



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

# INTERNAL AUDIT REPORT

FOR  
FY 2018-19

**BHABHUA NAGAR PARISHAD**

**GROUP-06**  
**ULBs-18**

**Vinod & Co. LLP**  
CHARTERED ACCOUNTANTS  
We Plant Quality





To  
The Secretary,  
Urban Development & Housing Department,  
Patna-Bihar

**Sub:** Submission of Bhabhua Municipal Council Annual Internal audit report with management comments for the financial year 2018-19.

**Ref No.:** Project No. 07/I.A.-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 of 140 ULBs of Bihar."

As we have conducted Annual internal audit of Bhabhua Municipal Council for the financial year 2018-19. Through this letter we are submitting Annual internal audit report of Bhabhua Municipal Council for the F.Y.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  
FRN: 005826C/C400276

CA Krishan Kumar Sodhani  
M.No:- 404603

UDIN No.:- 20909603AAAAAMU2064

Date: 22-12-2020  
Place: Patna

CC:State Level Project Monitoring Unit  
PSP Financials Consultants Pvt. Ltd.

## CONTENTS

<b>Project Title</b>	<b>Internal audit of 18 ULBs of Group-06 of Bihar</b>
<b>Report Title</b>	<b>Annual internal audit report of Bhabua Municipal Council</b>
<b>Period</b>	<b>1<sup>st</sup> Apr -2018 to 31<sup>st</sup> -March-2019</b>
<b>Reporting Entity</b>	<b>Vinod Singhal &amp; Co., LLP, Chartered Accountants</b>
<b>Reporting for</b>	<b>Bhabua Municipal Council</b>
<b>Report Prepared by</b>	<b>Team, Vinod Singhal &amp; Co. LLP</b>
<b>Date of submission</b>	<b>19<sup>th</sup> Nov 2019</b>



## EXECUTIVE SUMMARY

### 1. INTRODUCTION

Name of the Municipality	Bhabhua Nagar Parishad
Period covered under current audit	01.04.2018 to 31.03.2019
Name of Municipal Executive Officer for the period under Audit	Mr. Anubhuti Prasad Sriwastav

### 2. RESULTS AND FINDINGS

➤ Strengths observed during audit engagement

In the existing system as prevailing in the Nagar Parishad 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 comply AG report for the F.Y. 2015-16 to 2016-17
2	Budget not prepared in proper manner and guidance given by <u>UD&amp;HD GoB.</u>
3	Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.
4	Non-Implementation of Double Entry Accounting System
5	No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.
6	<b>Non-levy of following taxes</b> <ul style="list-style-type: none"><li>* Surcharge on transfer of lands and buildings</li><li>* Water tax</li><li>* Fire tax.</li><li>* Tax on advertisements, other than advertisements published in newspapers</li><li>* Surcharge on electricity consumption within the municipal area</li><li>* Tax on congregations.</li><li>* Tax on pilgrims and tourists.</li><li>* Tax on profession.</li><li>* 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.</li><li>* User Charges for provision of water-supply, drainage and sewerage</li><li>* User Charges for Solid Waste Management</li><li>* User Charges for Parking Facility</li><li>* User Charges for Garbage Clearance</li></ul>



	<ul style="list-style-type: none"> <li>* Collection of fees for sanction of building plans and issue of completion certificates,</li> <li>* Collection of fees for issue of municipal licenses for various non-residential uses of lands and buildings,</li> <li>* Collection of Development Charges</li> </ul>
7	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22
8	Non-collection of notice fees for defaulter
9	Non-recovery of outstanding taxes
10	Non-providing details regarding arrear of advertisement tax, mobile tower tax, rental income
11	Non-preparation of payment vouchers
12	Non-conducting physical survey of 20 high value properties and non-collection of outstanding property tax from very long period
13	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014
14	Non-preparation of Annual Financial Statement as per the provision of Rule 122 of BAMR - 2014
15	<b>Irregularities in vendor payment process:</b> <ul style="list-style-type: none"> <li>• Budget Control register was not updated</li> <li>• Quality control test report was not available</li> <li>• Completion certificate was not available in payment file in case of completed contract.</li> </ul>
16	Non-maintenance of register for all procurements with value above Rs. 15,000
17	Missing signature of wages worker and stamp of ULB on muster roll register
18	No maintenance of separate earnest & security deposit register
19	Non-compliance of Act & Rules
20	<b>Lack of internal control measures</b> <ol style="list-style-type: none"> <li>1. Voucher file was not maintained</li> <li>2. No internal mechanism for statutory compliance</li> <li>3. No MIS was prepared for tracking of payments</li> <li>4. Required books of accounts as per BMAM was not maintained</li> <li>5. Statutory compliance reconciliation was not maintained</li> <li>6. Year-end reconciliation was not available</li> <li>7. Bank reconciliation of any bank account was not prepared.</li> <li>8. Bank balance as per cash book was not maintained.</li> </ol>
21	<b>Non-compliance of statutory compliances:</b> <ul style="list-style-type: none"> <li>• Non preparation of statutory compliance register</li> <li>• Non deposit of TDS on timely basis.</li> <li>• Non filing of TDS return for due period</li> <li>• Non providing details regarding VAT/PF/Labour Cess</li> </ul>
22	<b>Deficiency in payroll system</b> <ul style="list-style-type: none"> <li>• Non-preparation of salary payment voucher</li> <li>• Non-maintaining salary payment reference number in cash book</li> <li>• Non-implementation of Bio-metric device and payroll software</li> </ul>
23	Non-providing of Utilization certificate for the reporting audit period
24	Non-maintaining of inventory/store register and non-conducting of physical verification of inventory and stores available with ULB as per requirement of BMAR-rule 130.



25	Non providing details of Advances, their adjustment & Recovery
----	--

**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**

SIN o	Audit Observations	Audit Observations
1	Non comply AG report for the F.Y. 2014-15 to 2016-17	During audit we observed that the compliance of C & AG report for the F.Y.2014-15 to 2015-2016 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. <i>We suggest that ULB officials should take appropriate action to prepare compliance of C &amp; AG &amp; internal audit compliance.</i>
2	Budget not prepared in proper manner and guidance given by <u>UD&amp;HD GoB:</u>	ULB should implement real time budget preparation in prescribed format of BMAM. Further, Budget variance report should be prepared for actual budget report.
3	Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.	<b>Bank Reconciliation help us to monitor over:</b> 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 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>
4	Non-Implementation of Double Entry Accounting System	As per requirement of BMAR-2014, Part -A, Chapter -2 Rule -4, "All ULB refereed in Schedule -I shall maintain its Books of Account using the double entry system".
5	No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.	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 of BMA-2007.</i>
6	<b>Non-levy of following taxes</b> * Surcharge on transfer of lands and buildings * Water tax * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists.	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>



	<ul style="list-style-type: none"> <li>* Tax on profession,</li> <li>* 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,</li> <li>* User Charges for provision of water-supply, drainage and sewerage</li> <li>* User Charges for Solid Waste Management</li> <li>* User Charges for Parking Facility</li> <li>* User Charges for Garbage Clearance</li> <li>* Collection of fees for sanction of building plans and issue of completion certificates,</li> <li>* Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings,</li> <li>* Collection of Development Charges</li> </ul>	
7	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22	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. 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
8	Non-collection of notice fees for defaulter	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 Babhua Nagar Parishad, ULB has not provided any information regarding charging and collection of notice fees. ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.
9	Non-recovery of outstanding taxes	ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the data that there is huge arrear of taxes at ULB. 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.
10	Non-providing details regarding arrear of advertisement tax, mobile tower tax, rental income	ULB should prepare proper records for arrear amount and should take proper steps to collect arrears.
11	Non-preparation of payment vouchers	ULB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.
12	Non-conducting physical survey of 20 high value properties and non-collection of outstanding property tax from very long period	Being ULB was not maintaining any details of high value properties, The details given in report 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. 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.
13	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). ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule 3 of BMAR -2014.
14	Non-preparation of Annual Financial Statement as per the provision of Rule 122 of BMAR - 2014	ULB should ensure preparation of Annual Financial Statement as per the provision of Rule 122 of BMAR - 2014
15	Irregularities in vendor payment process: <ul style="list-style-type: none"> <li>▪ Budget Control register was not updated</li> <li>▪ Quality control test report was not available</li> <li>▪ Completion certificate was not available in payment file in case of completed contract.</li> </ul>	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 party bills. So, ULB should maintained proper tender register and file that include all related documents of tender. Statutory compliance register should be maintained for all statutory deductions made form parties invoices.
16	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
17	Missing signature of wages worker and stamp of ULB on muster roll register	ULB should ensure proper maintenance of wages register by complying signature and stamping.
18	No maintenance of separate earnest & security deposit register	EMD and security deposit register help in tracking of balance payable to parties.
19	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.
20	Lack of internal control measures <ol style="list-style-type: none"> <li>1. Voucher file was not maintained</li> <li>2. No internal mechanism for statutory compliance</li> <li>3. No MIS was prepared for tracking of payments</li> <li>4. Required books of accounts as per BMAM was not maintained</li> <li>5. Statutory compliance reconciliation was not maintained</li> <li>6. Year-end reconciliation was not available</li> <li>7. Bank reconciliation of any bank account was not prepared.</li> <li>8. Bank balance as per cash book was not maintained.</li> </ol>	We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances:  <b>We suggest that:</b> <ol style="list-style-type: none"> <li>1. MIS System should be implemented over daily collection and deposit.</li> <li>2. Reason for non-deposit/ late deposit should be strongly need to ask for minimise delay.</li> <li>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.</li> </ol>
21	Non-compliance of statutory compliances: <ul style="list-style-type: none"> <li>▪ Non preparation of statutory compliance register</li> <li>▪ Non deposit of TDS on timely basis.</li> <li>▪ Non filling of TDS return for due period</li> <li>▪ Non providing details regarding VAT/PF/Royalty/Labour Cess</li> </ul>	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 and prosecution. Management should insure that all statutory are paid on time and returns related thereof on time.
22	<b>Deficiency in payroll system</b> <ul style="list-style-type: none"> <li>▪ Non-preparation of salary payment voucher</li> <li>▪ Non-maintaining salary payment reference number in cash book</li> <li>▪ Non-implementation of Bio-metric device and payroll software</li> </ul>	<p>Every payment should be accompanied by payment voucher. Further as per Section 2(23) of the Indian Stamp Act 1899 makes it mandatory affixing of stamp on any receipt as defined above Rs 5000. Therefore, management should ensure that the payment is accompanied by payment voucher.</p> <p><b>Meaning of Receipt :</b> "Receipt" includes any note, memorandum or writing-</p> <p>(a) whereby any money, or any bill of exchange or promissory note is acknowledged to have been received, or (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 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>
23	Non-providing of Utilization certificate for the reporting audit period	Grant is blood of ULB. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirements of grant. Further timely submission of utilization 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.
24	Non-maintaining of inventory/store register and non-conducting of physical verification of inventory and stores available with ULB as per requirement of BMAR-rule 130.	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.
25	Non providing details of Advances, their adjustment & Recovery	To ensure timely recovery of advance with interest proper calculation should be there with proper recovery plan.

##### 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	Bhabhua Nagar Parishad	01-04-2018	31-03-2019	<b>1. Name of TL:</b> Krishan Kumar Sodhani <b>2. Name of MAE:</b> CA Rahul Kumar Shrivastwa <b>3. Name of MAA:</b> Sanjeev Kumar

**2. ADMINISTRATION:**

Sl. No	Particulars	Details
1	The present body of the ULB has taken charge on	09-06-2017
2	<b>The incumbency in the key administrative and executive positions was as under:</b>	
2.1	<b>Name of Mayor:</b>	Mr. Jaynanad Kumar Arya
2.1.1	<b>Period of Service:</b>	<b>From:</b> 09-06-2017 <b>To:</b> Till date
2.2	<b>Name of Commissioner/Executive Officer:</b>	Mr. Anbhuti Prasad Srivastava
2.2.1	<b>Period of Service:</b>	<b>From:</b> 13-07-2017 <b>To:</b> Till date

**3. REVIEW OF OUTSTANDING AUDIT PARAS:**

**3.1. Status of Audit Observations is as under:**

(Rs. In Lakh)

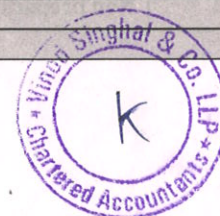
S.N.	Particulars of audit and date of report	Total no. of audit paras	Total no. of audit paras where necessary improvement/ corrective measures required	Total no. of audit paras where recovery of cash is proposed	Total no. of audit paras where recovery has been made	Total amount of Recovery	Total no. 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. 2015-16 to 2016-17	32	31	7	1	1.00	18	857/17-11-2018

**3.2. Details of total no of audit paras:**

Period of AG audit report : Financial year 2015-16 to 2016-17

Compliance report date & Number : 857/ 17-11-2018

Sl. No	Audit Para Number	Heading of the audit para	Amount involved	Recovery Proposed	Recovery Completed	Action Taken or Not
<b>Part-II (A) of AG Audit Report</b>						
NIL						
<b>Part-II (B) of AG Audit Report</b>						



1	1	Not collecting labour cess during approval of building map	14.35	14.35	-	Yes
2	2	Payment of salary without approval of standing committee	3.21	3.21	-	Yes
3	3	Short/ Not Deposited amount of "H" receipt by Ujjawal Kumar Pandey	0.37	0.37	-	Yes
4	4	Amount deposited during audit	0.18	-	-	Yes
5	5	Error in purchase of fibber dustbin and hand trolley.	129.77	-	-	Yes
6	6	Error in purchase of LED Street light and high mast light	56.88	-	-	Yes
7	7	Stamp duty not deposited in respective head	0.93	-	-	Yes
8	8	Loss of revenue in contract	0.93	-	-	Yes
9	9	Excess payment due to non deduction of late fee	0.65	-	-	Yes
10	10	Excess / irregular payment in scheme	1.21	-	-	Yes
11	11	Amount due on Mobile tower	102	102	-	Yes
12	12	Undeclared/ blocked amount	34.78	34.78	-	No
13	13	Non adjustment of advance amount given to Employee	2.00	2.00	1.00	Yes
14	14	No any certificate taken for transfer amount to Self Help Group under NULM	1.10	1.10	-	No
15	15	Differences found between Cashbook and Bank Passbook as on 31.03.2017	-	-	-	No
<b>Part-III (TAN) of AG Audit Report</b>						
16	1	Demand register not maintain as per rules and regulations	-	-	-	No
17	2	Non availability of Land for execution of solid waste	-	-	-	No
18	3	Non collection of solid waste from house	-	-	-	No
19	4	Storage of Solid waste	-	-	-	No
20	5	Provide data in prescribed format under Sat Nischay of Mukhyamantri Sahari Nali Gali Pakkikaran Nischay Yojna	-	-	-	No
21	6	Non availability of Voucher file	-	-	-	No
22	7	No proper entry in Demand and Collection register	-	-	-	No
23	8	No proper entry in Grant received from Government and other sources	-	-	-	No
24	9	Non preparation of Assets register	-	-	-	No
25	10	Non formation of Municipal Accounting Committee by Board	-	-	-	No
26	11	Non preparation of Annual account	-	-	-	No



27	12	Non presentation of Financial Statement and Balance sheet	-	-	-	No
28	13	Non presentation of previous audit compliance report	-	-	-	No
29	14	Non presentation of Approved Budget	-	-	-	No
30	15	Books are not kept under Double accounting system.	-	-	-	No
31	16	Non presentation of Completion certificate	-	-	-	No
32	17	List of non-presented books of accounts.	-	-	-	No
<b>Total</b>						

**Note:**

Above details has been taken from the AG Report the F.Y. 2015-16 and 2016-17 and compliance report thereof. **For AG Compliance Report, Refer the attached Annexure-01. Further we are submitting herewith copy of Compliance report submitted by the ULB for the FY 2013-14 to 2014-15 (Annexure -2).**

Further we wish to say that as we have submitted letter to ULB for asking support and to appoint support staff for working on audit compliance, please refer "**Annexure-3**".



#### 4. FINANCE

##### L. Budgetary provisions and expenditure for the last three years

Year	Year-2016-17	Year-2017-18	Year-2018-19
Final/Revised Budget Data	30,24,70,600	16,79,61,618	241,788,488
Actual Expenditure Data	12,24,46,333	21,83,82,191	277,150,121
Savings (+)/Excess (-)	18,10,23,867	(5,04,16,573)	35,261,833

##### Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statements i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17 & 2017-18 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	178,982,505	24,26,35,272	25,23,39,441	156,454,530	156,454,530
Receipts	450,784,124	13,21,50,502	122,483,280	200,972,826	200,972,826
Total	629,766,629	37,47,85,774	37,48,22,7212	357,427,156	357,427,156
Net expenditure	241,788,488	12,24,46,333	218,368,191	277,150,121	277,150,121
Closing balance	387,978,141	25,23,39,441	15,64,54,530	80,277,036	80,277,036

##### Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statements 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.

##### 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/No)
1	PNB BANK BHABUA	3863000102055661	Online Tax	12,58,183	1,24,515	11,33,668	No
2	PNB BANK BHABUA	255801000376	SBM	25,09,504	25,09,504		No
4	PNB BANK BHABUA	3863000102055634	15th finance				

		13th Finance					
4	PNB BANK BHABUA	3863000102055634	UIDSSMT	35,54,891	36,32,715	(77,824)	No
5	PNB BANK BHABUA	3863000102012107	Nirvachan	11,933	27,157	(15,224)	No
6	PNB BANK BHABUA	3863000102031148	BRGF	15,84,481	16,02,736	(18,255)	No
7	PNB BANK BHABUA	3863000102003394	Pension Fund	9,71,245	9,79,530	(8,285)	
8	SBI BANK BHABUA	11054505485	14 <sup>th</sup> Finance	6,15,023	6,15,023	-	
9	MBGB BANK BHABUA	73380104149855	5 <sup>th</sup> Finance	37,03,452	85,16,202	(48,12,750)	
10	MBGB BANK BHABUA	73380104153706	Kabar Antyeshiti	5,98,759	5,98,759	-	
11	MBGB BANK BHABUA	73380100134374	HFA	16,60,006	21,60,005	(4,99,999)	
12	UNITED BANK OF INDIA	1953010062718					

**Comment:**

**Bank Reconciliation helps us to monitor cycle**

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 differences.
- 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.

**IV. Revenue & Capital Receipts information:**

SlNo	Details	Income Details (Amount in Rs.)					
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
	Total Receipts (A+B)	122,483,280	132,150,502	200,972,626	122,483,280	Not Applicable	200,972,626
A	Revenue Receipts (1+2+3)	50,726,646	30,164,579	65,675,842	50,726,646	Not Applicable	65,675,842
1	Own Revenue Receipts (a+b)	18,702,615	10,621,454	14,243,626	18,702,615	Not Applicable	14,243,626
a)	Tax Revenue (levied and collected by municipal body)	10,696,050	6,296,497	12,914,688	10,696,050	Not Applicable	12,914,688
i)	Property tax	8,336,953	5,549,985	12,148,374	8,336,953	Not Applicable	12,148,374

a)	Other tax levied and collected by municipal body)	2,359,097	746,512	756,314	2,359,097	756,314	Not Applicable	756,314
b)	Non-tax revenue (levied and collected by municipal body)	8,006,565	4,324,957	1,328,938	8,006,565	1,328,938	Not Applicable	1,328,938
c)	Fees & fines	5,748,057	1,678,803	1,328,938	5,748,057	1,328,938	Not Applicable	1,328,938
d)	User Charges	-	1,859,068	-	-	-	Not Applicable	-
iii)	Other non-tax revenue (levied and collected by municipal body)	2,258,508	787,086	-	2,258,508	-	Not Applicable	-
<b>2</b>	<b>Other Revenue Receipts</b>	<b>11,045,437</b>	<b>14,869,719</b>	<b>803,365</b>	<b>11,045,437</b>	<b>803,365</b>	Not Applicable	<b>803,365</b>
a)	Income from interest/investments	1,749,899	2,115,051	803,365	1,749,899	803,365	Not Applicable	803,365
b)	Other Revenue income	10,095,538	12,554,666	-	10,095,538	-	Not Applicable	-
<b>3</b>	<b>Transfers/Grants/Assigned Revenues</b>	<b>20,178,594</b>	<b>4,671,406</b>	<b>50,628,851</b>	<b>20,178,594</b>	<b>50,628,851</b>	Not Applicable	<b>50,628,851</b>
a)	State Assigned Revenue	-	-	39,438,575	-	39,438,575	Not Applicable	39,438,575
b)	State Finance Commission (SFC) Grants/Devolution	-	-	-	-	-	Not Applicable	-
c)	Otroit compensation	-	-	-	-	-	Not Applicable	-
d)	Other State Government Transfers	19,914,344	1,809,156	11,190,276	19,914,344	11,190,276	Not Applicable	11,190,276
e)	Central Finance Commission (CFC) Grant	-	-	-	-	-	Not Applicable	-
f)	Other Central Government Transfers	-	-	-	-	-	Not Applicable	-
g)	Others (Sales & Hire Charges)	264,250	864,250	-	264,250	-	Not Applicable	-
<b>B</b>	<b>Capital Receipts (1+2+3+4+5+6)</b>	<b>71,756,634</b>	<b>101,985,923</b>	<b>135,296,784</b>	<b>71,756,634</b>	<b>135,296,784</b>	Not Applicable	<b>135,296,784</b>
1	Sale of Municipal Land	-	-	-	-	-	Not Applicable	-
2	Loans (from State Govt. or Bank etc.)	-	-	-	-	-	Not Applicable	-
3	State Capital Account Grant (under State Schemes etc.)	12,921,165	39,357,285	135,296,784	12,921,165	135,296,784	Not Applicable	135,296,784
4	Central Capital Account Grant (under Central Schemes etc.)	51,599,118	62,628,638	-	51,599,118	-	Not Applicable	-
5	Other Capital Receipts	7,236,351	-	-	7,236,351	-	Not Applicable	-

**Comment:**

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17. 2016-17-2017-18-2018-19 Financial Statement of Municipal Body/Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17, 2017-18 & 2018-19. We have not been provided with the original figures. We could not validate the above mentioned figures. We are not responsible for the accuracy of the figures.

**Comment:**

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 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. Refer "Annexure-4" for Budget

S. No.	Details	Expenditure Details (Amount in Rs.)						
		2017-18		2018-19		2019-20		2018-19
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19	2018-19
	Total Expenditure (1+2)	218,368,191	122,446,333	277,150,121	218,368,191	Not Applicable	277,150,121	
1	Revenue Expenditure	87,352,174	26,050,457	85,489,863	87,352,174	Not Applicable	85,489,863	
1.1	Administrative Expenses, Establishment and Salaries (All Departments-Regular and Contractual Staff)	16,984,316	13,363,808	38,367,523	16,984,316	Not Applicable	38,367,523	
1.2	Operation and Maintenance (O&M)	50,959,434	3,954,931	39,486,306	50,959,434	Not Applicable	39,486,306	
1.3	Loan repayment (Interest payments)	916	1,404	1,562	916	Not Applicable	1,562	
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	19,407,508	8,730,314	7,634,472	19,407,508	-	7,634,472	
2	Capital Expenditure	131,016,017	96,395,876	191,660,258	131,016,017	Not Applicable	191,660,258	
2.1	All developmental works under Central/State specific schemes	130,826,685	90,187,112	190,676,383	130,826,685	Not Applicable	190,676,383	
2.2	Loan Repayments (Principal Amount)	189,332	6,208,764	983,875	189,332	Not Applicable	983,875	
2.3	Other Capital expenditure	-	-	-	-	Not Applicable	-	

**Comment:**

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 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. Refer "Annexure-4" for Budget.

**VI. Status of Implementation of Double Entry Accounting System**

Double entry system was implemented at ULB till FY 2015-16, however, from 01.04.2016 till date there is no any double entry accounting system implemented here. Detail of previous consultant is given below:

S. No.	Name of Implementing Agency	Hiring (Whether by ULB/UD & HD)	Agency	Period of Accounting
1	Manas Das & co	UD & HD		From 2014-15 To 2015-16

**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 "Annexure 5".



**5. AUDIT OBSERVATION**

**I. 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 Bhabhua Nagar Parishad**, the following mentioned tax/charges are not implemented that leads to loss of revenue to ULB.

* Surcharge on transfer of lands and buildings
* Water tax
* Fire tax.
* Tax on advertisements, other than advertisements published in newspapers
* 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

**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, 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 Taxes due to which result in Revenue leakage.

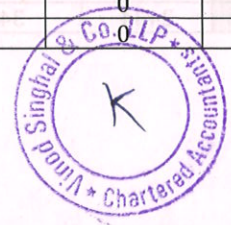
**Corrective Action / Recommendation** - As per our opinion, management should review the working on timely basis

- 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 Bhabhua Nagar Parishad**, during verification of receipts book and deposit slips, we have noticed that there was gap of 1-5 days in collection of tax and deposit of tax to cashier.

Sl. No	Serial Number		Amount of Tax	Date of Collection as per Receipts Booked		Date of Deposited with Cashier	Delay in deposit with cashier	
	From	To		From	To		Minimum	Maximum
1	1	25	51,329	02.04.2018	03.04.2018	03.04.2018	0	1
2	26	71	42,737	04.04.2018	05.04.2018	05.04.2018	0	1
3	72	100	51,569	06.04.2018	06.04.2018	06.04.2018	0	0
4	101	170	78,546	07.04.2018	09.04.2018	09.04.2018	0	2
5	171	194	24,683	10.04.2018	10.04.2018	10.04.2018	0	0
6	195	225	32,775	11.04.2018	11.04.2018	11.04.2018	0	0
7	611	669	99,945	03.05.2018	04.05.2018	04.05.2018	0	1
8	670	696	50,020	05.05.2018	05.05.2018	05.05.2018	0	0
9	697	746	87,656	07.05.2018	08.05.2018	08.05.2018	0	1
10	747	774	46,461	09.05.2018	09.05.2018	09.05.2018	0	0
11	775	806	54,398	10.05.2018	11.05.2018	11.05.2018	0	1
12	1111	1148	64,717	01.06.2018	04.06.2018	04.06.2018	0	3
13	1150	1202	118,465	05.06.2018	09.06.2018	09.06.2018	0	4
14	1203	1213	47,605	11.06.2018	12.06.2018	12.06.2018	0	1
15	1224	1262	61,869	13.06.2018	14.06.2018	15.06.2018	1	2
16	1263	1284	62,534	15.06.2018	19.06.2018	19.06.2018	0	4
17	1383	1416	60,596	02.07.2018	06.07.2018	09.07.2018	3	7
18	1417	1467	83,043	07.07.2018	13.07.2018	13.07.2018	0	6
19	1550	1583	42,096	01.08.2018	08.08.2018	08.08.2018	0	7
20	1584	1600	81,184	09.08.2018	10.08.2018	10.08.2018	0	1
21	1601	1641	57,834	11.08.2018	16.08.2018	16.08.2018	0	5
22	1711	1757	94,247	01.09.2018	08.09.2018	11.09.2018	3	10
23	1758	1793	91,719	10.09.2018	13.09.2018	14.09.2018	1	4
24	1794	1819	42,558	14.09.2018	20.09.2018	22.09.2018	2	8
25	1861	1889	48,980	01.10.2018	09.10.2018	11.10.2018	2	10
26	1890	1910	37,350	10.10.2018	24.10.2018	25.10.2018	1	15
27	1946	1963	58,569	01.11.2018	06.11.2018	08.11.2018	2	7
28	1964	1986	79,231	08.11.2018	17.11.2018	19.11.2018	2	11
29	1987	2009	91,645	19.11.2018	22.11.2018	23.11.2018	1	4
30	2010	2060	230,663	23.11.2018	29.11.2018	29.11.2018	0	6
31	2062	2081	66,779	03.12.2018	05.12.2018	06.12.2018	1	3
32	2082	2101	95,619	06.12.2018	08.12.2018	11.12.2018	3	5
33	2103	2128	90,875	10.12.2018	15.12.2018	17.12.2018	2	7
34	2129	2161	103,512	17.12.2018	20.12.2018	22.12.2018	2	5
35	2162	2214	218,908	21.12.2018	31.12.2018	01.01.2019	1	11
36	2215	2232	100,896	02.01.2019	05.01.2019	07.01.2019	2	5
37	2233	2260	87,985	07.01.2019	10.01.2019	12.01.2019	2	5
38	2261	2296	83,033	11.01.2019	18.01.2019	19.01.2019	1	8
39	2297	2334	88,815	19.01.2019	28.01.2019	29.01.2019	1	10
40	2335	2349	108,562	29.01.2019	31.01.2019	31.01.2019	0	2
41	2350	2368	63,914	01.02.2019	04.02.2019	05.02.2019	1	4
42	2369	2406	105,252	05.02.2019	12.02.2019	14.02.2019	2	9
43	2407	2416	143,616	13.02.2019	15.02.2019	16.02.2019	1	3
44	2417	2433	107,555	16.02.2019	20.02.2019	22.02.2019	2	6
45	2434	3462	121,632	21.02.2019	26.02.2019	27.02.2019	1	6
46	2464	2473	49,107	27.02.2019	28.02.2019	01.03.2019	1	2
47	2475	2493	88,311	01.03.2019	05.03.2019	05.03.2019	0	4
48	2494	2514	54,643	06.03.2019	09.03.2019	11.03.2019	2	5
49	2515	2540	68,442	11.03.2019	14.03.2019	15.03.2019	1	4
50	2541	2571	112,580	15.03.2019	20.03.2019	25.03.2019	5	10
51	2572	2611	110,940	23.03.2019	26.03.2019	26.03.2019	0	3
52	2612	2648	125,879	27.03.2019	29.03.2019	29.03.2019	0	2



53	2649	2673	134,592	30.03.2019		31.03.2019	1	1
----	------	------	---------	------------	--	------------	---	---

**2.1 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 Bhabhua Nagar Parishad,** during verification of receipts book and deposit slips, we have noticed that there was gap of 0-10 days in collection of tax and deposit of tax with Bank.

S. No.	Serial Number		Amount of Tax	Date of Deposited with Cashier From	Date of Deposited with Cashier	Delay in deposit with cashier	
	From	To				Minimum	Maximum
1	1	25	51,329	03.04.2018	03-04-18	0	1
2	26	71	42,737	05.04.2018	06-04-18	0	1
3	72	100	51,569	06.04.2018	06-04-18	0	0
4	101	170	78,546	09.04.2018	17-04-18	0	2
5	171	194	24,683	10.04.2018	17-04-18	0	0
6	195	225	32,775	11.04.2018	17-04-18	0	0
7	611	669	99,945	04.05.2018	17-05-18	0	1
8	670	696	50,020	05.05.2018	17-05-18	0	0
9	697	746	87,656	08.05.2018	17-05-18	0	1
10	747	774	46,461	09.05.2018	17-05-18	0	0
11	775	806	54,398	11.05.2018	17-05-18	0	1
12	1111	1148	64,717	04.06.2018	18-06-18	0	3
13	1150	1202	118,465	09.06.2018	18-06-18	0	4
14	1203	1213	47,605	12.06.2018	18-06-18	0	1
15	1224	1262	61,869	15.06.2018	18-06-18	1	2
16	1263	1284	62,534	19.06.2018	31-07-18	0	4
17	1383	1416	60,596	09.07.2018	09-07-18	3	7
18	1417	1467	83,043	13.07.2018	31-07-18	0	6
19	1550	1583	42,096	08.08.2018	30-08-18	0	7
20	1584	1600	81,184	10.08.2018	30-08-18	0	1
21	1601	1641	57,834	16.08.2018	30-08-18	0	5
22	1711	1757	94,247	11.09.2018	29-09-18	3	10
23	1758	1793	91,719	14.09.2018	29-09-18	1	4
24	1794	1819	42,558	22.09.2018	29-09-18	2	8
25	1861	1889	48,980	11.10.2018	31-10-18	2	10
26	1890	1910	37,350	25.10.2018	31-10-18	1	15
27	1946	1963	58,569	08.11.2018	30-11-18	2	7
28	1964	1986	79,231	19.11.2018	30-11-18	2	11
29	1987	2009	91,645	23.11.2018	30-11-18	1	4
30	2010	2060	230,663	29.11.2018	30-11-18	0	6
31	2062	2081	66,779	06.12.2018	24-12-18	1	3
32	2082	2101	95,619	11.12.2018	24-12-18	3	5
33	2103	2128	90,875	17.12.2018	24-12-18	2	7
34	2129	2161	103,512	22.12.2018	24-12-18	2	5
35	2162	2214	218,908	01.01.2019	29-01-19	1	11
36	2215	2232	100,896	07.01.2019	29-01-19	2	5
37	2233	2260	87,985	12.01.2019	29-01-19	2	5
38	2261	2296	83,033	19.01.2019	29-01-19	1	8
39	2297	2334	88,815	29.01.2019	31-01-19	1	10
40	2335	2349	108,562	31.01.2019	31-01-19	0	2
41	2350	2368	63,914	05.02.2019	20-02-19	1	4
42	2369	2406	105,252	14.02.2019	20-02-19	2	9
43	2407	2416	143,616	16.02.2019	20-02-19	1	3
44	2417	2433	107,555	22.02.2019	01-03-19	2	6
45	2434	3462	121,632	27.02.2019	01-03-19	1	6

46	2464	2473	49,107	01.03.2019	01-03-19	1	2
47	2475	2493	88,311	05.03.2019	18-03-19	0	4
48	2494	2514	54,643	11.03.2019	18-03-19	2	5
49	2515	2540	68,442	15.03.2019	18-03-19	1	4
50	2541	2571	112,580	25.03.2019	30-03-19	5	10
51	2572	2611	110,940	26.03.2019	30-03-19	0	3
52	2612	2648	125,879	29.03.2019	30-03-19	0	2
53	2649	2673	134,592	31.03.2019	30-03-19	1	1

**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 Bhabhua 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

**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 Bhabhua Nagar Parishad,** ULB has not provided any information regarding charging and collection of notice fees.

**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

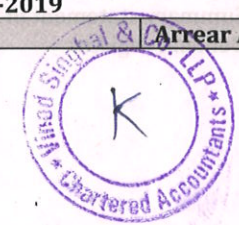
**Cause**- We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval, the ULB has not proper control, supervision, and monitoring over issue of notices and collection of notice fee.

**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:** As per record provided by ULB, following income was in arrear as on 31-03-2019.

**Details of outstanding arrear of income as on 31-03-2019**

Sl. No	Type of Income	Arrear Amount
--------	----------------	---------------



1	Property Tax	1,44,039
2	Advertisement Tax	Not Provided
3	Rent Income	Not Provided
4	Mobile Tower Tax	1,40,78,420

**Comment:**

1. ULB should implement/take action to boost collection of arrear revenue to increase their own source revenue.
2. Details of Advertisement Tax and Rent income were not made available for verification.

**Refer "Annexure -7 and Annexure -8"**

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

1. **Payment of bills after due date:** During audit of ULB we have noticed that ULB is not in practice to paid bill i.e. electricity bill on or before due date. Due to that ULB has to pay penalty for late payment.

**Note:**

1. Due to non-payment of electricity bill ulb is paying delay surcharge to electricity department.
2. As per discussion with executive officer they have paid the same on 30<sup>th</sup> March 2019.
3. Further we have vouched the other expenses bills, the payment of the same has been made on time. Refer "Annexure -9"

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. Refer "Annexure -9"

3. **Irregularities in payments:** No such irregularities were observed in provided sample data. As complete vouchers files were not made available for audit. However, as reported in point no. 1 above there is irregularities in payment of electricity expenses. ULB is paying huge delay surcharge on the same.

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

**Comment:**

1. we wish to say that as we have submitted letter to ULB for asking support and to appoint support staff for filed survey, however Physical survey of mentioned properties could not be done due to non-availability of ULB staff for survey. Please refer "Annexure-3"

**II. PART-B**

**a. Non-maintenance of books of accounts and subsidiary registers:**

The ULB has not maintained the following prescribed registers *(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. Demand register



15. Bill of Income
16. Summary Statement of Bill Raised
17. Register of Notice Fee Warrant Fee other fees
18. Summary statement of Notice Fee Warrant Fee other fees
19. Summary statement of Refund and Remissions
20. Summary statement of Write offs
21. Statement of outstanding liability for expenses
22. Register of Immovable and Movable Property
23. Register of Land
24. Function wise Income Subsidiary Ledger
25. Function wise Expenditure Subsidiary Ledger
26. Asset Replacement Register
27. Register of Public Lighting System
28. Building Register
29. Status and Heritage Assets Register
30. Road and Street register
31. Bridges Flyover Subway and Causeway Register
32. Drains Register
33. Ponds and Lakes Register
34. Plant and Machinery Register
35. Vehicle Register
36. Office Equipment Register
37. Furniture and Fixture Register
38. Computer and Peripheral Register
39. Software Register
40. 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 payer)

**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 31.03.19
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 & 2018-19**

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

Refer "Annexure -3"

**b. Irregularity in procurement process:**

**1 Irregularities in vendor payment process:** During audit, we observed the following discrepancies in Allotment of tender:

1. **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. However, we have observed some discrepancies from invoice file as reported below: Refer "Annexure -9" and "Annexure-10"
2. **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):** As per provided master payroll of daily wages worker, we observed that signature of wages worker against their attendance was not available. This is noted that stamp of ULB was not affixed on signature done in master payroll.
3. **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:**

S. No.	Direction issued by UDHD	Complied or Not
1	Circular No. 1188 dated 18-05-2017	Complied
2	Circular No. 261 dated 06-02-2018	Complied

**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	<b>Refer point: Part-A (a) (2)</b> No, during audit we observed that there was max 15-31 days delay in deposit of tax with cashier, However there was 0-1 day delay in deposited of tax by cashier 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 of the Municipality
5	Whether every bill collector invariably remits his collections (in cash and/or cheques) to Cashier dallies before 4.30 PM	BMAR Rule No.- 27	<b>Refer point: Part-A (a) (2)</b> No, in actual we noted that tax collector was not remitting his collections to bank.



	and take the cashier's acknowledgment in the collection register.		We noted that there were delay in deposit of tax with bank from day 15 to 31 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	No, 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 exception.	BMAR Rule No.- 69	<b>Refer point: Part-B (h)</b>  Scheme/Grant related documents was not made available for audit,
8	Whether The grant received for a specific purpose was diverted for any other purpose.	BMAR Rule No.- 69	No such circumstance were noticed during the audit
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	<b>Refer PART-B (h)</b> No, certified Utilization certificate details produced for verification. However, they have provided the excel sheet of UC submitted. We are submitting below the copy of such excel sheet. Further in absence of hard copy of uc we are unable to comment on the validity of such detail.
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 circumstance 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, Bhabhua Nagar Parishad 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, Bhabhua Nagar Parishad 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, Bhabhua Nagar Parishad 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. <b>The Financial Statements shall comprise of</b> a. Receipts and Payments Account for the year (BMAR Form No.71) b. Income & Expenditure Statement for the	BMAR Rule No.- 122	BMAR Rule No. - 122 were not followed by ULB during the F.Y. 2017-18.



	<p>year (BMAR Form No.73)</p> <p>c. Balance Sheet as on 31st March of the year (BMAR Form No.74)</p> <p>d. Significant accounting policies adopted by the Municipality in presentation of the financial statements</p> <p>e. Notes to Accounts, which shall disclose Contingent liabilities, and such other information as, may be useful in understanding the financial statements clearly.</p> <p>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</p>		
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	<b>Refer PART-B (f)</b>
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	<b>Refer PART-B (g)</b>
17	Whether all transactions (incomes, expenditures, assets and liabilities) are correctly classified and stated in sufficient detail;	BMAR Rule No.-130	No, BMAR Rule No. 130 was not followed by ULB. As Single-entry accounting system was followed by ULB
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	No, grant register was not maintained by ULB
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 2017-18. 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 is not followed adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets. <b>As ULB was not maintaining any store and assets purchase register.</b>
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	<b>Refer Point-04 (III)</b> No, ULB has not prepared bank reconciliation for any 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 single entry accounting system, in that case year end provisions and reconciliation was not made during the reporting period.
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	Since proper voucher and expenses invoices not presented for our verification, therefore we can't comment on it.
27	Whether all revenue has been properly assessed, accounted for, collected and recovery action taken on timely basis;	BMAR Rule No.-130	<b>Refer-PART-A (a)(4)</b> Yes, ULB has accountant revenue properly. But collection and recovery of taxes was in slow pace that's why there was arrear of taxes in ULB.
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	<b>Refer-PART-A (a)(2)</b> Yes, 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. Except; In case of deposit of daily tax collection, that is deposited on average 15-31 days delay of collection.
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	In absence of specific record during the audit, we can't comment that the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order
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	<b>Refer-PART-B (a)</b> No, some required books of 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	BMAR Rule No.-130	No such details provided



	whether provision for the loss In this respect, If any, has been made In the accounts;		
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	No such details provided
37	<b>Municipal Fund:</b> 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.
	<b>Investment of surplus money.</b>		
38	Whether municipality has invested surplus fund as per the requirement of the chapter-X of BMA-2007. Auditor will report on the fixed 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:	BMA,2007: Chapter X	No details provided
	<b>Preparation of budget estimate of Municipality.</b>		
39	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, however budget is not prepared in proper manner.
	<b>Maintenance of accounts.</b>		
40	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	As ULB was following single entry accounting system. So, receipts and payments details were being maintained in form of cash book. Audited receipts & payments account as per BMAM was not prepared by ULB.
	<b>Financial Statement.</b>		
41	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.
	<b>Submission of financial statement and balance sheet to auditor.</b>		
42	The financial statement prepared under section 88 and the balance sheet of the	BMA,2007: Chapter XII	No, Financial Statements were not provided for audit by ULB

	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 <b>this behalf by the State Government.</b>		
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	<b>Refer-PART-A(a)(1)</b> 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	<b>Refer-PART-A(a)(3)</b>

**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.

**f. Non-compliance of TDS, VAT and other relevant Statute**

**1. Details of TDS deducted and to be deposited:** During audit we noted that ULB is not regular in deposit of TDS, As mentioned below circumstances, ULB has deducted TDS but no proof for deposit was provided. Since ULB has not presented statutory compliance register for audit, therefore the amount reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.

**2. Details of TDS deposited :**

During the audit, ULB has not provided any details regarding deposit of TDS, Further they have not provided the statutory compliance register for our audit.

**Note:**

1. Neither copy of challan nor the copy of return has been presented to us, therefore we are unable to comment that payment made on time or not. However, we wish to say that non-payment of tax on due or before date will attract interest @ 1.5% p.m. or part of month
2. 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.

**3. Details of TDS returns filed 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 bot 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.

SINo	Quarter	Due date of Return	Actual date of Return filled	Remark
------	---------	--------------------	------------------------------	--------



1	Quarter-1 of F.Y. 2018-19	31 <sup>st</sup> -Jul-2018	Not Provided	In absence of data can't comment.
2	Quarter-2 of F.Y. 2018-19	31 <sup>st</sup> -Oct-2018	Not Provided	
3	Quarter-3 of F.Y. 2018-19	31 <sup>st</sup> -Jan-2019	Not Provided	
4	Quarter-4 of F.Y. 2018-19	31 <sup>st</sup> -May-2019	Not Provided	

**Note:**

- a. 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.
- b. **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.
- c. In case of ULB the commissioner/executive officer 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:**

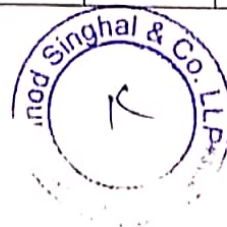
SlNo	Particulars	Comments
1	Status of maintenance of salary register for all employees (Permanent/Daily wages/Contract worker)	Yes, Salary register was maintained for all employees
2	Non availability of Salary payment voucher	ULB was not in practice to issue salary payment voucher, Payment of salary was passed based on approval by competent authority on salary register.
3	Matching of voucher number with cash book	No salary payment voucher number was mentioned in cash book
4	Salary register contains all elements of salary	Yes, all elements of salary were mentioned in salary register.
5	Maintenance of Salary Deduction register	Deductions from salary was mentioned in salary register, no separate deduction register was maintained.
6	Whether biometric devices and payroll software is implemented in ULB. If Yes, then is it integrated with accounting software	Biometric device was and payroll software was not implemented in ULB.

- h. Utilisation of Grant and report on missing Utilisation Certificates:** We are submitting below detail of fund and utilisation certificate related to such Fund :

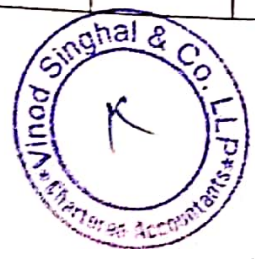
**Detail of Fund and Utilisation Certificate**



Year	Name of Fund	Order No.	Amount of Grant	UC Submitted	Date of UC	Balance Amount	Balance amount deposited in Bank Account	Amount deposited in PLA Account	Remarks
2	3	4	5	6	7	8	9	10	11
2018-19	Salaried Fund	07/22.06.2018	700,000	4,805,108	11.12.2018	214,892	NIL	214,892	Deposited in PLA
2018-19	Salary of Ward Commissioners	09/30.05.2018	6,462,803	6,462,803	-	-	NIL	-	UC not provided
2018-19	14Th State Finance	09/30.05.2018	409,837	NIL	-	409,837	NIL	409,837	Deposited in PLA
2018-19	14Th State Finance	21/10.07.2018	11,008,771	11,008,771	11.12.2018	-	NIL	-	UC not provided
2018-19	14Th State Finance 2nd installment	21/10.07.2018	11,008,771	11,008,771	11.12.2018	-	NIL	-	UC not provided
2018-19	14Th State Finance 2nd installment	99/06.03.2019	8,682,005	8,593,304	-	88,701	-	88,701	Deposited in PLA
2018-19	Mukhyamantri Sahari Nali Gali	09/30.12.2018	7,014,486	7,014,486	-	-	NIL	-	UC not provided
2018-19	Mukhyamantri Sahari Nali Gali	17/04.07.18	10,764,465	10,764,465	-	-	NIL	-	UC not provided
2018-19	Mukhyamantri Sahari Nali Gali	17/04.07.18	10,764,465	10,754,627	-	9,838	NIL	9,838	Deposited in PLA



10	2018-19	Mukhyam antri Sahari Pay Jal	32/31.10.18	5,195,273	5,195,273	-	-	NIL	-
11	2018-19	Professional Tax	32/31.10.18	5,195,272	5,195,272	-	-	NIL	-
12	2018-19	5th State Finance	75/25.01.19	5,158,941	5,158,941	-	-	NIL	-
13	2018-19	5th State Finance	75/25.01.19	5,158,940	5,110,378	-	48,562	NIL	48,562
14	2018-19	5th State Finance	31/31.10.18	4,806,000	NIL	-	11,250	NIL	11,250
15	2018-19	5th State Finance	64/09.01.19	6,158,500	NIL	-	6,158,500	NIL	6,158,500
16	2018-19	5th State Finance	66/—	6,507,000	NIL	-	6,507,000	NIL	6,507,000
17	2018-19	5th State Finance	80/—	5,854,600	NIL	-	5,854,600	NIL	5,854,600
18	2018-19	Swakshta Anudan	91/—	6,762,000	NIL	-	6,762,000	NIL	6,762,000
19	2018-19	Bhabua Bus Stand	97/—	1,764,000	NIL	-	1,764,000	NIL	1,764,000
20	2018-19	Salary of Executive Officer	98/—	3,645,000	NIL	-	3,645,000	NIL	3,645,000
21	2018-19	Salary of Ward Commissioners	76/—	630,000	NIL	-	157,500	NIL	157,500
22	2018-19	Path Nirman	78/—	98,610	NIL	-	2,881	NIL	2,881
23	2018-19	Professional Tax	135/30.03.19	4,506,000	NIL	-	1,033,355	NIL	1,033,355



**i. Physical verification of inventory/Stores:** We have verified the physical store as per detail provided to us. Out of these stores some are outdated and not in condition to use

**j. Advances, their adjustment & Recovery:**

Since the ULB has not provided the amount of advance given during the year, earlier year and adjustment thereof. Therefore we can't comment on it. However as per management, They are not providing any advance during the year under consideration.

**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**

SINo	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.	We have reported on this point under PART-B(d) of the report. Please refer the same for detail.
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 inconsistencies 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;	We have reported on this point under PART-A(c). Please refer the same for detail. Further ULB is Assessing the property as per valuation of the FY 2009-10. We have discussed on this point with executive officer and Tax Daroga.
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: <b>Rule 22:</b> All moneys to be brought to account <b>Rule 27:</b> Collections to be deposited into Bank on the same day <b>Rule 69:</b> Grant Related Compliance <b>Rule 120-121:</b> Monthly Receipt & Payment Account and Trial Balance <b>Rule 130:</b> Audit to be completed & reported within 6 months	We have reported on this point under PART-B(d) of the report. Please refer the same for detail.
d	Report on Compliance of financial guidelines of schemes of MOHUA & UD&HD, GoB.	Yes, Compliance of financial, guidelines of schemes of MOHUA and UD & HD, GoB have been complied



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.;	We have reported on this point under PART-A of the report. Please refer the same for detail.
f	Auditor should Report on adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments above Rs. 10,000 and above.	We have reported on this point under PART-B(b) of the report. Please refer the same for detail.
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/-	We have reported on this point under PART-B(b) of the report. Please refer the same for detail.
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.	We have reported on this point under PART-B (h) of the report. Please refer the same for detail.
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.	We have reported on this point under PART-B(b) of the report. Please refer the same for detail
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	We have reported on this point under PART-B (b) of the report. Please refer the same for detail
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.	We have reported on this point under PART-B(d) of the report. Please refer the same for detail
m	Internal Auditor will identify major areas of ULBs own revenue loss and auditor will access the loss and Prepare a statement of loss.	We have reported on this point under PART-A(a) of the report. Please refer the same for detail)



e	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 applicable, deposited properly and also should be properly recorded in appropriate ledgers.	We have reported on this point under PART B(f) and (g) of the report. Please refer the same for detail
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 and Note thereof.

Thanking You.

For Vinod Singhal & Co. LLP

(Chartered Accountants)

FRN 005826C/C400276

*K. Krishna Kumar*



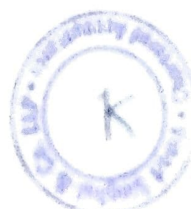
CA Krishna Kumar Sodhani

Partner

M No. 404603

20707603A8ADK6:069

20-11-2010



**Management Comments**

**1. INTRODUCTION**

<b>Name of the Municipality</b>	Bhabhua Nagar Parishad
<b>Period covered under current audit</b>	01.04.2018 to 31.03.2019
<b>Name of Executive Officer for the period under Audit</b>	Mr. Anubhuti Prasad Sriwastav

Sl. No	Audit Observations	Auditor Recommendations	Management Comment
	<p>Non Compliance of AG Report for the F.Y. 2016-2017</p>	<p>During audit we observed that the compliance of C &amp; AG report for the F.Y. 2016-17 has not been done by ULB. Further due to lack of co-operation we were also unable to help them in complying with C &amp; AG audit report. We requested to management to nominate someone to comply C &amp; AG audit queries. We suggest that ULB officials should take appropriate action to prepare compliance of C &amp; AG &amp; internal audit compliance.</p>	<p>All concern person are directed to comply the same. We will submit the same till Next Audit.</p>
2	<p>Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.</p>	<p><b>Bank Reconciliation help us to monitor over:</b></p> <ol style="list-style-type: none"> <li>1. Difference between Bank Passbook and Cash Book</li> <li>2. Unauthorised withdrawal from Bank.</li> <li>3. Excessive debited by Bank</li> <li>4. Helps to know reasons of differences.</li> </ol> <p>Therefore, ULB should prepare bank reconciliation of all bank accounts including dormant accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.</p>	<p>We are preparing Reconciliation for the operating accounts. We will submit the same for your verification at next Audit.</p>



<p>3</p>	<p>Non-Implementation of Double Entry Accounting System</p>	<p>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 Bhabhua Nagar Parishad 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 Bhabhua ULB, however we not got any data for verification the same.</p>	<p>Double entry system was implemented at ULB till FY 2015-16, M/s Manas Das &amp; Co. was working here as DEAS consultant. The appointment of the firm were done by UD &amp; HD head office. We are waiting for new appointment. However, if the new firm not appointed by UD &amp; HD, Then we will appoint our own accounting team for Double entry accounting system</p>
<p>4</p>	<p>No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.</p>	<p>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. ULB should ensure timely meeting of accounts committee in compliance of BMA-2007.</p>	<p>There is no any accounting committee has been formed at ULB. We have submitted a request letter in board for formation of Municipal accounting Committee.</p>



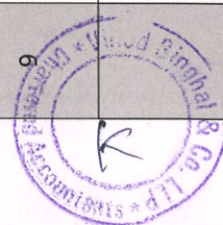
<p>1. INTRODUCTION</p>	<p>2. STATEMENT OF FINANCIAL POSITION</p> <p>3. STATEMENT OF PROFIT AND LOSS</p> <p>4. STATEMENT OF CHANGES IN EQUITY</p> <p>5. STATEMENT OF CASH FLOWS</p> <p>6. NOTES TO FINANCIAL STATEMENTS</p>
------------------------	---

1. INTRODUCTION

5	<p><b>Non-levy of following taxes</b></p> <ul style="list-style-type: none"> <li>* Surcharge on transfer of lands and buildings</li> <li>* Fire tax.</li> <li>* Surcharge on electricity consumption within the municipal area</li> <li>* Tax on congregations.</li> <li>* Tax on pilgrims and tourists.</li> <li>* Tax on profession.</li> <li>* Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy</li> <li>goods vehicles, and buses, which shall be heavy passenger motor vehicles.</li> <li>* User Charges for provision of water-supply, drainage and sewerage</li> <li>* User Charges for Solid Waste Management</li> <li>* User Charges for Parking Facility</li> <li>* User Charges for Garbage Clearance</li> <li>* Collection of fees for sanction of building plans and issue of completion certificates,</li> <li>* Collection of fees for issue of municipal licenses for various non-residential uses of lands and buildings,</li> <li>* Collection of Development Charges</li> </ul>	<p>As per section 127, 128, 129 &amp; 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>	<p>Many of taxes as reported here are not applicable on us. Further we insure you that we will collect all applicable taxes as soon as possible.</p>
6	<p>Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22</p>	<p>As per Bihar Municipal Act, 2007 &amp; 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>	<p>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 collector to submit their collection amount as per Rule. Now there is maximum delay in deposit is 0-10 days.</p>



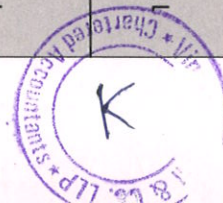
7	<p>Non-Collection of notice fees</p>	<p>As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but in case of Bhabhua Nagar Parishad, has not provided any information regarding charging and collection of notice fees. <b>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</b></p>	<p>From now onwards we will implement the same.</p>
8	<p>Non-recovery of outstanding taxes</p>	<p>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 ULB. <b>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.</b></p>	<p>The major tax defaulter at our ULB is Government department and electricity department. However, we have served several notices for payment of the arrear taxes on all assessee including and we are continuously try to collect the same at earliest.</p>
9 10	<p>Non-providing details regarding arrear of advertisement tax, mobile tower tax, rental income</p> <p>Non deposit of outstanding amount of electricity bill</p>	<p>ULB should prepare proper records for arrear amount and should take proper steps to collect arrears.</p> <p>ULB should negotiate with electricity board to settle down the dues without late fees.</p>	<p><i>Detail will provided on next Audit</i></p> <p>There are arrear of property tax on electricity department from very long time, We have served various notices on them towards settlement of account, However we have not received any affirmative answer from there side. Now we have submitted a letter towards waive-off of charges. Once we will get the revised bill after waiving off the charges from the electricity department, we will pay the same immediately.</p>



11	Non preparation of payment voucher	<p>ULLB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.</p>	<p>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.</p>
12	Non-conducting physical survey of 20 high value properties and non-collection of outstanding property tax	<p>Being ULB was not maintaining any details of high value properties, The details given in report has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga &amp; 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.</p>	<p>Due to election duty many of our regular work got pending, therefore we have not visited in filed with your team. However, we ensure that we will visit the filed on your next audit schedule.</p>
13	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	<p>Detail of registers not maintained by ULB is mentioned under PART-A (a). ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR - 2014.</p>	<p>We will maintain the same at earliest.</p>
14	Non-preparation of Annual Financial Statement as per the provision of Rule 122 of BMAR - 2014	<p>ULB should ensure preparation of Annual Financial Statement as per the provision of Rule 122 of BAMR - 2014</p>	<p>Annual Financial statement are prepared till FY 2015-16 by M/s Manas Das &amp; Co.. The appointment of the firm were done by UD &amp; HD head office. We are waiting for new appointment. However, if the new firm not appointed by UD &amp; HD till 31<sup>st</sup> Dec. we will appoint our own accounting team for Double entry accounting system and preparation of Annual Financial Statement.</p>



15	<p><b>Irregularities in vendor payment process:</b></p> <ul style="list-style-type: none"> <li>Budget Control register was not updated</li> <li>Quality control test report was not available</li> <li>Completion certificate was not available in payment file in case of completed contract.</li> </ul>	<p>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 party bills. So, <i>ULB should maintained 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.</i></p>	<p>We are maintaining the file, However due to lack of manpower we were unable to arranged the same on day to day. Now we have arranged the tender file in proper manner. We will show the same on next Audit.</p> <p>Further, statutory compliance are handle by file. We are maintaining the file w.r.t. deduction and deposit of all statutory dues. We will prepare statutory deduction register and will be presented to your team on next visit.</p>
16	<p>Non-maintenance of register for all procurements with value above Rs. 15,000</p>	<p>ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000</p>	<p>We are maintaining voucher file w.r.t. all expenses irrespective of amount. However, due to lack of manpower and excess work load some of rules are not followed by or missed by us.. Further we wish to say that with the help of available man power we are trying to serve in best possible manner at earliest.</p>
17	<p>Missing signature of wages worker and stamp of ULB on muster roll register</p>	<p>ULB should ensure proper maintenance of wages register by complying signature and stamping.</p>	<p>All concerned person are directed to resolve this issue within 30 days. We will inform you after rectification.</p>
18	<p>No maintenance of separate earnest &amp; security deposit register</p>	<p>EMD and security deposit register help in tracking of balance payable to parties.</p>	<p>We are maintain the same with contractor register. 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.</p>



19	<p>Non-Compliance of Act &amp; Rules</p>	<p>Refer point of Part-B (d) of audit report for status of non-compliance of Act &amp; Rules. <i>ULB should ensure compliance of all applicable Act &amp; Rules.</i></p>	<p>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.</p>
20	<p><b>Lack of internal control measures</b></p> <ol style="list-style-type: none"> <li>1. Voucher file was not maintained</li> <li>2. No internal mechanism for statutory compliance</li> <li>3. No MIS was prepared for tracking of payments</li> <li>4. Required books of accounts as per BMAM was not maintained</li> <li>5. Statutory compliance reconciliation was not maintained</li> <li>6. Year-end reconciliation was not available</li> <li>7. Bank reconciliation of any bank account was not prepared.</li> </ol>	<p>We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances: <b>We suggest that:</b></p> <ol style="list-style-type: none"> <li>1. MIS System should be implemented over daily collection and deposit.</li> <li>2. Reason for non-deposit/late deposit should be strongly need to ask for minimise delay.</li> <li>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.</li> </ol> <p>Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.</p>	<p>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.</p>
21	<p><b>Non-compliance of statutory compliances:</b></p> <ul style="list-style-type: none"> <li>▪ Non preparation of statutory compliance register</li> <li>▪ Non deposit of TDS on timely basis.</li> <li>▪ Non filling of TDS return for due period</li> </ul> <p>Non providing details regarding VAT/PF/Royalty/Labour Cess</p>	<p>As ULB is not proper in statutory compliance, that cause monetary/non-monetary implication on ULB in mode of interest, penalty and Late Fee &amp; imprisonment. So, <i>management should ensure statutory compliance on time.</i></p>	<p>Due to lack of trained staff statutory compliances are handled by professional hired by us. We will present all file with you after getting data from them.</p>



22	<p><b>Deficiency in payroll system</b></p> <ul style="list-style-type: none"> <li>▪ Non-preparation of salary payment voucher</li> <li>▪ Non-maintaining salary payment reference number in cash book</li> <li>▪ Non-implementation of Bio-metric device and payroll software</li> </ul>	<p>Every payment should be accompanied with payment voucher. Further as per Section 2(23) 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><b>Meaning of Receipt :</b></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 (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> <p>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.</p>	<p>All concerned person are directed to resolve this issue within 30 days. We will inform you after rectification.</p>
23	<p>Non-providing of Utilization certificate for the reporting audit period</p>	<p>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.</p>	<p>We have submitted various UC at the department. We will submit the same at your next visit. However, Balance UC will be prepared and submitted in January 2020 with the help of your team.</p>
24	<p>Non-maintaining of inventory/store register and non-conducting of physical verification of inventory and stores available with ULB as per requirement of BMAR-rule 130.</p>	<p>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.</p>	<p>We are maintaining the Store register. The same will be show you at your next visit.</p>



Non providing details of Advances, their adjustment & Recovery

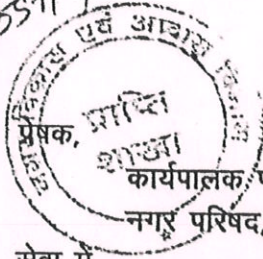
To ensure timely recovery of advance with interest proper calculation should be there with proper recovery plan.

There is no any Advance provided during the year.



✓





## कार्यालय-नगर परिषद, भभुआ

पत्रांक-204/010/19 दिनांक-31/10/19

कार्यपालक पदाधिकारी  
नगर परिषद, भभुआ  
सेवा में,

प्रधान सचिव  
नगर विकास एवं आवास विभाग  
बिहार पटना।

विषय:- अंकेक्षण प्रतिवेदन का अनुपालन समर्पित करने के संबंध में।

प्रसंग:- भवदीय पत्रांक-07/अंके0-30/2013 1352/न0वि0 एवं आ0वि0 दिनांक-10.10.2019।

महाशय,

उपर्युक्त विषयक प्रासंगिक पत्र के संबंध में सादर सूचित करना है कि अंकेक्षण प्रतिवेदन संख्या-1477/2015-2016 का लंबित अनुपालन प्रतिवेदन सशक्त स्थायी समिति के बैठक में पारित कराकर महालेखाकार (ले0प0) कार्यालय को समर्पित करते हुए भवदीय सेवा में समर्पित की जा रही है।

अतः अनुरोध है कि लंबित अंकेक्षण प्रतिवेदनों का अनुपालन प्रतिवेदन समर्पित किये जाने के पश्चात अद्योहस्ताक्षरी एवं प्रधान लिपिक का वेतन भुगतान करने हेतु भवदीय स्तर से स्वीकृति प्रदान करने की कृपा की जाय।

विश्वासभाजन

कार्यपालक पदाधिकारी  
नगर परिषद, भभुआ



काशी हिन्दू विश्वविद्यालय - काशी

10/10/2018 - काशी, उ.प्र. 221005



काशी हिन्दू विश्वविद्यालय  
काशी, उ.प्र. 221005

काशी हिन्दू विश्वविद्यालय  
काशी, उ.प्र. 221005

काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005

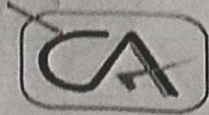
काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005

काशी

काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005  
काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005  
काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005  
काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005  
काशी हिन्दू विश्वविद्यालय काशी, उ.प्र. 221005

काशी हिन्दू विश्वविद्यालय  
काशी, उ.प्र. 221005





ANNEXURE -3

**Vinod & Co.**  
CHARTERED ACCOUNTANTS

To,  
The Municipal Commissioner,  
Bhadda Municipal Corporation  
, Bihar

Sub: Documents/Information required for conducting Internal Audit for the FY - 2018-19 **2017-18**  
Ref: No. 07/I.A. 115/17-83 Dated: 16-01-2019

Sir,

We are pleased to inform you that we **Vinod Singhal & Co., Chartered Accountants** are appointed as internal auditor of your ULB by the UD & HD under the assignment namely "**Selection of Chartered Accountant Firms for Internal Audit of 140 ULBs of Bihar**".

Your good self is therefore requested to direct your good team towards provide the documents till 10<sup>th</sup> July 2019  
The list of such required documents is given below:

Sl. No.	Documents/Registers Required	Status	Responsible Person
1	Budget copy of FY 19-20 (In Soft and Hard Copy)		
2	Latest statutory audit report of A.G/ memo with compliance report		
3	Internal audit report (FY. 2017-18) in hard as well as in soft copy		
4	Receipt & payment account (FY 2018-19)		
5	Audited balance sheet and Income & Expenditure Account (FY 2018-19)		
6	Cash Book		
7	Bank Book		
8	Journal Book		
9	Ledger		
10	Cash/Bank receipt voucher		
11	Cash/ Bank payment voucher		
12	Contra voucher		
13	Journal voucher		
14	Receipt (Daily collection register)		
15	Register of Cheque Received		
16	Statement on status of cheque received		
17	Collection register		
18	Memorandum of collection		
19	Summary of Daily collection		
20	Register of bills for payment		
21	Payment order		
22	Cheque issue register		
23	Register of advance		
24	Register of permanent advance		
25	Deposit received register		
26	Summary statement of deposits adjustment		

**Patna Office:** 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

**Head Office:** 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

**Branches:** New Delhi | Kolkata | Lucknow | Patna | Jamshedpur | Ahmedabad | Raipur | Udaipur|Bharatpur|





26	Summary statement of deposits adjustment		
27	Demand register		
28	Bill of Income		
29	Summary Statement of Bill Raised		
30	Register of Notice Fee, Warrant Fee, other fees		
31	Summary statement of Notice Fee, Warrant Fee, other fees		
32	Register of Refunds, Reemissions and write offs		
33	Summary statement of Refund and Remissions		
34	Summary statement of Write offs		
35	Statement of outstanding liability for expenses		
36	Documents of control Register/ Stock Account of Receipt/Cheque Book		
37	Fixed Assets Register For the FY 2018-19		
38	List of Taxes Collected by ULB		
39	Arrear Detail of all applicable taxes		
40	Detail of Allotment Received during the year 2018-19		
41	Detail of Pending Advance Recovery from Employee and Parties		
42	Detail of Pending Interest Recovery from Employee and Parties		
43	List of Tender issued during the year		
44	EMD/ ED register		
45	Receipt Book of Revenue Collection		
46	Bank Deposit Slip		
47	Summary statement of bills raised, property & other taxes		
48	Summary statement of demand adjustments raised, property & other taxes		
49	Summary statement of head wise collection of property & other taxes		
50	Summary statement of refunds and remissions, property & other taxes		
51	Summary statement of write offs, property & other taxes		
52	Summary statement of demand raised on assessment of Water Supply		
53	Summary statement of head wise collection of other incomes of Water Supply		
54	Summary statement of refunds of Water Supply		
55	Summary statement of write offs of Water Supply		
56	Summary statement of demand raised		

**Patna Office:** 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

**Head Office:** 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

**Branches:** New Delhi | Kolkata | Lucknow | Patna | Jamshedpur | Ahmedabad | Raipur | Udaipur|Bharatpur|



	collection of other incomes		
58	Summary statement of refunds of rentals, fee, & other income		
59	Summary statement of write offs of rentals, fee, & other income		
60	Grant register		
61	Summary statement of status of capital work in progress		
62	Work sheet		
63	Deposit work register		
64	Materials receipt note		
65	Store ledger		
66	Statement of closing stock		
67	Quarterly Bank Statement for the period 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
68	Balance Confirmation from Parties as on 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
69	BRS of all bank accounts (Including Dormant account) (Quarterly)		
70	Vouchers of all Payment and Procurements		
71	Minutes of Meeting of Municipal Accounting committee		
72	Minutes of meeting of accounting committee		
73	Physical verification report of cash and stock		
74	Details Repayment of Loan		
75	TDS Deposit Challan (of Each Month ) & Copy of Return 24Q and 26Q for the period ended 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
76	VAT deposit challan & copy of return for the period ended 30.06.2018, 30.09.2018, 31.12.2018 & 31.03.19		
77	Month wise PF Details (deduction & deposit)		
78	Details of pension		
79	<b>Details of Outstanding an on 31.03.2019</b>		
	a. Mobile tower		
	b. Property tax		
	c. Water tax		
	d. Rent		
	e. Advertisement		
	f. Any other tax		
80	Utilization certificate - Submitted to UDHD Department		
81	Salary Register/Master Roll		

याल  
01.  
82.  
/s  
/s  
/s

**Patna Office:** 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

**Head Office:** 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

**Branches:** New Delhi | Kolkata | Lucknow | Patna | Jamshedpur | Ahmedabad | Raipur | Udaipur|Bharatpur|





**Vinod Singhal & Co.**  
CHARTERED ACCOUNTANTS

Further your good self is requested to appoint any of your staff towards filed survey with us for determining 20 high value property situated in your area.

The list is not exhaustive. Further documents required during the audit shall be demanded accordingly. Your co-operation is solicited for smooth conduct of the assignment and hence, please submits the above-mentioned documents before us as early as possible.

Thank you

For Vinod Singhal & Co.  
Chartered Accountants

CA Rahul Kumar Shrivastwa

Date: 26<sup>th</sup> - June-2019

Place: Patna

Patna Office: 510, Sumati Palace, Opposite Alankar Jewellers, Boring Road, Patna-800001 Bihar

Head Office: 207, 222, IInd Floor, Ganpati Plaza, M.I. Road, Jaipur-302001 Rajasthan

Branches: New Delhi | Kolkata | Lucknow | Patna | Jamshedpur | Ranchi | Bhubaneswar | Bhopal | Udaipur | Bhavnagar



## कार्यालय-नगर परिषद,भमुआ

नगर परिषद भमुआ, द्वारा यह प्रमाणित किया जाता है कि नगर परिषद भमुआ में अभी तक **Accounting Committee** का गठन नहीं हो पाया है। भविष्य में इसका गठन कर लिया जाएगा।



कार्यपालक पदाधिकारी  
नगर परिषद भमुआ  
26/12/20





## कार्यालय-नगर परिषद, भभुआ

भभुआ नगर परिषद द्वारा निम्न करों का संग्रह इस प्रकार किया जाता है। जिसका विवरण निम्नवत है:-

1. मकान कर
2. टावर कर
3. सैरात बन्दोवस्ती
4. म्युटेशन फीस
5. होडिंग टैक्स

इसके अलावा निम्न शुल्कों का भी संग्रह किया जाता है जिसकी सूची इस प्रकार है:-

1. जन्म-मृत्यु विलम्ब शुल्क
2. दुकान किराया
3. नक्शा पारित शुल्क
4. शौचालय टंकी सफाई शुल्क
5. ट्रेड लाईसेंस शुल्क



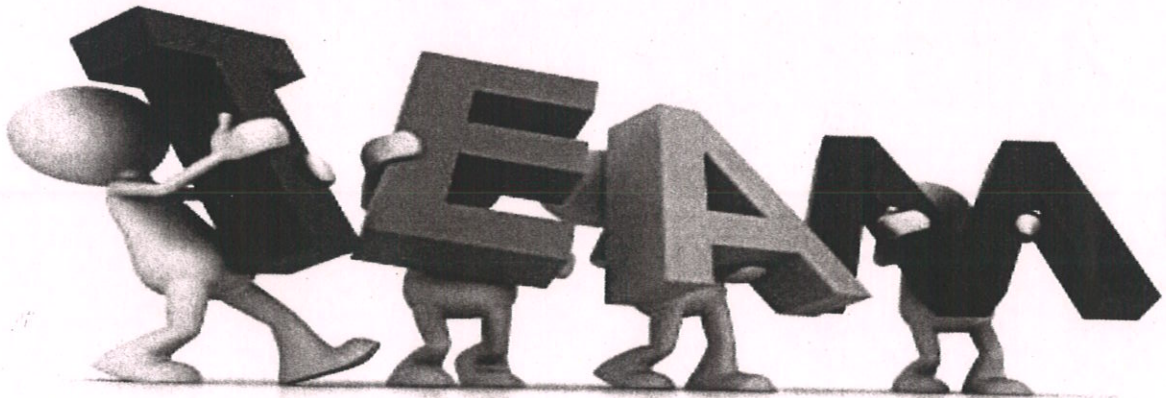
*AD*  
26-12-19  
कार्यालय नगर परिषद  
भभुआ







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**