
14th Finance	9,143,111	UDHD/ 52/52/A 31-10-2018 UDHD/ 75/120 25-01-2019	11,085,978	14,145,597	6,983,352	UC not provided
5th Finance	4,329,193	UDHD/ 15/1A 30-07-2018 UDHD/ 21/1A 10.07.2018	18,417,105	22,207,273	539,025	UC not provided
CENSUES					-	
CITY MANAGER SALARY					-	
CM NALI GALI	9,494,350	UDHD/ 09/1A 30-05-2018 UDHD/ 99/141 6-03-	10,723,456	13,485,051	6,732,785	UC not provided

			2019				
6	CM NAL JAL	17,818,087			9,806,324	8,011,763	UC not pro dec
7	DUDA	-	UDHD/ CODE- K- 844800 102000 3/IA 11-07- 2018	6,990,110	-	6,990,110	UC no pro de
8	ELECTRICITY BILL	-	UDHD/ 135/IA 30-03- 2019	19,993,193	15,000,000	4,993,193	U n pr d
9	EO SALARY	-	UDHD/ 1/IA 26-05- 2018 UDHD/ 39/87 20-11- 2018	1,444,189	1,018,978	425,211	U n pr d
10	NAGRIK SUVIDHA	8,574,092	UDHD/ 31/81/I A 31-10- 2018	2,655,000	3,567,000	7,662,092	I p c
11	PROFESSIONAL TAX	-	UDHD/ 27/77/I A 27-10- 2018	1,157,584	-	1,157,584	F
12	STAMP DUTY	4,104,429	UDHD/ 1357/I A 16-04- 2018 UDHD/ 1674/I A 17.5.20 18	3,427,199	6,288,790	1,242,838	I
13	STATE PLAN DRAIN & PCC (RAJYA YOJNA)	10,753,238		-	2,297,217	8,456,021	
14	WARD PARSAD	112,637		-	-	112,637	

- I. Physical verification of inventory/Stores:** In absence of data and cooperation we are not able to verify the inventory and stores. However we have taken some pic of ULB vehicle stand in the ground of ULB and we observed that the vehicle are running in filed without taken any registration. Refer "Annexure - 7"
- J. Advances, their adjustment & Recovery:** Refer point 36 PART-B (d)
- K. Any other matters as may be prescribed in due course :** As all relevant matters has been covered in above Mention point:

III. PART-C

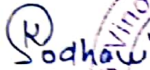
Sl. No	Particulars	Complied or Not
A	Auditor should report in a separate section for non-compliance of rules/directives of UD&HD, GoB; Auditor should see the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	Complied Refer-PART-B(d)
B	Auditor should Report in a separate chapter on implementation of SAS of Property Tax in the ULB; internal auditor should 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) must be surveyed and checked in each quarter and reported variations, if any, in PTRs and Actuals as per internal audits;	Complied Refer-PART-A(c)
C	Auditor should report on compliance of 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 months	Complied Refer-PART-B(d)
D	Report on Compliance of financial guidelines of schemes of MOHUA & UD&HD, GoB.	Complied Refer-PART-B(b)
E	Report and quantify all major own revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc.;	Complied Refer-PART-A(a)
F	Auditor should Report on adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments above Rs. 15,000 and above.	Complied Refer-PART-B(b)(2)
G	Auditor should Report on 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/-	Complied Refer-PART-B(b)(2)
h	Auditor should Report on presence or absence of a system of issuance of utilisation certificate for the different schemes for any utilisation made during the reporting period; Where there is no system for issuance of U/Cs, the Internal Audit report shall prepare Utilisation Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&HD website.	Complied Refer-PART-B(g)
i	Auditor should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	Complied Refer-Audit recommendation
j	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies.	Complied Refer-PART-B(b)
k	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies	Complied Refer-PART-B(b)
l	Auditor will report on that the fixed deposit and other funds should be in nationalized Banks/Approved financial institutions and should earn maximum interest at their gestation period.	Complied Refer-PART-B(e)
m	Internal Auditor will identify major areas of ULBs own revenue loss and auditor will access the loss and Prepare a statement of loss.	Complied Refer-PART-A(a)
n	Auditor will report on that all kind of tax deductions i.e. Commercial tax, Income tax, provident fund etc. Should be deducted from the payments as	Complied Refer-PART-B(f) & (g)



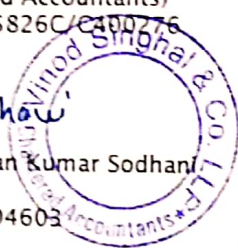
	applicable, deposited properly and also should be properly recorded in appropriate ledgers.	
o	Internal Auditor will ensure that all the C&AG audit & Internal audit Paras has been complied by the ULBs, if not complied the Internal Auditor shall help the ULBs staffs to prepare the compliance report.	Complied Point-03 of Detailed Audit Report

Thanking You,

For Vinod Singhal & Co. LLP
(Chartered Accountants)
FRN : 005826C/CA00276

 Sodhani

CA Krishan Kumar Sodhani
Partner
M. No. 404603



UDIN No :-> 20000603AAAATC7671
DATE :-> 22-12-2020



Management Comments

1. INTRODUCTION

Name of the Municipality	BihiyaNagar Panchayat
Period covered under current audit	01.04.2018 to 31.03.2019
Name of Executive Officer for the period under Audit	Mr. Kishore Kunal

Sl. No	Audit Observations	Auditor Recommendations	Management Comment
1	Non-updating of bank reconciliation on monthly basis.	Bank Reconciliation help us to monitor over: 1. Difference between Bank Passbook and Cash Book 2. Unauthorised withdrawal from Bank. 3. Excessive debited by Bank 4. Helps to know reasons of differences. <i>Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.</i>	We have started accounting through tally software and for the FY 2018-19 onwards we will submit the Bank reconciliation statement prepared through the aforesaid software for your verification.
2	Not provided any data for verify the Implementation of Double Entry Accounting System	As per requirement of BMAR-2014, Part -A, Chapter -2 Rule - 4, "All ULB referred in Schedule -I shall maintain its Books of Account using the double entry system". Since BihiyaNagar Panchayat is Covered under Schedule -I, therefore they should have to maintain their accounts on double entry accounting system in compliance of such rule. We found the detail that double accounting system is implemented at BihiyaNagar ULB, however we not got any data for verification the same.	Double entry system has been started at BihiyaNagar ULB w.e.f. 2017. Tros consultancy Pvt. Ltd. Has appointed for execute the same. We will provide the same on your next visit.
3	No details were made available regarding meeting of municipal accounts committee held during the financial year	As per requirement of BMA-2007, Chapter-XII, ULB should held meeting of Municipal Accounts Committee each year. During our Audit no any evidence has been produced to us w.r.t. meeting of municipal accounts committee. <i>ULB should ensure timely meeting of accounts committee in compliance</i>	





<p>2018-19.</p> <p>Non-levy of following taxes</p> <ul style="list-style-type: none"> * Surcharge on transfer of lands and buildings * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists. * Tax on profession. * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy * goods vehicles, and buses, which shall be heavy passenger motor vehicles. * User Charges for provision of water-supply, drainage and sewerage * User Charges for Solid Waste Management * User Charges for Parking Facility * User Charges for Garbage Clearance * Collection of fees for sanction of building plans and issue of completion certificates, * Collection of fees for Issue of municipal licenses for various non- 	<p>of BMA-2007.</p> <p>As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. ULB should take steps to implement required taxes to boost their revenue</p>	<p>Bihya is a Nagar Panchayat and many of taxes as reported here are not applicable on it. Further we insure you that we will collect all applicable taxes as soon as possible.</p>
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<p>residential uses of lands and buildings, * Collection of Development Charges</p>	<p>Section 3 of BMA 5014 Collection of taxes with bank as per provision of BMA rule-22</p>	<p>As per Bihar Municipal Act, 2007 & Rules 22 of BMA-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</p>	<p>Many of time due to work load and filed survey the collector not submitted their collection for deposit into bank. However irrespective of fact we have directed the all collector to submit their collection amount as per Rule.</p>
<p>5</p>	<p>Late-Deposit of tax collection of cashier and with bank as per provision of BMA rule-22</p>	<p>As per Bihar Municipal Act, 2007 & Rules 22 of BMA-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</p>	<p>Many of time due to work load and filed survey the collector not submitted their collection for deposit into bank. However irrespective of fact we have directed the all collector to submit their collection amount as per Rule.</p>



6	Non-Collection of notice fees	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but in case of Bihiya Nagar Panchayat, Corporation has not provided any information regarding charging and collection of notice fees. <i>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</i>	From now onwards we will implement the same.
7	Non collecting arrears of taxes and rental income	Bihiya ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the such data that there is huge arrear of taxes at Bihiya ULB. <i>Therefore, the management should take proper step to boost collection of arrears. Further a weekly or fortnightly meeting with all tax collectors to be held for getting the reason of non-collection and resolving the same.</i>	We have served several notices for payment of the arrear taxes and we are continuously try to collect the same.
8	Non preparation of payment voucher	ULB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.	Due to lack of manpower it was not possible for us that comply with each and every rule. However, the same will be started at earliest.
9	Non conducting field survey of 20 high value properties	Being ULB was not maintaining any details of high value properties, above details has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga & tax collectors in filed survey. <i>ULB should identify and prepare separate list of high value properties by conducting re-assessment of prospective properties on timely basis to boost their revenue.</i>	Due to election duty many of our regular work got pending, therefore we have not visited in filed with yourself. However, we ensure that we will visit the filed on your next audit schedule.
10	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	Detail of registers not maintained by ULB is mentioned under PART-A (a). <i>ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR - 2014.</i>	We will maintain the same at earliest.
11	Irregularities in tender issue process	Proper tender documents regarding tender approval and allotment was not properly maintained or made available for audit. In provided cases, we are unable to comment on channel of procurement of tender and their required compliances. Further, no statutory compliance register was maintained in regards with statutory dues deducted from	We have kept all data with us, we will show the same to you at your next visit.



		party bills. So, ULB should maintain proper tender register and file that include all related documents of tender. Statutory compliance register should be maintained for all statutory deductions made from parties invoices.	Register has been maintained by us. We will show the same on your next visit.
12	Non-maintenance of register for all Procurements with value above Rs. 15,000	ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000	
13	Deficiency in payroll system and of muster roll register	As ULB is not maintaining salary deduction register, Payment vouchers, Bio-metric and any payroll software. ULB should ensure that all requirements should be in place and complied for effective salary management.	All concerned person are directed to resolved this issue within 15 days. We will inform you after rectification.
14	Non-Compliance of Act & Rules	Refer point of Part-B (d) of audit report for status of non-compliance of Act & Rules. ULB should ensure compliance of all applicable Act & Rules.	With the help of available man power we are trying to serve in best possible manner. However, due to lack of manpower and excess work load some of rules are not followed by or missed by us. We will try to cover the same at earliest.
15	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque handling and statutory compliances.	We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances: We suggest that: 1. MIS System should be implemented over daily collection and deposit. 2. Reason for non-deposit/ late deposit should be strongly need to ask for minimise delay. 3. Need to identify a person to comply with the statutory compliances. In case failure to comply with statutory compliances he should also be penalised. Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.	We will start the same at earliest.
16	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns	As ULB is not proper in statutory compliance, that cause monetary/non-monetary implication on ULB in mode of interest, penalty and Late Fee & imprisonment. So, management should ensure statutory compliance on time.	Due to shortage of trained staff statutory compliances are handled by professional hired by us. We will present all file with you after getting data from them.



17	Utilisation of Grant and report on missing utilisation certificates	Grant is blood of ulb. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirement of grant. Further timely submission of utilisation certificate helps the grant realising authority to send the money for fulfil the requirement of future. Therefore, management should ensure that UC has been submitted with concerned department on time.	UC has been submitted to department. We will show you copy of the same for your verification at your next visit.
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६. ... पवसधिकारी
 नगर पञ्चायत विहििया
 १.१० (भोजपुर)

कार्यालय नगर पंचायत विस्था. बीजपुर।

पत्रांक - 289 दिनांक - 11.06.16

5-0-7

15-6-16

प्रेषक: कार्यपालक पदाधिकारी,
नगर पंचायत विस्था।

संपादक: विजय चन्दि क.
बठमिठ एवं आठमिठ,
बिहार पर्या।

विषय: - नगर पंचायत विस्था के कंसेकटा प्रतियेदन संख्या -
1143/15-16 का अनुपालन प्रतियेदन अंगरे के संवेध में।

प्रसंग: - अवधीय पत्रांक - 8082 दिनांक - 12.05.16,

महाराष्ट्र, अर्थात् प्रसंगाधीन पत्र के संदर्भ में साकर सुनित
करना है नगर पंचायत विस्था के कंसेकटा प्रतियेदन संख्या -
1143/15-16 का अनुपालन प्रतियेदन इस पत्र के साक्ष्य संलग्न कर
अंतर परिवाडी हेतु भेजा जा रहा है।

कृपया साक्षि स्वीकार डिवा नाव।

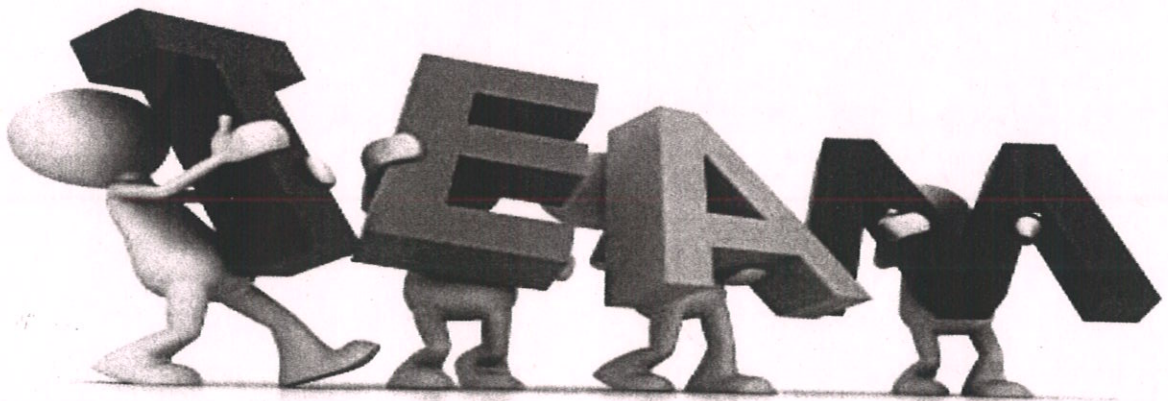
अनुसूचक: - बरबोरि।

विश्वास भोजन

कार्यपालक पदाधिकारी -
नगर पंचायत विस्था।



thank you



Vinod & Co. LLP
CHARTERED ACCOUNTANTS
We Plant Quality

510, SUMATI PALANCE, OPPOSITE ALANKAR
JEWELERS, BORING ROAD, PATMA-800001

TEAM TOGETHER
EVERYONE
ACHIEVES
MORE