

Financial
Year
2017-18



Internal Audit Report
for F.Y 2017-2018 of
Jainagar Nagar
Panchayat

INTERNAL AUDIT CONDUCTED BY
M/s Tibrewal Chand & Co., Chartered Accountants
From 01-04-2017 to 31-03-2018
Flat No. 501, 5th floor Meridian, SS Bihar Apartment near
Karbighiya Station, Patna, Mob No. +918825110779
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Date of Submission :- 31-08-2019

INTERNAL AUDIT REPORT



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Internal Audit Report- Nagar Panchayat - Jainagar

Urban Development and Housing Department in order to implement the best practices of internal audit of 140 ULBs through NIT No. IA 140ULBs/2017-18. This Internal audit report has been issued as a part of our appointment for internal audit.

The Salient Points of the scope covered by our internal audit are as follows:

1. Evaluation of internal controls.
2. Compliance of Bihar Municipal Act related Rules and Regulations.
3. Compliance of Bihar Municipal Accounting Manual, BMAR- 2014 and Bihar Municipal Budget Manual.
4. Reporting on all Major own Revenue Losses.
5. Survey Report on Act at least 20 high Value Property in the Town.
6. Report on Procurement made through Tender for value Above Rs. 15,000/-.
7. Report on statutory compliances
8. Report on procurements
9. Report on maintenance of books of accounts and other records and registers.
10. Appraisal of the effectiveness of overall accounting system.

We have conducted the Internal Audit with the objective:-

- ❖ That The Assets of the ULB are properly protected and accounted for.
- ❖ That the current transactions are promptly and completely recorded.
- ❖ That Inefficient or fraudulent operations are revealed.

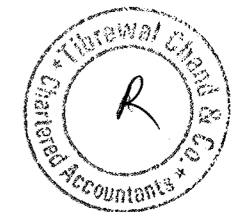
We started with an overview of activities through a study on various documents generated by the ULB. Then we identified evaluated and tested adequacy, effectiveness and efficiency of internal controls including standard policies and procedure laid down by the management for each of the areas included in the scope of work.

Testing of internal control was carried out by the checking a sample of transactions for the period covered under the audit.

Our observations resulting from the audit test performed on a sample of transactions along with suggested recommendation for addressing these observations are set out under Part (A), Part (B) and Part (C) of the audit report.

During the audit, we reviewed the following Registers and Documents.

- ❖ Accountant cash Book
- ❖ Subsidiary Cash Book
- ❖ Bank Book
- ❖ Records related to revenue
- ❖ Vouchers along with supporting documents.



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❖ Others related records and registers.

For Tibrewal Chand & Company
Chartered Accountants

CA ROSHAN JAIN | PARTNER
Membership No 518422
FRN No. 311047E

UDIN: 20518422AAAAA02405

Dated :- 24-08-2020

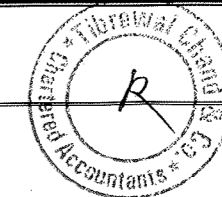


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Executive Summary

- 1. Introduction:** Jainagar Nagar Panchayat, with population of about 22 thousand is located in district of Madhubani sub district of Jainagar district in the state Bihar. There are approximate 13,529 households. Mr. Kailash Paswan is Chairman holding post from 09-06-2017 to till the date of Audit. Mr. Amit Kumar is the Executive officer holding post from 30-01-2019 to till the date of Audit.
- 2. Results and Findings:** During our audit we observed below mentioned strengths and weakness in the functioning of ULB:

Strengths observed during the audit engagement	<ol style="list-style-type: none">1. General Cash book has been prepared for the audited period2. Cashier cash book has been prepared for the audited period3. Few Revenue related records were prepared by the Panchayat4. Financial Statements for the period 2017-18 were prepared by the Panchayat
Weaknesses observed in the functioning of office, maintenance of records etc. during the audit engagement	<ol style="list-style-type: none">1. Non-compliance of procurement norms.2. Non preparation of bank reconciliation statements.3. Non deduction of royalties from contractor's bills checked on sample basis.4. Non deduction of TDS in various cases resulting in violation of tax provisions and attraction of interest and penalty.



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5. Lack in follow-up procedure in collection of huge arrear dues in relating to property and other taxes.
6. Non deduction of TDS in salary cases checked on random basis.
7. Non deposition of statutory dues such as labor cess, TDS, VAT, ESI/PF to the authorities after deduction from bills, resulting in huge penalties and interest.
8. Non-Performing the variance analysis between budget and actual expenditure for a particular period resulting in short comings in budgetary control.
9. No proper survey of properties has been conducted by the ULB to ascertain the property tax receivables from holdings.
10. Loss of revenue due to Sairat was not held for reporting financial year at proper interval.
11. Proper log book & fuel distribution register was not prepared resulting in weakness in control over books of account.
12. Daily wages register was not prepared resulting in weakness in control over books of account.
13. Advance was not adjusted within reasonable time resulting in

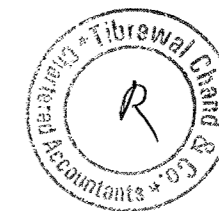


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weakness in control over internal control.

14. Huge outstanding of revenue including holding tax, tower tax, rent, Sairats but no sincere efforts has been made by ULBs to recover the same.

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 matter incidental thereto for overall improvement of the ULB.



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4. Audit Recommendations: The recommendation of audit team on the observed weakness is as below:

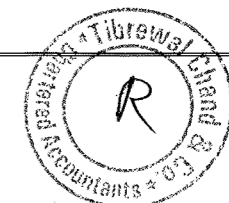
1. Books of accounts should be prepared on real time basis under double entry system and accrual basis should be followed.
2. Employees of all departments are required to be trained and monitored for updating of day to day transactions on regular basis in respective records and registers.
3. Stringent follow up and actions are necessary for recovering arrear relating to property tax, tower tax, rental income and other sources of income.
4. Bank statements or treasury statement shall be collected on regular intervals and bank reconciliation statement should be prepared on monthly basis. Balance confirmation certificate to be obtained from the respective bank treasury periodically.
5. Stock/store register should be updated as per the formats provided in BMAR.
6. Statutory compliances such as deduction and deposition with authorities should be complied strictly to avoid penalty and interests.
7. Log book and fuel issue register should be maintained properly indicating km runs, places covered, purpose of visit, signature of driver, city manager, sanitary inspector etc.
8. Revenue records should be maintained properly including demand and collection details.
9. Advance should be adjusted within reasonable time.
10. PF/ ESI should be timely deposited.



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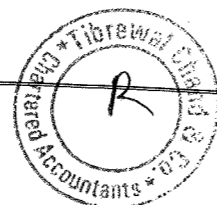
5. Comments from Management:-

S/N	Observation	Management Comment	Recommendation
1	As per notification of Bihar Government, The Governor of Bihar made the rules for the mobile tower under the Act. Operator of the mobile has to apply to the ULB for operation of the mobile tower in the concerned area with the Requisite fees of Rs. 30,000/- per Tower and the Renewal fee is Rs. 8,000/- per year. During the course of audit it was observed that Rs 9,90,000 is due towards Tower Company for financial year 2017-18. <i>(Details given in report)</i>	This will be strictly taken care by next financial year and nagar panchayat will take necessary steps to recover or boost revenue from towers.	There is a huge loss of revenue & interest income. So, necessary steps should be taken for timely collection of taxes.
2	During audit observed that property tax is not being deposited by tax collector of Rs. 858.00 for the period 2017-18.	Tax collectors are directed to deposit the tax.	It should be recovered from concerned person and same should be deposited into bank.
3	Report on Findings of the field survey of property tax of minimum 20 high value properties. <i>(Refer details audit report)</i>	ULB staff is directed to cooperate with auditors and to provide all the necessary documents for audit.	Physical survey can't be conducted due to Non availability of ULB staff for conducting physical verification. Further SAF forms were also not provided for 20 high value properties as per list provided by us.
4	Demand Register for collection of Trade License, property tax & shop rent for the financial year 2017-18 is not yet prepared.	All tax collector cashier, cashier and tax daroga is directed to make necessary attempt in this regard.	Demand register should be prepared.
5	PF deducted from all permanent staff salary but not deposited in his PF account.	Will consider it in next financial year.	PF should be deposited immediately.
6	During the audit various cases were observed regarding non deduction and non-deposition of statutory dues like TDS, VAT, and Royalty in stipulated time by the Nagar Panchayat. Further it was also observed that return was also	Will consider it in next financial year.	All statutory compliances related to deduction, deposition and return filling should be complied.



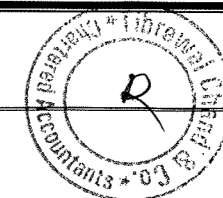
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	not filled for TDS & VAT. (Refer details audit report)		
7	The municipality is not in a practice to prepare BRS on regular or periodical basis. (Refer details audit report)	Will consider it in next financial year.	BRS should be maintained month wise.
8	(i) Improper maintenance of records related to revenue collection. (ii) During the audit it was observed that mobile tower tax is not getting collected on a timely basis and even if it is getting collected, the same is not deposited timely.	Nagar Panchayat ensure that this will be taken care from now onwards.	(i) Daily collection register for property tax should be maintained and appropriate action should be taken. (ii) Collection should be made on a regular basis and deposited on the same day to avoid any irregularity.
9	Non preparation of stores register	Nagar Panchayat ensure that this will be taken care from now onwards.	Due to non - maintenance of FAR, it will become difficult to identify quantity of each class of stock. So, the ULB should maintain a store ledger including price of inward goods.
10	Insurance deduction from all permanent staff salary but not deposited.	Nagar Panchayat ensure that this will be taken care from now onwards.	Insurance should be deposited.
11	Jainagar Nagar Panchayat is not in practice to prepare monthly receipt and payment account and the trial balance.	Nagar Panchayat ensure that this will be taken care from now onwards.	ULB should prepare receipts and payment account on monthly basis. It helps to find out that how much fund received by the ULB and whether its utilization was made properly or not.
12	Daily wages register were not produced to us for audit.	ULB staff is directed to provide all the necessary documents to auditors.	Daily wages register should be made available to auditors.
13	Log books not maintained or maintained with incomplete information in ULB.	Necessary action will be taken.	Log book should be maintained by ULB.
14	Scheme register not prepared for the financial year 2017-18	Necessary action will be taken.	Separate register should be maintained for each scheme.
15	During the verification of sairat register, we observed that during the financial year 2017-18, a lot of sairat was not held at municipal council. Due to this reason	Nagar Panchayat ensure that this will be taken care from now onwards.	Sairat should be held at proper interval.



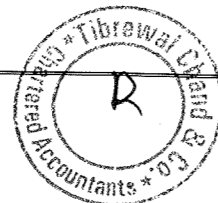
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	Revenue loss of Rs 4,63,320 to concerned ULB.		
16	No-collection of notice fees	ULB staff is directed to comply with Bihar Municipal Act 2007	As per the regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delay payment at a rate as may be specified, and the amount of penalty therefore, but in case of Jainagar Nagar Panchayat, corporation 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.
17	Soft copy of Advice regarding payment of housing for all and disbursement under project of SBM was not produced before us, therefore it is difficult to trace double payment for same.	ULB staff is directed to cooperate with auditors and to provide all the necessary documents for audit.	It should be produced for verification.
18	Collection of internal resources is very poor. (Refer details audit report)	Nagar Panchayat will take steps to improve the collection from internal resources.	It should be timely collected.
19	Receipt no. 4686, dated: 29.06.2019 for amount Rs. 6,200 but the same was found in cash book amounting Rs. 3,100.	Necessary action for recovery of such will be taken.	Amounting Rs. 3,100 must be recovered.
20	During the course of Audit, we observed that Nagar Panchayat has conducted Internal audit & CAG audit for the year 2016-17 but the compliance report for the same has not been prepared. (Details given in report)	Necessary action will be taken.	It should be prepared as soon as possible.
21	Lack of internal control measures (i) Voucher file was not maintained	Nagar Panchayat ensure that this will be taken care from now onwards.	We observed that there is no any internal control mechanism available over collection,



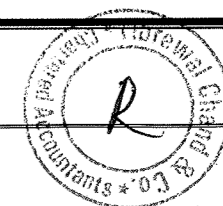
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	(ii)No internal mechanism for statutory compliance (iii)No MIS was prepared for tracking of payments (iv)Required books of Accounts as per BMAM was not maintained (v)Statutory compliance reconciliation was not maintained (vi)Bank reconciliation of any bank account was not prepared.		recovery, deposit of taxes, assets handling, cheque handling and statutory compliances: We suggest that (i)MIS system should be implemented over daily collection and deposit. (ii)Reason for non-deposit/Late deposit should be strongly need to ask for minimize delay. (iii)Need to identify a person to comply with the statutory compliance. In case failure to comply with statutory compliances he should also be penalized. Therefore, the management has to take serious effort in implementation of internal control mechanism for getting a better result from ULB working.
22	Non-Compliance of Act & Rules	ULB staff is directed to ensure compliance of all applicable 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.
23	No details were made available regarding meeting of municipal accounts committee held during the financial year 2017-18.	ULB staff is directed to comply with BMA-2007	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.



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24	Non-Implementation of double entry accounting system. We found the detail that double accounting system is implemented at Jainagar Nagar Panchayat, however we not got any data for verification the same.	Implementation of DEAS is ongoing and ULB staff is directed to cooperate with auditors and to provide all necessary documents for audit.	As per requirement of BMAR-2014, Part-A, Chapter-2 Rule - 4, "All ULB refereed in schedule-1 shall maintain its books of account using the double entry system". Since Jainagar Nagar Panchayat is covered under schedule -1, therefore they should have to maintain their accounts on double entry accounting system in compliance of such rule.
25	Non-maintenance of required registers as per Rule No.-3 of BMAR-2014	ULB staff is directed to follow and comply the guidelines of BMAR	Details 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.
26	Non adjustment of advances	Necessary action for recovery / adjustment of advance will be taken.	Main cash book is showing unadjusted advance of Rs. 3,02,000. It should be adjusted as earliest.
27	Non collection of rent	Nagar Panchayat ensure that this will be taken care from now onwards and outstanding will be recovered.	Shop rent is not being collected on proper interval resulting in outstanding amount of Rs. 5,10,024
28	During the course of audit we observed that the ULB has made an agreement with Surendra Kumar Tethawar for Construction and Drain Water Tank. We found that the agreement was executed for Rs. 13,89,630.00, but in actual the payment was made for Rs. 14,09,234.00. Excess payment of Rs. 19,604.00 was made.	Nagar Panchayat ensure that this will be taken care from now onwards and excess payment will be recovered.	Excess payment should be recovered from concerned person.



Signed Discussion Note is enclosed with the report.

6. **Acknowledgement:-**

We convey our heartfelt thanks to the entire team of "Jainagar Nagar Panchayat" for rendering their help in successfully completing the assignment.



Detailed Audit Report

1. **Introduction:** Jainagar is a Nagar Panchayat city in district of Madhubani, Bihar. The Jainagar city is divided into 14 wards for which elections are held every 5 years. The Jainagar Nagar Panchayat has population of 22 thousand approx.

Name of ULB	Period Covered	Audit Team
Jainagar Nagar Panchayat	1 st April 2017- 31 st March 2018	(1) TL: CA Neerav Bhanushali (2) MAE: CA Amit Ranjan (3) Auditor: Vicky Kumar

2. **Administration: -**

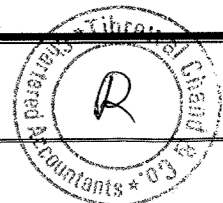
The Present governing body of the ULB has taken charge on 09-06-2017. The incumbencies in the key administrative and executive positions are as under:

- Mr. Kailash Paswan, Chairman from 09-06-2017 to till the date of Audit.
- Mr. Amit Kumar Executive officer from 30-01-2019 to till the date of Audit.

3. **Review of outstanding Audit Paras :**

Status of Audit observations is as under:

Sl. No.	Particulars of audit and date of report	Total no. of Audit paras.	Total No. of Audit Paras where necessary improvement/corrective measure is require	Total No. of Audit paras where recovery of cash is proposed	Total No. of Audit paras where recover has been made	Total amount of recovery	Total No. of outstanding paras where no action has been taken	No. & date of compliance report
1	AG Audit (2017-18)	20	20	31,13,499	NA	NA	0	Compliance report not prepared till date of audit.



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2	Internal Audit (2016-17)									Compliance report not prepared till date of audit.
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Note: Refer Discussion Note (Point No. 20)

4. **FINANCE:** Financial related to previous years actual and current year's budget is as below :

i. **Budgetary provisions and expenditure for the last three years :-**

Year	2017-18	2016-17	2015-16
Final/Revised Budget	22,07,49,242	6,93,53,141	4,45,14,691
Actual Expenditure	5,48,32,794	8,74,26,716	1,06,98,734
Savings(+)/Excess(-)	16,59,16,448	(1,80,73,575)	3,38,15,956

Note: All figures taken from books of accounts.

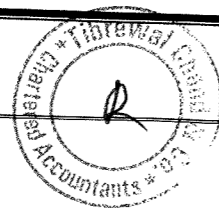
ii. **Volume of Transactions :-**

Period	Budgeted 2017-18	Previous year (2016-17)	Current period	Cumulative for the current period
Opening Balance	6,86,54,353	8,75,10,478	8,13,47,937	8,13,47,937
Receipts	22,84,10,683	8,12,64,174	4,86,13,871	4,86,13,871
Total	29,70,65,036	16,87,74,652	12,99,61,808	12,99,61,808
Net expenditure	22,07,49,242	8,74,26,716	5,48,32,794	5,48,32,794
Closing Balance	7,63,15,794	8,13,47,937	7,51,29,014	7,51,29,014

Note: All figures taken from books of accounts.

iii. **Bank Reconciliation:** Un-reconciled balance between bank book and bank statement as on 31-03-2018 has been shown below:

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Name of Bank	Account Type	Account No.	Passbook Balance	Cash Book Balance	Difference	Status
SBI	Various	98056	23,33,287.01	23,33,287.01	-	Reconciled
SBI	Various	51828	12,05,106.69	12,05,106.69	-	Reconciled
SBI	Pension	31120	7,775.55	7,775.55	-	Reconciled
SBI	PF	98125	15,24,935.57	15,24,935.57	-	Reconciled
SBI	4 th Finance	71365	177.66	177.66	-	Reconciled
SBI	Various	49980	1,00,249.00	1,00,249.00	-	Reconciled
SBI	Parshad Bhatta	21162	3,385.00	3,385.00	-	Reconciled
SBI	State Planning	21967	2,51,425.00	2,51,425.00	-	Reconciled
SBI	Kabir	22519	10,11,037.00	10,11,037.00	-	Reconciled
PNB	Various	03435	3,05,235.00	3,05,235.00	-	Reconciled
PNB	13 th Finance	47766	13,26,215.99	13,26,215.99	-	Reconciled
CBI	Various	40645	33,81,374.00	33,81,374.00	-	Reconciled
CBI	Adhusuchit	46199	34,78,927.80	34,78,927.80	-	Reconciled
BOI	HFA	013897	1,08,65,752.25	1,08,65,752.25	-	Reconciled
BOI	Various	13898	8,50,666.72	8,50,666.72	-	Reconciled
BOI	Various	13732	10,060.30	10,060.30	-	Reconciled
ICICI	SBM	00493	25,09,577.00	25,09,577.00	-	Reconciled
PL	Various	PL-299	4,13,76,515.00	4,13,76,515.00	-	Reconciled

Comments: ULB does not prepared bank reconciliation statement on monthly basis.

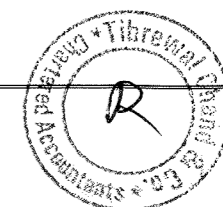
Recommendation: ULB should be prepared bank reconciliation on monthly basis.

Note: Refer Discussion Note point no.7.

iv. **Revenue & Capital Receipts :-**

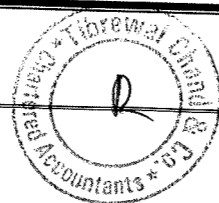
Income Details			
Sl. No.	Details	Amount (Rs.)	
		2017-18	2016-17
	Total Receipts (A+B)	4,86,13,871	8,12,64,174

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A	Revenue Receipts (1+2+3)	79,01,090	1,61,09,329
1	Own Revenue Receipts	64,44,462	50,15,130
a)	Tax Revenue (Levied & Collected By municipal Body) (i+ii)	9,34,526	16,68,515
i)	Property Tax	8,96,526	10,06,131
ii)	Other Tax (Levied & Collected By municipal Body)	38,000	6,62,384
b)	Non Tax Revenue (Levied & Collected By municipal Body) (i+ii+iii)	48,41,820	10,85,475
i)	Fess & Fines	2,22,712	5,23,765
ii)	User Charges	5,37,685	4,21,200
iii)	Other Non-Tax Revenue (Levied & Collected By municipal Body)	40,81,423	1,40,510
2	Other Revenue Receipts	6,68,116	22,61,140
a)	Income from interest/Investments	3,87,016	18,56,410
b)	Other Revenue Income	2,81,100	4,04,730
3	Transfers/grants/Assigned Revenues	14,56,628	1,10,94,199
a)	State Assigned Revenues	7,26,628	60,54,254
b)	State Finance Commission (SFC) Grants/Devolution	7,30,000	50,39,945
c)	Octroi Compensation	-	-
d)	Other State Government transfers	-	-
e)	Central Finance Commission (CFC) Grants	-	-
f)	Other Central Government transfers	-	-
g)	Others	-	-
B	Capital Receipts (1+2+3+4+5)	4,07,12,781	6,51,54,845
1	Sale of Municipal Land	-	-
2	Loan (From state Govt. or Banks etc.)	-	-
3	State Capital Account Grant (Under state Scheme etc.)	1,32,13,861	1,93,66,133
4	Central Capital Account Grant (Under central Scheme etc.)	2,74,98,920	4,97,88,712



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5	Other Capital Receipts	-	-
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v. Revenue & Capital Expenditure Information :-

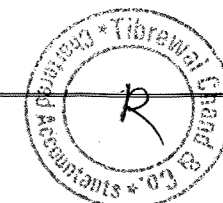
Expenditure Details			
Sl. No.	Details	2017-18	
		2017-18	2016-17
	Total Expenditure (1+2)	5,48,32,793	8,74,26,716
1	Revenue Expenditure	3,34,36,078	2,57,70,273
1.1	Administrative Expenses, Establishment & Salaries (All Departments regular & contractual staff)	1,84,75,699	1,74,63,420
1.2	Operation & Maintenance (O & M)	62,31,683	41,75,960
1.3	Loan Repayment (Interest Payments)	-	-
1.4	Others (any other revenue Expenditure which is not salaries, O&M & or interest payment)	87,28,696	41,30,893
2	Capital Expenditure	2,13,96,715	6,16,56,443
2.1	All developmental works under central/state specific schemes	2,03,59,815	5,48,86,349
2.2	Loan Repayments	-	-
2.3	Other capital expenditure	10,36,900	67,70,094

i. Status of implementation of double entry accounting system: DEAS has been implemented by M/s Borkar & Mazumdar at Jainagar Nagar Panchayat till F.Y 2017-18.

Particular	Completed
PTR	2017-18
AFS	2017-18
FAR	2017-18

Note: Refer Discussion Note (Point No. 24)

ii. Status of Municipal Accounts Committee: if meeting is held: As per section 98 of Bihar Municipal Act, 2007 it is necessary for the Municipality to constitute accounts



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committee at its first meeting in each year or as soon as may be at any meeting subsequent thereto but no municipal accounts committee has been constituted till the date of our audit.

Note: Refer Discussion Note (Point No. 23)



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5. Audit Observations: -

I. Part-A

- 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.

Holding and property tax not deposit on timely basis.

Audit Objective: Assessment of property tax as per Bihar Municipal Act and all collection deposited with treasury.

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

Condition: Daily collection register has not been provided for verification, in such a situation, we cannot ascertain the actual delay of deposits this could be a huge loss to Nagar Panchayat. (**Note: Refer point no. 2 of discussion note**)

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

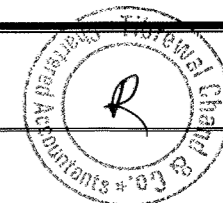
Cause: This happens due to non-follow up and monitoring of activities of Tax Collector by the concerned officer on regular interval.

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

Tower tax not deposit

Audit Objective: Assessment of Tower tax as per Bihar Communication Tower and related structure rules, 2012 and all collection deposited with treasury.

Criteria – Tower Tax is taxes on Communication Tower & related structure as defined in Bihar Communication Tower and related structure rules, 2012 as per the rule Tax Collected has to be deposited on same day or latest before noon on the following working day.



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Condition: After reconciliation of cashier cash book with treasury challan, we observed that collections under tower tax are not deposited in treasury Account. Details of such are given here:-

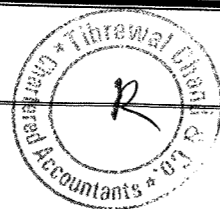
(Note: Refer point no. 1 of discussion note)

SI No.	Name of Company	Establishment fee (2000 per miter/per year)	Renewal	Total	Amount Collected	Amount Due
1	Tata Docomo	30,000	72,000	1,02,000	-	1,02,000
2	Tata Docomo	30,000	72,000	1,02,000	-	1,02,000
3	Tata Docomo	30,000	72,000	1,02,000	-	1,02,000
4	Aircel	30,000	96,000	1,26,000	-	1,26,000
5	Aircel	30,000	80,000	1,10,000	30,000	80,000
6	Aircel	30,000	80,000	1,10,000	30,000	80,000
7	Vodafone	30,000	72,000	1,02,000	32,000	70,000
8	GTL	30,000	96,000	1,26,000	30,000	96,000
9	Vodafone Tata Docomo Tata Indica	66,000	2,16,000	2,82,000	82,000	2,00,000
10	Reliance	30,000	32,000	62,000	54,000	8,000
11	ATC	30,000	16,000	46,000	30,000	16,000
12	Airtel	30,000	8,000	38,000	30,000	8,000
	Total	3,96,000	9,12,000	13,08,000	3,18,000	9,90,000

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

Cause: We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval, the ULB has no proper mechanisms for supervision and monitoring of the Tower Rent due to which result in Revenue leakage.

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



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Non Collection of Advertisement Tax:

Criteria:

Advertisement Taxes, in case auctioned to external agencies, shall be recognized as per the terms of agreement. In all other cases, when permission for advertisement is granted for the first time, the Advertisement Tax shall be accrued at the point when Tax is paid and permission is granted. After the first year, Advertisement Tax shall be accrued when renewal is due.

Condition:

Nagar Panchayat is not collecting any advertisement tax.

Consequence/Effect/Impact:

Due to no collection of advertisement tax there is a huge revenue loss to the Nagar Panchayat.

Cause:

This happens due to failure of designated staff and non-monitoring of authorized officials on timely basis.

Corrective Action/ Recommendation:

There should be proper collection and monitoring mechanism for advertisement tax.

A lot of sairat was not held at municipal council

Audit Objective: As per Point no-5 of TOR.

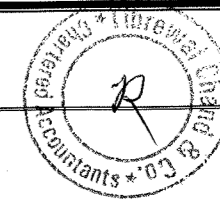
Criteria: As per Bihar Municipal Act.

Condition: During the verification of sairat register, we observed that during the financial year 2017-18, a lot of sairat was not held at municipal council. Due to this reason Revenue loss of Rs 4,63,320 to concerned ULB. (Note: Refer point no. 15 of discussion note)

Consequence / Effect / Impact: Due to non-collection of Sairat there is a revenue loss to ULB.

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

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



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Shop Rent

Audit Objective: As per Point no-5 of TOR.

Criteria: As per Bihar Municipal Act.

Condition: Shop rent is not being collected on proper interval, resulting in outstanding amount of Rs. 5,10,024. (Note: Refer point no. 27 of discussion note)

Consequence / Effect / Impact: Due to non-collection of shop rent there is a revenue loss to ULB.

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

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

b. Excess payment made against the bill, lack of prudence in payment against vouchers, inefficiency in control resulting loss to ULB:

(i) During the course of audit we observed that the ULB has made an agreement with Surendra Kumar Tethawar for Construction and Drain Water Tank. We found that the agreement was executed for Rs. 13,89,630.00, but in actual the payment was made for Rs. 14,09,234.00. Excess payment of Rs. 19,604.00 was made.

(Note: Refer point no. 28 of discussion note)

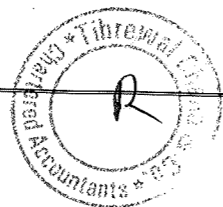
(ii) Receipt no. 4686, dated: 29.06.2019 for amount Rs. 6,200 but the same was found in cash book amounting Rs. 3,100. (Note: Refer point no. 19 of discussion note)

c. Report on Findings of the field survey of property tax of minimum 20 high value properties is given here:

- Our team on the basis of information available asked the SAF, demand collection detail of below mentioned properties:

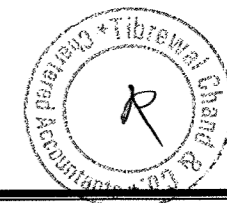
SAF forms of below properties were not provided neither no arrangements were made for physical verification.

Apart from above details of 20 high value properties provided by the ULB is as below:
(Note: Refer point no.3 of discussion note)



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S No.	Ward No.	Holder Name	Area in Square	Type of residence.	Rate of Comm.	Tax Amount
1	1	Smt Prabhawati Devi	6374	Residential	22	10,096.00
2	1	Murti Devi	2376	Residential	33	7,007.00
3	2	Malti Devi	2464	Residential	21	8,557.00
4	2	Malti Devi	0	Residential	33	8,306.00
5	2	Kameshwar Prasad Singh	1736	Residential	33	10,541.00
6	2	Sumnay Kumar Bairoliya	-	Residential	33	18,264.00
	2	Sumnay Kumar Bairoliya	-	Residential	22	
7	2	Vinay Kumar Purve	-	Residential	14	5,746.00
8	2	Lalit Kumar Purve	-	Residential	21	5,189.00
9	2	Sandeep Kumar Chaudhary	741	Residential	22	3,547.00
10	2	Pramod Kumar Raut	1975	Residential	33	3,781.00
11	2	Ram Briksh Mahto	1538	Residential	33	2,809.00
12	2	Gobind Prasad Kodiya	2160	Residential	21	5,053.00
13	2	Prem Prakesh Kodiya		Residential	21	18,190.00
14	2	Chandeswar Gupta		Residential	21	4,385.00
15	2	Kiran Devi	3600	Residential	21	4,604.00
16	6	Anita Jaishwal		Residential	33	17,820.00
17	6	Dr. Heera Yadav	1725	Residential	21	4,688.00
18	6	Dhanshyam Mahto		Residential	33	5,089.00
19	6	Baidhnath sah	7280	Residential	22	5,150.00
20	6	Ram Nareswar Jha	3782	Residential	21/22	5,360.00



Part B

a. Non-maintenance of books of accounts, subsidiary registers: During the audit we observed that following registers which are given below has not been maintained by the ULBs.

- Subsidiary register
- Stock register
- Cheque issue registers.
- Assets register.
- Contra, journal, Receipt Voucher.
- Records and revision of taxes and rent.

In addition to the above following records were also not maintained by the ULB:

- Memorandum of collection (GEN 21)
- Summary of daily collection register
- Register for bills payment
- Cheque issue register
- Register for Advances
- Deposits register
- Summary statement of deposit adjustment
- Summary statement of bills raised
- Register of refunds, remissions and write offs
- Statement of outstanding expenses liability
- Document control register
- Register of immovable property
- Register of movable property
- Register of land
- Register of assets replacement
- Register of public lighting system.

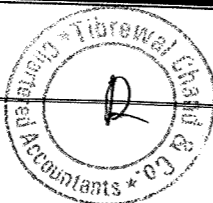
(Note: Refer Discussion Note point no.25)

b. Irregularity in procurement process:

No observation found in this regards.

c. Non Compliance of directives of UD&HD: We observed several non-compliance of the directions of the UDHD which includes-

- Non Implementation of GeM procurement mechanism
- Non collection of various taxes required to be collected.
- Non maintenance of prescribed books of accounts.
- Non maintenance of prescribed DEAS.



- None maintenance of DCR.
- Non preparation of budget as per budget manual.
- Closing of daily cash book and bank book.
- Physical verification of cash balance with daily collection register and bank balances.

d. Non Compliances of the Acts and Rules: During the audit we observed below mentioned non compliances:

- Non formation of Municipal Accounts Committee
- Non maintenance of books of accounts as per BMAR
- Non preparation of budget as per Bihar Municipal Budget Manual
- Property tax rate should be increased in every 5 years but not increased since a long period

Note: Refer Discussion Note (Point No. 22)

e. Lack of Internal Control Measures:

- (1) During the audit it was observed that there is serious lack of internal control over revenue collection. Revenue records are not maintained properly. Further, collection books after finishing should be kept in safe custody in ULB only.
- (2) There is no cash vault in the cash department for safety measure.

Note: Refer Discussion Note (Point No. 21)

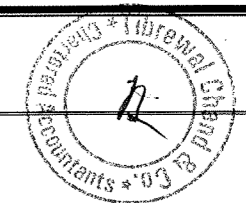
f. Non- Compliance of TDS, VAT, and other relevant statute: There is no cash vault in the cash department for safety measure observed that there is very serious issues in statutory compliances taxes are often deducted/ but not deposited on time resulting in heavy interest and penalty. In few cases it was deduction such as TDS and Royalty are not even deducted. Few cases are-

(Note: Refer point no. 6 of discussion note)

i. TDS:

S No.	Date of deduction	Date of Deposit	Amount	Return date
1.	June (2017)	Not Deposit	16815.00	Not Filled
2.	Sep (2017)	Not Deposit	79020.00	Not Filled
3.	Sep(2017)	15.11.2018	20437.00	Not filled
4.	Dec (2017)	Not Deposit	64923.00	Not Filled
5.	Mar (2018)	Not Deposit	51036.00	Not Filled

ii. Royalty:



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S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	15.11.2018	65634.00
2.	June(2017)	Not Deposit	45120.00
3.	Dec (2017)	Not Deposit	202643.00
4.	Dec(2017)	15.11.2018	44891.00
5.	Mar (2018)	Not Deposit	210026.00
6.	Mar(2018)	15.11.2018	144873.00

iii. Labour Cess

S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	Not Deposit	37768.00
2.	Sep (2017)	Not Deposit	57375.00
3.	Dec (2017)	Not Deposit	121068.00
4.	Mar (2018)	Not Deposit	109049.00

iv. Vat

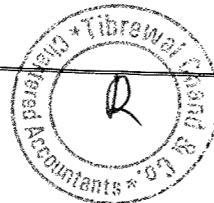
S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	Not Deposit	202296.00
2.	Sep (2017)	Not Deposit	57360.00
3.	Dec (2017)	Not Deposit	85495.00

g. **Deficiency in pay roll system:** During the audit it was observed that no bio metric attendance was used for making attendance. Further there was very poor internal control on leave tracking of the employees.

PF and ESI: During the audit it was observed that PF and ESI deducted from employees salary not deposited with authorities causing loss to the savings of the employees.
(Note: Refer point no. 5 of discussion note)

Further, during the audit of salary vouchers it was observed that TDS was not deducted in few cases mentioned as below:

Name of Employee	Basic	DA	HRA	Medical	TDS
Parfull Chandra Yadav	32,210	31,294	1,776	200	Not deducted
Parfull Chandra Yadav	62,200	3,110	1,776	200	Not deducted
Parfull Chandra Yadav	62,200	3,110	1,776	1,000	Not deducted



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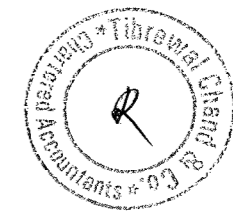
h. **Utilization certificate report on grants allotted during the year:** Details of UCs related to FY: 2017 – 18 are given as annexure.

i. **Physical Verification of the inventories and stores:** Stores registers has not been prepared by the ULB. During the year 2017-18 no physical verification was carries out of the stores.

(Note: Refer Discussion Note point no. 9)

j. **Advances:** Main cash book is showing unadjusted advance of Rs. 3,02,000. It should be adjusted as earliest.

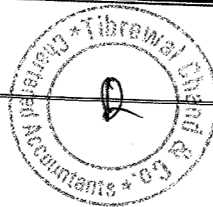
(Refer point no.26 of discussion note)



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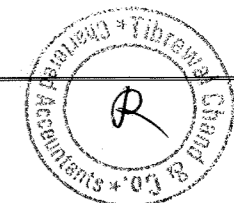
II. Part C

S/N	Particular	Remarks/ Observation
1	Whether all these the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	Chapter xi, rule 84 (Budget has not been sanction by Empowered standing committee) & Chapter xii, rule 86 (Prepare and maintain accounts of receipts and expenditure), 87 (Preparation of Municipal Accounting Manual), 88 (Financial Statement.) 89 (Balance sheet.), 90 (Submission of financial statement and balance sheet to auditor.) and 98 (Municipal accounts committee.) are not follow by the ULB.
2	What is the status of implementation of SAS of Property Tax in the ULB; If SAS has been implemented then witness some assessment procedures to check any in-consistencies in assessment. at least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not).	Refer audit report.
3	Whether all compliance have been complied regarding Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR Rule 22: All moneys to be brought to account Rule: 27: Collections to be deposited into Bank on the same day Rule 69: Grant Related Compliance Rule 120-121: Monthly Receipt & Payment Account and Trial Balance Rule 130: Audit to be completed & reported within 6 month	Rule 22: we have found that all money has been brought to account but delayed. Rule 27: we have observed that the collected money has not to be deposited into Bank Account on same day. Rule 69: Grant related compliance has been done properly. Rule 120-121: Monthly Receipt & Payment Account and Trial Balance are not being prepared. Rule 130 is not being followed.



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4	Whether all such compliance of financial guidelines of schemes of MOHUA and UD & HD, GoB have been complied.	Yes, Compliance of financial guidelines of schemes of MOHUA and UD & HD, Gob have been complied.
5	If any revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sai rat etc. have incurred then quantify the same.	It has been discussed in discussion notes and audit report under part A.
6	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	Discussed in audit report Part A.
7	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	Refer detailed audit report.
8	An assessment of presence or absence of a system of issuance of utilization certificate for the different schemes for any utilization made during the reporting period; Where there is no system for issuance of U/Cs, prepare Utilization Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&HD website.	Refer audit report.
9	Verify instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	It has been provided in discussion notes as well as in audit report under part A.
10	Whether all such payments have been made according to payment terms & conditions of tenders and rate offers are according to procurement law and policies.	It has been provided in discussion notes as well as in audit report under part A.
11	Whether the fixed deposit and other funds should be kept in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.	No fixed deposit made during the F.Y. 2017-18. All funds held by ULB are maintained at Nationalized Banks and rate of interest is per banking norms.



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- 12 Verify all major areas of ULBs and assessed revenue loss and if any losses have been identified then prepare a statement of loss for revenue losses. It has been provided in discussion notes as well as in audit report under part A.
- 13 Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers. It has been provided in discussion notes as well as in audit report under part A.
- 14 Whether C&AG and Internal audit paras has been complied, if not assistance has been provided in this regard. Discussed in details audit report and also annexure attached.

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ANNEXURE

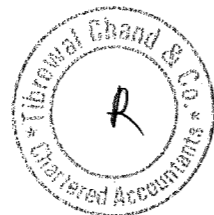
Details of UC's of Financial Year 2017-2018

SN	Year of allotment	Name of Scheme	Date of Allotment	Amount In Lakh	Expenditure	Un-utilized Amount	Remarks
1	2017-18	कार्यपालक पदाधिकारी का वेतन	23/05/2017	5.00	5.00	NIL	NIL UC Submitted
2	2017-18	14th Finance	02/08/2017	18.53	18.53	NIL	NIL UC Submitted
3	2017-18	14th Finance	02/08/2017	18.53	18.53	NIL	'' NIL
4	2017-18	14th Finance	24/01/2018	18.48	18.48	NIL	'' NIL
5	2017-18	14th Finance	24/01/2018	18.48	18.48	NIL	'' NIL
6	2017-18	वेतनादी भुगतान	28/12/2017	4.00	4.00	NIL	UC not submitted
7	2017-18	शहरी नाली गली	30/10/2017	25.88	NIL	25.88	Un-Utilised Amount Rs. 25.88 transferred to PL A/C
8	2017-18	भत्ता भुगतान	15/06/2017	2.76	NIL	2.76	Un-Utilised Amount Rs. 2.76 transferred to PL A/C
9	2017-18	नागरिक सुविधा	24/08/2017	25.19	NIL	25.19	Un-Utilised Amount Rs. 25.19 transferred to PL A/C
10	2017-18	पेशाकर मद	30/06/2017	7.27	NIL	7.27	Un-Utilised Amount Rs. 7.27 transferred to PL A/C
11	2017-18	नाली गली	11/08/2017	30.20	30.20	NIL	UC not submitted
12	2017-18	5th Finance	14/09/2017	71.68	NIL	71.68	Un-Utilised Amount Rs. 71.68 transferred to PL A/C



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S/N	Year	Particulars	Date	Amount	Remarks	Balance	Remarks
13	2017-18	सम्राट अशोक भवन	20/03/2018	34.83	NIL	34.83	Un-Utilised Amount Rs. 34.83 transferred to PL A/C
Grand Total				280.83	113.22	167.61	



Discussion Note FY 2017-18

Jainagar Nagar Panchayat

S/N	Observation	Management Comment	Recommendation
1	As per notification of Bihar Government, The Governor of Bihar made the rules for the mobile tower under the Act. Operator of the mobile has to apply to the ULB for operation of the mobile tower in the concerned area with the Requisite fees of Rs. 30,000/- per Tower and the Renewal fee is Rs. 8,000/- per year. During the course of audit it was observed that Rs 9,90,000 is due towards Tower Company for financial year 2017-18. <i>(Details given in report)</i>	This will be strictly taken care by next financial year and nagarpanchayat will take necessary steps to recover or boost revenue from towers.	There is a huge loss of revenue & interest income. So, necessary steps should be taken for timely collection of taxes.
2	During audit observed that property tax is not being deposited by tax collector of Rs. 858.00 for the period 2017-18.	Tax collectors are directed to deposit the tax.	It should be recovered from concerned person and same should be deposited into bank.
3	Report on Findings of the field survey of property tax of minimum 20 high value properties. <i>(Refer details audit report)</i>	ULB staff is directed to cooperate with auditors and to provide all the necessary documents for audit.	Physical survey can't be conducted due to Non availability of ULB staff for conducting physical verification. Further SAF forms were also not provided for 20 high value properties as per list provided by us.
4	Demand Register for collection of Trade License, property tax & shop rent for the financial year 2017-18 is not yet prepared.	All tax collector cashier, cashier and tax daroga is directed to make necessary attempt in this regard.	Demand register should be prepared.
5	PF deducted from all permanent staff salary but not deposited in his PF account.	Will consider it in next financial year.	PF should be deposited immediately.
6	During the audit various cases were observed regarding non deduction and non-deposition of statutory dues like TDS, VAT, and Royalty in stipulated time by the Nagar Panchayat. Further it was also observed that return was also not filled for TDS & VAT. <i>(Refer details audit report)</i>	Will consider it in next financial year.	All statutory compliances related to deduction, deposition and return filling should be complied.

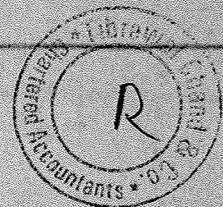


Amif
 15.06.2020
Executive Officer
Nagar Panchayat
Jainagar

Discussion Note

Jainagar Nagar Panchayat

7	The municipality is not in a practice to prepare BRS on regular or periodical basis. (Refer details audit report)	Will consider it in next financial year.	BRS should be maintained month wise.
8	(i) Improper maintenance of records related to revenue collection. (ii) During the audit it was observed that mobile tower tax is not getting collected on a timely basis and even if it is getting collected, the same is not deposited timely.	Nagar Panchayat ensure that this will be taken care from now onwards.	(i) Daily collection register for property tax should be maintained and appropriate action should be taken. (ii) Collection should be made on a regular basis and deposited on the same day to avoid any irregularity.
9	Non preparation of stores register	Nagar Panchayat ensure that this will be taken care from now onwards.	Due to non-maintenance of FAR, it will become difficult to identify quantity of each class of stock. So, the ULB should maintain a store ledger including price of inward goods.
10	Insurance deduction from all permanent staff salary but not deposited.	Nagar Panchayat ensure that this will be taken care from now onwards.	Insurance should be deposited.
11	Jainagar Nagar Panchayat is not in practice to prepare monthly receipt and payment account and the trial balance.	Nagar Panchayat ensure that this will be taken care from now onwards.	ULB should prepare receipts and payment account on monthly basis. It helps to find out that how much fund received by the ULB and whether its utilization was made properly or not.
12	Daily wages register were not produced to us for audit.	ULB staff is directed to provide all the necessary documents to auditors.	Daily wages register should be made available to auditors.
13	Log books not maintained or maintained with incomplete information in ULB.	Necessary action will be taken.	Log book should be maintained by ULB.
14	Scheme register not prepared for the financial year 2017-18	Necessary action will be taken.	Separate register should be maintained for each scheme.
15	During the verification of sairat register, we observed that during the financial year 2017-18, a lot of sairat was not held at municipal council. Due to this	Nagar Panchayat ensure that this will be taken care from now onwards.	Sairat should be held at proper interval.



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	reason Revenue loss of Rs 4,63,320 to concerned ULB.		
16	No-collection of notice fees	ULB staff is directed to comply with Bihar Municipal Act 2007	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 delay payment at a rate as may be specified, and the amount of penalty therefore, but in case of Jainagar Nagar Panchayat, corporation has not provided any information regarding charging and collection of notice fees. ULB should collect notices in compliance of act and to boost ULB revenue. It should be produced for verification.
17	Soft copy of Advice regarding payment of housing for all and disbursement under project of SBM was not produced before us, therefore it is difficult to trace double payment for same.	ULB staff is directed to cooperate with auditors and to provide all the necessary documents for audit.	
18	Collection of internal resources is very poor. (Refer details audit report)	Nagar Panchayat will take steps to improve the collection from internal resources.	It should be timely collected.
19	Receipt no. 4686, dated: 29.06.2019 for amount Rs. 6,200 but the same was found in cash book amounting Rs. 3,100.	Necessary action for recovery of such will be taken.	Amounting Rs. 3,100 must be recovered.
20	During the course of Audit, we observed that Nagar Panchayat has conducted Internal audit & CAG audit for the year 2016-17 but the compliance report for the same has not been prepared. (Details given in report)	Necessary action will be taken.	It should be prepared as soon as possible.
21	Lack of internal control measures (i) Voucher file was not maintained	Nagar Panchayat ensure that this will be taken care from	We observed that there is no any internal control mechanism



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- (ii) No internal mechanism for statutory compliance
- (iii) No MIS was prepared for tracking of payments
- (iv) Required books of Accounts as per BMAM was not maintained
- (v) Statutory compliance reconciliation was not maintained
- (vi) Bank reconciliation of any bank account was not prepared.

available over collection, recovery, deposit of taxes, assets handling, cheque handling and statutory compliances:

We suggest that

(i) MIS system should be implemented over daily collection and deposit.

(ii) Reason for non-deposit/Late deposit should be strongly need to ask for minimize delay.

(iii) Need to identify a person to comply with the statutory compliance. In case failure to comply with statutory compliances he should also be penalized.

Therefore, the management has to take serious effort in implementation of internal control mechanism for getting a better result from ULB working.

22 Non-Compliance of Act & Rules

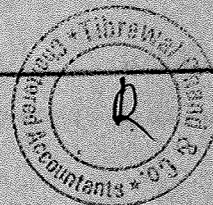
ULB staff is directed to ensure compliance of all applicable Act & Rules.

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.

23 No details were made available regarding meeting of municipal accounts committee held during the financial year 2017-18.

ULB staff is directed to comply with BMA-2007

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



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24 Non-Implementation of double entry accounting system.
We found the detail that double accounting system is implemented at Jainagar Nagar Panchayat, however we not got any data for verification the same.

Implementation of DEAS is ongoing and ULB staff is directed to cooperate with auditors and to provide all necessary documents for audit.

BMA-2007.

As per requirement of BMAR-2014, Part-A, Chapter-2 Rule -4. "All ULB referred in schedule-1 shall maintain its books of account using the double entry system". Since Jainagar Nagar Panchayat is covered under schedule -1, therefore they should have to maintain their accounts on double entry accounting system in compliance of such rule.

25 Non-maintenance of required registers as per Rule No.-3 of BMAR-2014

ULB staff is directed to follow and comply the guidelines of BMAR

Details 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.

26 Non adjustment of advances

Necessary action for recovery / adjustment of advance will be taken.

Main cash book is showing unadjusted advance of Rs. 3,02,000. It should be adjusted as earliest.

27 Non collection of rent

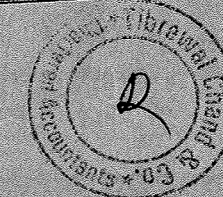
Nagar Panchayat ensure that this will be taken care from now onwards and outstanding will be recovered.

Shop rent is not being collected on proper interval resulting in outstanding amount of Rs. 5,10,024

28 During the course of audit we observed that the ULB has made an agreement with Surendra Kumar Tethawar for Construction and Drain Water Tank. We found that the agreement was executed for Rs. 13,89,630.00, but in actual the payment was made for Rs. 14,09,234.00. Excess payment of Rs. 19,604.00 was made.

Nagar Panchayat ensure that this will be taken care from now onwards and excess payment will be recovered.

Excess payment should be recovered from concerned person.



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Details of 20 high value properties:-

S/N	Ward No.	Holder Name	Area in Square	Type of residence.	Rate of Comm.	Tax Amount
1	1	SmtPrabhawati Devi	6374	Residential	22	10,096.00
2	1	Murti Devi	2376	Residential	33	7,007.00
3	2	Malti Devi	2464	Residential	21	8,557.00
4	2	Malti Devi	0	Residential	33	8,306.00
5	2	Kameshwar Prasad Singh	1736	Residential	33	10,541.00
6	2	Sunnay Kumar Bairoliya	-	Residential	33	18,264.00
7	2	Sunnay Kumar Bairoliya	-	Residential	22	
8	2	Vinay Kumar Purve	-	Residential	14	5,746.00
9	2	Lalit Kumar Purve	-	Residential	21	5,189.00
10	2	Sandeep Kumar Chaudhary	741	Residential	22	3,547.00
11	2	Pramod Kumar Raut	1975	Residential	33	3,781.00
12	2	Ram BrikshMahto	1538	Residential	33	2,809.00
13	2	Gobind Prasad Kodiya	2160	Residential	21	5,053.00
14	2	PremPrakeshKodiya	-	Residential	21	18,190.00
15	2	Chandeswar Gupta	-	Residential	21	4,385.00
16	6	Kiran Devi	3600	Residential	21	4,604.00
17	6	Anita Jaishwal	-	Residential	33	17,820.00
18	6	Dr. HeeraYadav	1725	Residential	21	4,688.00
19	6	DhanshyamMahto	-	Residential	33	5,089.00
20	6	Baidhnathsah	7280	Residential	22	5,150.00
	6	Ram NareswarJha	3782	Residential	21/22	5,360.00

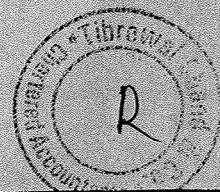
Details of statutory deduction:-

i. TDS:

S No.	Date of deduction	Date of Deposit	Amount	Return date
1.	June (2017)	Not Deposit	16815.00	Not Filled
2.	Sep (2017)	Not Deposit	79020.00	Not Filled
3.	Sep(2017)	15.11.2018	20437.00	Not filled
4.	Dec (2017)	Not Deposit	64923.00	Not Filled
5.	Mar (2018)	Not Deposit	51036.00	Not Filled

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ii. Royalty:

S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	15.11.2018	65634.00
2.	June(2017)	Not Deposit	45120.00
3.	Dec (2017)	Not Deposit	202643.00
4.	Dec(2017)	15.11.2018	44891.00
5.	Mar (2018)	Not Deposit	210026.00
6.	Mar(2018)	15.11.2018	144873.00

iii. LabourCess

S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	Not Deposit	37768.00
2.	Sep (2017)	Not Deposit	57375.00
3.	Dec (2017)	Not Deposit	121068.00
4.	Mar (2018)	Not Deposit	109049.00

iv. VAT

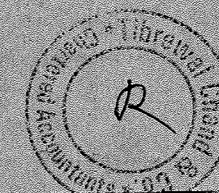
S No.	Date of deduction	Date of Deposit	Amount
1.	June (2017)	Not Deposit	202296.00
2.	Sep (2017)	Not Deposit	57360.00
3.	Dec (2017)	Not Deposit	85495.00

Bank Reconciliation Statement

Name of Bank	Account Type	Account No.	Passbook Balance	Cash Book Balance	Difference	Status
SBI	Various	98056	23,33,287.01	23,33,287.01	-	Reconciled
SBI	Various	51828	12,05,106.69	12,05,106.69	-	Reconciled
SBI	Pension	31120	7,775.55	7,775.55	-	Reconciled
SBI	PF	98125	15,24,935.57	15,24,935.57	-	Reconciled
SBI	4 th Finance	71365	177.66	177.66	-	Reconciled
SBI	Various	49980	1,00,249.00	1,00,249.00	-	Reconciled
SBI	ParshadBhatt	21162	3,385.00	3,385.00	-	Reconciled

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a					
SBI	State Planning	21967	2,51,425.00	2,51,425.00	- Reconciled
SBI	Kabir	22519	10,11,037.00	10,11,037.00	- Reconciled
PNB	Various	03435	3,05,235.00	3,05,235.00	- Reconciled
PNB	13 th Finance	47766	13,26,215.99	13,26,215.99	- Reconciled
CBI	Various	40645	33,81,374.00	33,81,374.00	- Reconciled
CBI	Adhusuchit	46199	34,78,927.80	34,78,927.80	- Reconciled
BOI	HFA	013897	1,08,65,752.25	1,08,65,752.25	- Reconciled
BOI	Various	13898	8,50,666.72	8,50,666.72	- Reconciled
BOI	Various	13732	10,060.30	10,060.30	- Reconciled
ICICI	SBM	00493	25,09,577.00	25,09,577.00	- Reconciled
PL	Various	PL-299	4,13,76,515.00	4,13,76,515.00	- Reconciled

Details of UC's of Financial Year 2017 - 2018

SN	Year of allotment	Name of Scheme	Date of Allotment	Amount In Lakh	Expenditure	Un-utilized Amount	Remarks
		कार्यपालकप					
1	2017-18	दाधिकारीकावे	23/05/2017	5.00	5.00	NIL	UC Submitted
		तन					
2	2017-18	14th Finance	02/08/2017	18.53	18.53	NIL	" NIL
3	2017-18	14th Finance	02/08/2017	18.53	18.53	NIL	" NIL
4	2017-18	14th Finance	24/01/2018	18.48	18.48	NIL	" NIL
5	2017-18	14th Finance	24/01/2018	18.48	18.48	NIL	" NIL
		वेतनादीभुग					
6	2017-18	तान	28/12/2017	4.00	4.00	NIL	UC not submitted
		शहरीनालीग					
7	2017-18	ली	30/10/2017	25.88	NIL	25.88	Un-Utilised Amount Rs. 25.88 transferred to P A/C

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8	2017-18	भत्ताभुगतान	15/06/2017	2.76	NIL	2.76	Un-Utilised Amount Rs. 2.76 transferred to PL A/C
9	2017-18	नागरिकसुवि धा	24/08/2017	25.19	NIL	25.19	Un-Utilised Amount Rs. 25.19 transferred to PL A/C
10	2017-18	पेशाकरमद	30/06/2017	7.27	NIL	7.27	Un-Utilised Amount Rs. 7.27 transferred to PL A/C
11	2017-18	नालीगली	11/08/2017	30.20	30.20	NIL	UC not Submitted
12	2017-18	5th Finance	14/09/2017	71.68	NIL	71.68	Un-Utilised Amount Rs. 71.68 transferred to PL A/C
13	2017-18	समाटअशोक भवन	20/03/2018	34.83	NIL	34.83	Un-Utilised Amount Rs. 34.83 transferred to PL A/C
Grand Total				280.83	113.22	167.61	

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