

INTERNAL AUDIT REPORT
OF ULB
(FATUHA NAGAR PARISHAD)

FOR THE PERIOD

01/04/2020 TO 31/03/2021
(FY_2020-2021)

CONDUCTED BY

M/s R. N. Singh & Co.
208, Hem Plaza, Fraser Road
Near Dak Bungalow Chowraha,
Patna – 800001

From 04/04/2022 to 21/04/2022
Report Issued on 28/04/2022

1. Executive Summary

1. INTRODUCTION

| | |
|---|------------------------|
| • Name of the Municipality | Nagar Parishad, Fatuha |
| • Period covered under current audit | FY_20-21 |
| • Name of Executive Officer for the period under Audit. | Shri Praveen Kumar |

2. RESULTS & FINDINGS

A. Strengths observed during the audit engagement:

1. Subsidiary cash books have been maintained by Fatuha Nagar Parishad.
2. General cash book has been maintained by Fatuha Nagar Parishad.
3. All Transactions have supporting documents.
4. Office infrastructure is sufficient for operation.
5. Response from officer & Staff were satisfactory.

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

1. We observed that the payment procedure which is adopted by the Nagar Parishad is not commensurate with the rules, letters, conditions specified by the department. We further observed that chances of collusion with contractors and suppliers are too high. We also further observed that an excess payment in terms of Agreement and available records in the file of the service provider. Details of such have been disclosed in Executive Summary (Management Discussion).
2. We observed that In Yojana No.- 64/18-19 & Agreement No.-47/12/19-20, Work Name: Construction of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26, there is excess payment of Rs 4,000 made to contractor for sign board which is not mentioned in approved Bill of quantity (BOQ) provided by BUIDCO which is not acceptable as per the norms. Further, Interest bearing security i.e. Term Deposit provided by the contractor for Earnest money deposit (EMD) is not available in file.
3. As per Para (i) of Description of work of Contract with Nandani Development Association, the agency has to deploy additional resources on the occasion of Deepawali, Dusshera, Holi, Ganga Dusshera, Kartik Purnima, Eid , Bakrid, Chhath and other festivals to maintain special cleaning arrangements. No extra payment will be paid for this to agency. But we observe in the month of December dated 01/12/2020 Nagar Parishad paid Rs 6,100 as wages on the occasion of chhath puja for cleaning of road. Both the situation contradict each other which simply indicates the agency is failed to fulfill the condition of the contract, but no any deduction or recovery made from the agency by the ULB.
4. We observed that the conditions specified in letter of work approved by BUIDCO, has not been followed by Nagar Parishad.
5. We observed that ULB is in practice to made the tender even if in the less number of supplier which is not as per the Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22 which reduces the level of competition. Further there may be also a chance of opportunity loss of requisite quality and reasonable supplier. Details of such have been disclosed in (Annexure 2) of



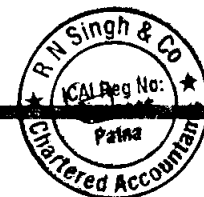
Executive Summary (Management Discussion).

6. We observed that ULB is not in practice to make agreement with successful bidder on govt. stamp paper. Further, we also noticed that ULB is in practice to mention initial estimated cost of work determined by Fathua Nagar Parishad as agreement value in place of bid value of successful bidder, which is not as per the norms of **Bihar Finance (Amendment) Rule, 2005**
7. Status of Double Entry Accounting System: Tibrewal Chand & Co. (Rourkela, Odisha) has started double entry accounting system but it is in process for FY_2016-17 to FY_2019-20. Further, there is no employee deployed for FY_2020-21, so there is no assistance provided by the DEAS team during the course of audit.
8. We are not able to check the compliance status of Internal Audit Observations for FY 2016-17 to FY 19-20 as well as AG Audit Report for FY 15-16 to FY 17-18. As compliance report has not been prepared by ULB, due to this, there is a lack of continuous improvement in terms of financial as well as internal control.
9. Mobile Tower Tax has not been collected by the ULB. As per details provided to us there are total 18 Mobile towers registered with ULB upto 31.03.2021 and **Rs 22,62,000** (excluding interest @ 1.5% p.m) has not been collected till the date of Audit from these tower operators as Tower tax. Further, we also observed that there is no action taken by ULB for its recovery. Details of the same are provided in detailed Audit Report.
10. During verification of property tax related documents, we observed that there are many property holders that are not paying property tax from a long time but no action taken by the ULB for its recovery. Details of these property holders are provided in detailed Audit Report.
11. Demand & Arrear Register is not maintained or up to date by ULB. So, we are unable to quantify the total outstanding demand of Property tax, Advertisement tax, Rent on municipal properties etc. Further, we also observed that Nagar Parishad is not in practice to raise the demand for all outstanding balances of the holders.
12. Property & Holding tax assessment has not been done every year. We observed that assessment is not done after FY 2008-09. Further, single person is holding all the responsibility related to demand collection and balancing.
13. In Fathua Nagar Parishad, SAS implementation of property tax has not been implemented.
14. As per **Rule 27 of BMAR 2014**, Collections to be deposited into the bank on the same day, but during the course of audit, we observe that the amount collected from own source revenue has not been deposited on the same date as required. Details will be given in detailed audit report.
15. Advertisement tax has not been levied by the Fathua Nagar Parishad. There is not any system develop for the levy of advertisement tax.
16. As per **Rule 131C of Bihar Finance (Amendment) Rule, 2005 Purchase of goods without quotation: Purchase of goods upto the value of Rs 15,000/- only** on each occasion may be made without inviting quotations or bids on the basis of a certificate recorded by competent authority but We observed that no quotation or procurement process is being adopted by ULB for procurement of stocks and consumables even if value of procurement is more than Rs 15,000. Details are enclosed in detailed audit report.
17. We observe that ULB is not in practice to prepare monthly Receipt & Payment Account & Trial Balance as per **Rule 120-121 of BMAR 2014**.
18. ULB is not in practice to prepare scheme wise Bank Reconciliation Statement.
19. We observed that various registers, books of records etc are not being prepared by ULB. Such as Journal/Magazines/Newspaper Register, Temporary Advance Register, Money Order/Bank Draft



received Register, Register of remittances made into Bank, Bank Draft dispatch Register, Bill Register, Establishment Register, Stock Register, Capital Goods/Consumables & Non consumables articles Register, Statutory Deduction Register, Pay Roll Register, PF Register, Fixed Asset Register, Grant Register, Procurement Register, Allotment Register, Bank Guarantee & Interest Bearing Securities Register, etc.

20. Closing of Cash Book has not been done on day to day basis which is not as per the Bihar Municipal Accounting Manual. It should be closed on daily basis.
21. Registers of Suits filed are not being maintained at ULB, due to this we are unable to provide comment in detailed audit report in this context.
22. We observed that Scheme wise cash book has been maintained but not updated.
23. ULB has not been in practice to prepare financial statements.
24. Advance Register has not been maintained by the concerned ULB and in the absence of above register; it is difficult to check or comments on adjustment and recovery of advances. Further, advance has been given to cashier Vijay Shankar for office expense without any advance requisition.
25. Municipal Accounts Committee has not been constituted by the Fathua Nagar Parishad. It should be constituted in the first Board Meeting of the ULB every year..
26. ULB is not in practice to prepare Statutory Deduction Register for deductions and taxes which creates difficulties to ascertain Statutory liabilities at any point of time. Statutory Liabilities like IT-TDS, GST-TDS, Labour Cess, Royalty etc are collected from time to time but its payments are not made within due dates. Statutory Liability should be remitted to the Govt. as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the concerned department.
27. During the course of audit we observed that net payment was being made to Contractors from a particular scheme fund but their statutory liabilities were being paid through separate bank a/c(SBI 7379) due to this, the amount of (SBI 7379) is deducted & balance are still left in that particular scheme. Further no amount is being transferred from that scheme to the SBI 7379 a/c. But the Utilization Certificate submitted for that particular scheme is for both amount i.e (amount paid to contractor + amount paid for statutory liability).
28. No separate Grant Register is being maintained by ULB, hence it is difficult to find out unutilized grant at any point of time.
29. Utilization Certificate of some schemes is pending for submission to the Urban Development & Housing Department till FY 2020-21. Details of UC's prepared & pending has been provided in detailed audit report.
30. Details of directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.
31. Log Book of Vehicle & Generator is not maintained and consequently its analysis is not possible. In absence of the same, we are unable to comment on the authenticity of the end use of fuel expense whether it is for official purpose or not. Instance of payment provided in Executive Summary with Risk Assessment in the Report.
32. We observed that there is lag in internal as well as financial control regarding EPF collection and payment to concerned department as EPF is deducted from the salary of contractual as well as daily



wages employees but the same is not deposited to concerned department. No details regarding this is provided to us while the course of audit.

33. We observed that there is statutory dues of Royalty, labour cess, Seigniorage Fee etc shown in the books of account. Details of the same are provided in detailed Audit Report.
34. ULB is not in practice to prepare Attendance Register of their staff, so we are not able to verify the salary payment to permanent as well as daily wages & contractual staff. Further, a Biometric Attendance is installed but not in working conditions. In absence of it, there may be chances of excess payment to the staff.
35. ULB is yet not registered under Employee State Insurance scheme.

3. OPINION

As per Our Opinion, there is a chance of defalcation and irregular payment in Nagar Parishad, higher management should review the points which are discussed in Management Discussion with Risk Assessment Sheet. Further, the following improvements are also required.

- ULB is not working properly, even internal control is poor.
- Revenue collection of the ULB is very poor it has scope to increase to much higher level.
- All cash collection from sources of revenue is not deposited in the bank on same day. It should be deposited on time as specified in Bihar Municipal Act.
- Due to lack of manpower, there is delay in performing day-to-day work.
- There should be proper segregation of duties to perform day-to-day work in efficient manner.
- We find that rules and regulation are there but ULB is not following them properly.
- Most of the Books of Accounts as prescribed by BMAR are not maintained by the ULB.
- There are serious lapses in deduction and deposit of statutory dues, such as Royalty, Labour Cess, Seigniorage Fee etc.
- Taxes should be remitted to the Govt. account as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the concerned department.
- Bank wise cashbook should be maintained for each scheme.
- ULB should make agreement with successful bidder on Indian Non Judicial Stamp Paper. This enables ULB to take legal action against the contractor if he fails to complete the contractual obligations.
- ULB is in practice to make tenders even if in the two numbers of participant which is not as per **Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22**, ULB should cancel the tender or go for Re-tendering process. Further, ULB should also take steps towards spreading information and awareness amongst the contractors to active participation in the tender of work which enables ULB to get requisite quality at reasonable cost.
- Further opinion has been enclosed in detailed audit report.



4. AUDIT RECOMMENDATIONS

The Recommendation of Audit Team on the Observed weakness.

| Sl. No. | We Recommend the followings:- |
|---------|---|
| 1. | In light of our points which is discussed above and detailed discussed in Management discussion regarding recovery of excess payment, constitute a committee under special secretary to review all such payment made to Nandani Development Association (Agreement No. 2161). |
| 2. | Nagar Parishad should follow the conditions for agreement to payment of construction work which is specified in letter of approval of construction work issued by BUIDCO. |
| 3. | ULB should make agreement with successful bidder on Indian Non Judicial Stamp Paper mentioning the agreement value i.e. bid value of successful bidder. This enables ULB to take legal action against the contractor if he fails to complete the contractual obligations. |
| 4. | ULB should make the agreement with the successful bidder within the timeline stipulated by BUIDCO. |
| 5. | ULB should comply the internal audit observations as soon as possible after getting information about audit observations and should also prepare compliance report of the same & submit it to the department. |
| 6. | ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers. |
| 7. | ULB should prepare receipt and payments accounts on monthly basis due to which it becomes very easy to find out how much fund has been received by the ULB. |
| 8. | ULB must have to refund the unutilized amount to the Urban Development & Housing Department. |
| 9. | ULB have to file statutory returns within prescribed time line and deposit the deducted amount as specified in statutory law. |
| 10. | As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014, Tax Collected has to be deposited on same day or latest before noon on the following working day. |
| 11. | ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act, Manual and Rules. |
| 12. | ULB should collect mobile tower tax, advertisement tax, shop rent etc. as quick as possible and on regular basis. |
| 13. | ULB should prepare UC in prescribed format of various schemes as soon as possible and submit the same to UD & HD Dept. on regular interval as per prescribed guidelines. |
| 14. | ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis. |
| 15. | ULB should maintain Daily Collection Register separately for each head of its own revenue sources for appropriate internal control and also for appropriate disclosures of books of accounts. |
| 16. | ULB should develop and prepare Pay-roll system of Permanent & Contractual employees. |
| 17. | ULB should assess the Holding & Property tax every year & do survey for assessment of the same. |
| 18. | Nagar Parishad Fatuha must have to maintain advance register otherwise it would be very difficult to find out details regarding how much advance has been given to any particular person and how much recovery of same has been made from them. |
| 19. | ULB should maintain Log book of Vehicle & Generator. So, it's easy to analysis the same. |
| 20. | ULB must have to maintain Bank Reconciliation Statement as per UD & HD guidelines, which will help in: - <ul style="list-style-type: none">• Accurate balance• Prevent Theft. |



| | |
|-----|---|
| | <ul style="list-style-type: none"> • Prevent mistakes. • Accounts in good standing. |
| 21. | ULB should conduct Procurement procedure as per prescribed guidelines. |
| 22. | ULB should register themselves with Employee State Insurance scheme for the welfare of their employees. |

5. COMMENTS FROM MANAGEMENT

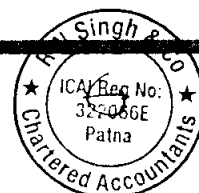
As per discussion with Management, we observed that management has not take appropriate response on the observations observed and discussed with them. Further, there is no improvement observed in last 3 years in light of observations which is observed in previous internal audit.

6. ACKNOWLEDGEMENT

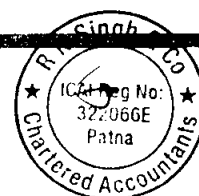
We thank **Shri Praveen Kumar** (Executive Officer), for his support during the period of our audit. We are also thankful to the Accountant and other staffs of the Nagar Parishad for their co- operation during the period of audit.

7. MANAGEMENT COMMENTS WITH RISK ASSESSMENT

| Sl. No | Particulars | Risk Rating | Design Gap | System Gap | Operational Gap | Management's Remarks |
|--------|---|-------------|------------|------------|-----------------|---|
| 1. | We observed that an excess payment has been made in this quarter to Nandini Development Association (2161 dated 03/10/2018) as per condition Para No. 5 of Contract, which relates to EPF data submitted by the concerned association. Further, we observed that the other Para No. 4 and 10 have not been considered before release of payment. As per our calculation (Annexure I), excess payment is Rs 44,313,00 in FY_20-21. Management should review all previous payment made to this association and take initiative to investigate all the payments made to this concerned party. | High | No | Yes | Yes | In reference of this, as per the reply provided by Nandani Development Association the KYC of all daily workers is not available with them. That's why the EPF return of the remaining employee was not filed. So, this is the reason behind the difference between the no. of workers provided and the no. of workers in EPF return. |
| 2. | As per Manual on Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22, The number of supplier firms in Limited Tender Enquiry should be more than three. But during the course of audit, we observed that ULB is not following the norms | High | Yes | Yes | Yes | The tender is decided by the Executive Engineer, BUIDCO Patna. All the |



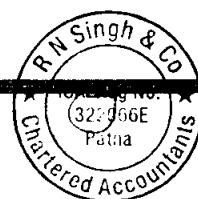
| | | | | | | |
|----|---|------|-----|-----|-----|---|
| | and made the tender even if in the less number of supplier due to which competition is going to reduce and ULB also get opportunity loss of requisite quality and reasonable supplier. As per our opinion, all the agreement which are made is null and void. Details of the related agreement verify during the quarter is annexed in (Annexure 2). | | | | | technical and financial decision regarding the successful bidder is taken by them. Fathua Nagar Parishad only follows the instruction provided by the BUIDCO to do the agreement. |
| 3. | We observed that the timeline which is prescribed by BUIDCO has not been complied for signing of agreement and issue of work order and also no condition letter is being granted by BUIDCO for taking additional time to agreements. Due to this, as per our opinion all the agreements which are made after the prescribed timeline are null and void. Details of such agreements are annexed in (Annexure 3). | High | Yes | Yes | Yes | It will be take care in future. |
| 4. | As per Para (i) of Description of work of Contract with Nandani Development Association, the agency has to deploy additional resources on the occasion of Deepawali, Dusshera, Holi, Ganga Dusshera, Kartik Purnima, Eid , Bakrid, Chhath and other festivals to maintain special cleaning arrangements. No extra payment will be paid for this to agency. But we observe in the month of December dated 01/12/2020 Nagar Parishad paid Rs 6,100 as wages on the occasion of chhath puja for cleaning of road. Both the situation contradict each other which simply indicates the agency is failed to fulfill the condition of the contract, but no any deduction or recovery made from the agency by the ULB. | High | No | Yes | Yes | There is increase in the demand of excess labour on the special occasion, so in that case ULB deploy extra labour by their own to maintain and manage the arrangements smoothly. |
| 5. | We observed that ULB is in practice to made payment to contractor without adequate supporting documents which is required as per the allotment issued by BUIDCO. Such as: Pre leveling Certificate, Slope determination, Actual invoice of reinforcement of TATA/RINL SAIL company, Quality testing reports of sand, metal etc. and also a declaration regarding obey of order of Patna High Court in respect of CWJC No. 14831/2009. The amount paid to such contracts is Rs. 3,71,840,81.00 in this financial year as per our observation. We further observed that ULB is not in practice to issue job completion certificate and considered date of completion | High | Yes | Yes | Yes | It will take care in future. |



| | | | | | | |
|-----|--|------|-----|-----|-----|--|
| | on the basis of date of actual measurement on Measurement Book (MB) which is written by Junior Engineer, whereas per terms of agreement, date of completion is the date of certificate issued by Executive Officer for job completion after verification and compilation of all deficiency observed. | | | | | |
| 6. | We observed in Yojana No.- 64/18-19 & Agreement No.-4712/19-20, Work Name: Construction of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26, there is excess payment of Rs 4,000 made to contractor for sign board which is not mentioned in approved Bill of quantity (BOQ) provided by BUIDCO which is not acceptable as per the norms. Further, Interest bearing security i.e. Term Deposit provided by the contractor for Earnest money deposit(EMD) is also not available in file. | High | No | Yes | Yes | The excess money paid will deduct in future from the security money. EMD amount is misplaced from the file. We are trying to find it as soon as. |
| 7. | We observed that TDS u/s 192 of Rs 1,17,840 has not been deducted during the whole financial year related to payment made to Executive Officer. Interest u/s 201 and Penalty u/s 271C may be levied on ULB. The gross amount of Interest & Penalty is Rs. 15,297 & Rs 1,17,840 respectively (Annexure 4). | High | No | Yes | Yes | This taxable amount is personally paid by the Executive Officer at the end of the financial year. |
| 8. | During the course of audit, we observed that professional tax has not been deducted by ULB from the payment of Executive Officer. The total amount which is not deducted is Rs 2,500. | High | No | Yes | Yes | This amount is personally paid by the Executive Officer at the end of the financial year. |
| 9. | Mobile Tower Tax has not been collected by the ULB. As per details provided to us there are total 18 Mobile towers registered with ULB upto 31.03.2021 and Rs 22,62,000 (excluding interest @ 1.5% p.m) has not been collected till the date of Audit from these tower operators as Tower tax. Further, we also observed that there is no action taken by ULB for its recovery. Details of the same are provided in detailed Audit Report. | High | Yes | Yes | Yes | ULB will try their best, It will issue to Mobile Tower Company as soon as possible. |
| 10. | During verification of property tax related documents, we observed that there are many property holders that are not paying property tax from a long time but no action taken by the ULB for its recovery. Details of these property holders are provided in detailed Audit Report. | High | Yes | Yes | Yes | We follow your advice, notice will issue to the biggest defaulters as soon as possible. |



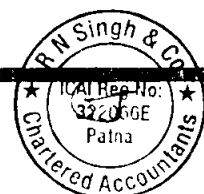
| 11. | Demand & Arrear Register is not maintained by ULB. So, we are unable to quantify the total outstanding demand of Property tax, Advertisement tax, Rent on municipal properties etc. Further, we also observed that Nagar Parishad is not in practice to raise the demand for all outstanding balances of the holders. | Medium | Yes | Yes | Yes | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------|--|------------------|--------------|------------------|--------------|--|-------------------------------|--------------|------------|-----------|-------------------------------|--------------|------------|-----------|-------------------------------|----------------|------------|-----------|-------------------------------|----------|------------|-----------|-------------------------------|--------------|------------|-----------|-------------------------------|--------------|------------|-----------|-------------------------------|----------------|------------|--|--|--|--|--|
| 12. | Property & Holding tax assessment has not been done every year. We observed that assessment is not done after FY 2008-09. Further, single person is holding all the responsibility related to demand, collection and balancing. | High | Yes | Yes | Yes | There is no assessment done by the Nagar Parishad Fathua after 2008-09. Hence, it will be done in future. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13. | In Fathua Nagar Parishad, SAS implementation of property tax has not been implemented. | Medium | Yes | Yes | Yes | It will look into future. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 14. | As per Rule 27 of BMAR 2014, Collections to be deposited into the bank on the same day, but during the course of audit, we observe that the amount collected from own source revenue has not been deposited on the same date as required. The details are given below: | Medium | No | Yes | Yes | It is not possible to deposit the amount collected at the end of the day because of distance between the bank and the ULB. Hence the amount collected during the whole month is deposited at the end of the month. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Receipt No.</th> <th>Period</th> <th>Amount Collected</th> <th>Deposit Date</th> </tr> </thead> <tbody> <tr> <td>2475-2488</td> <td>01/04/2020 - 30/04/2020</td> <td>Rs 23,499</td> <td>30-04-2020</td> </tr> <tr> <td>2489-2531</td> <td>01/05/2020 - 31/05/2020</td> <td>Rs 60,428</td> <td>30-05-2020</td> </tr> <tr> <td>2532-2734</td> <td>01/06/2020 - 30/06/2020</td> <td>Rs 2,17,907</td> <td>30-06-2020</td> </tr> <tr> <td>2799-2801</td> <td>01/05/2020 - 30/05/2020</td> <td>Rs 9,000</td> <td>30-05-2020</td> </tr> <tr> <td>2802-2806</td> <td>01/06/2020 - 30/06/2020</td> <td>Rs 14,650</td> <td>30-06-2020</td> </tr> <tr> <td>2735-2775</td> <td>01/07/2020 - 31/07/2020</td> <td>Rs 49,445</td> <td>31-07-2020</td> </tr> <tr> <td>2776-2889</td> <td>01/08/2020 - 31/08/2020</td> <td>Rs 1,88,381</td> <td>31-08-2020</td> </tr> </tbody> </table> | Receipt No. | Period | Amount Collected | Deposit Date | 2475-2488 | 01/04/2020 - 30/04/2020 | Rs 23,499 | 30-04-2020 | 2489-2531 | 01/05/2020 - 31/05/2020 | Rs 60,428 | 30-05-2020 | 2532-2734 | 01/06/2020 - 30/06/2020 | Rs 2,17,907 | 30-06-2020 | 2799-2801 | 01/05/2020 - 30/05/2020 | Rs 9,000 | 30-05-2020 | 2802-2806 | 01/06/2020 - 30/06/2020 | Rs 14,650 | 30-06-2020 | 2735-2775 | 01/07/2020 - 31/07/2020 | Rs 49,445 | 31-07-2020 | 2776-2889 | 01/08/2020 - 31/08/2020 | Rs 1,88,381 | 31-08-2020 | | | | | |
| Receipt No. | Period | Amount Collected | Deposit Date | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2475-2488 | 01/04/2020 - 30/04/2020 | Rs 23,499 | 30-04-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2489-2531 | 01/05/2020 - 31/05/2020 | Rs 60,428 | 30-05-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2532-2734 | 01/06/2020 - 30/06/2020 | Rs 2,17,907 | 30-06-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2799-2801 | 01/05/2020 - 30/05/2020 | Rs 9,000 | 30-05-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2802-2806 | 01/06/2020 - 30/06/2020 | Rs 14,650 | 30-06-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2735-2775 | 01/07/2020 - 31/07/2020 | Rs 49,445 | 31-07-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2776-2889 | 01/08/2020 - 31/08/2020 | Rs 1,88,381 | 31-08-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



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|-----------|--|---|---|--------|-----|-----|-----|---|
| 2890-3090 | 01/09/2020 - 30/09/2020 | Rs 1,86,238 & Rs 86,466 | 28-09-2020 & 30-09-2020 | | | | | |
| 2807-2847 | 01/06/2020 - 30/06/2020 | Rs 50,125 | 30-09-2020 | | | | | |
| 2848 | 01/09/2020 - 30/09/2020 | Rs 17,676 | 30-10-2020 | | | | | |
| 3091-3195 | 01/10/2020 - 31/10/2020 | Rs 1,39,430, Rs 69,856 & Rs 73,571 | 19-10-2020, 20-10-2020 & 31-10-2020 | | | | | |
| 3196-3225 | 01/11/2020 - 30/11/2020 | Rs 38,694 | 01-12-2020 | | | | | |
| 3226-3309 | 01/12/2020 - 31/12/2020 | Rs 1,60,903 & Rs 39,554 | 29-12-2020 & 31-12-2020 | | | | | |
| 2849 | 01/11/2020 - 30/11/2020 | Rs 500 | 01-12-2020 | | | | | |
| 3310-3410 | 01/01/2021 - 31/01/2021 | Rs 40,327, Rs 1,77,219 , Rs 1,73,929 & Rs 40,136 | 07/01/2021 , 14,01,2021, 22/01/2021 & 30/01/2021 | | | | | |
| 3411-3507 | 01/02/2021 - 28/02/2021 | Rs 2,84,413 & Rs 18,582 | 25-02-2021 & 26/02/2021 | | | | | |
| 3508-3610 | 01/03/2021 - 31/03/2021 | Rs 2,54,949 & Rs 41,741 | 26-03-2021 & 31-03-2021 | | | | | |
| 2850-2851 | 01/01/2021 - 31/01/2021 | Rs 1,000 | 26-03-2021 | | | | | |
| 2852-5856 | 01/03/2021 - 31/03/2021 | Rs 35,352 | 26-03-2021 | | | | | |
| 15. | Advertisement tax has not been levied by the Fathua Nagar Parishad. There is not any system develop for the levy of advertisement tax. | | | Medium | Yes | Yes | Yes | There is no advertisement tax collected by the ULB. |



| 16. | As per Rule 131C of Bihar Finance (Amendment) Rule, 2005 Purchase of goods without quotation: Purchase of goods upto the value of Rs 15,000/- only on each occasion may be made without inviting quotations or bids on the basis of a certificate recorded by competent authority but We observed that no quotation or procurement process is being adopted by ULB for procurement of stocks and consumables even if value of procurement is more than Rs 15,000. Details are as follow: | High | Yes | Yes | Yes | Due to Covid-19 pandemic, spraying of chorine chemicals and sanitizer takes place by the ULB as per the directions of the department. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|------------|---|---|---------------|-------------|--------|---|-------------|----------------------|-----------|------------|-------------|----------------------|-----------|------------|-------------|----------------------|-----------|------------|---------------------|----------------------|-----------|------------|-------------|----------------------|-----------|------------|-------------------|------------------|-------------|------------|-------------|----------------------|-----------|------------|---|---|-----------|------------|---|---------------------------------|-----------|------------|---|--|-----------|------------|---|---------------------|-------------|------------|------------------|------|-----------|------------|-------------------|---------------|-----------|------------|--------------------|------------|-----------|------------|---|--------------------------------|-----------|--|--|--|--|
| | <table border="1"> <thead> <tr> <th>Date</th> <th>Co./Shop Name</th> <th>Particulars</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>03/04/2020</td> <td>Vikash Agro</td> <td>Chlorine & Chemicals</td> <td>Rs 64,000</td> </tr> <tr> <td>10/04/2020</td> <td>Vikash Agro</td> <td>Chlorine & Chemicals</td> <td>Rs 31,140</td> </tr> <tr> <td>13/04/2020</td> <td>Vikash Agro</td> <td>Chlorine & Chemicals</td> <td>Rs 59,826</td> </tr> <tr> <td>26/05/2020</td> <td>Techno tonic, Patna</td> <td>Chlorine & Chemicals</td> <td>Rs 16,520</td> </tr> <tr> <td>11/06/2020</td> <td>Sai trading</td> <td>Chlorine & Chemicals</td> <td>Rs 38,825</td> </tr> <tr> <td>02/07/2020</td> <td>Hafeez tent house</td> <td>Gadda, tosak etc</td> <td>Rs 1,48,970</td> </tr> <tr> <td>06/08/2020</td> <td>Vikash Agro</td> <td>Chlorine & Chemicals</td> <td>Rs 55,949</td> </tr> <tr> <td>01/09/2020</td> <td>-</td> <td>Repair & maintenance of electrical appliances</td> <td>Rs 31,230</td> </tr> <tr> <td>01/12/2020</td> <td>-</td> <td>Repair & maintenance of vehicle</td> <td>Rs 22,838</td> </tr> <tr> <td>01/12/2020</td> <td>-</td> <td>Lighting & other arrangement on chath puja</td> <td>Rs 85,000</td> </tr> <tr> <td>28/12/2020</td> <td>-</td> <td>Chemical & chlorine</td> <td>Rs 1,10,646</td> </tr> <tr> <td>05/01/2021</td> <td>Shri Bajrang Bag</td> <td>Bags</td> <td>Rs 43,365</td> </tr> <tr> <td>03/02/2021</td> <td>Shanti Home Decor</td> <td>Paint & Brush</td> <td>Rs 49,140</td> </tr> <tr> <td>18/02/2021</td> <td>Kunti & Associates</td> <td>Book Shelf</td> <td>Rs 40,000</td> </tr> <tr> <td>08/03/2021</td> <td>-</td> <td>Repair & maintenance of Toilet</td> <td>Rs 34,255</td> </tr> </tbody> </table> | Date | Co./Shop Name | Particulars | Amount | 03/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 64,000 | 10/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 31,140 | 13/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 59,826 | 26/05/2020 | Techno tonic, Patna | Chlorine & Chemicals | Rs 16,520 | 11/06/2020 | Sai trading | Chlorine & Chemicals | Rs 38,825 | 02/07/2020 | Hafeez tent house | Gadda, tosak etc | Rs 1,48,970 | 06/08/2020 | Vikash Agro | Chlorine & Chemicals | Rs 55,949 | 01/09/2020 | - | Repair & maintenance of electrical appliances | Rs 31,230 | 01/12/2020 | - | Repair & maintenance of vehicle | Rs 22,838 | 01/12/2020 | - | Lighting & other arrangement on chath puja | Rs 85,000 | 28/12/2020 | - | Chemical & chlorine | Rs 1,10,646 | 05/01/2021 | Shri Bajrang Bag | Bags | Rs 43,365 | 03/02/2021 | Shanti Home Decor | Paint & Brush | Rs 49,140 | 18/02/2021 | Kunti & Associates | Book Shelf | Rs 40,000 | 08/03/2021 | - | Repair & maintenance of Toilet | Rs 34,255 | | | | |
| Date | Co./Shop Name | Particulars | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 03/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 64,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 31,140 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 13/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 59,826 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 26/05/2020 | Techno tonic, Patna | Chlorine & Chemicals | Rs 16,520 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11/06/2020 | Sai trading | Chlorine & Chemicals | Rs 38,825 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 02/07/2020 | Hafeez tent house | Gadda, tosak etc | Rs 1,48,970 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06/08/2020 | Vikash Agro | Chlorine & Chemicals | Rs 55,949 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01/09/2020 | - | Repair & maintenance of electrical appliances | Rs 31,230 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01/12/2020 | - | Repair & maintenance of vehicle | Rs 22,838 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 01/12/2020 | - | Lighting & other arrangement on chath puja | Rs 85,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 28/12/2020 | - | Chemical & chlorine | Rs 1,10,646 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 05/01/2021 | Shri Bajrang Bag | Bags | Rs 43,365 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 03/02/2021 | Shanti Home Decor | Paint & Brush | Rs 49,140 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 18/02/2021 | Kunti & Associates | Book Shelf | Rs 40,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 08/03/2021 | - | Repair & maintenance of Toilet | Rs 34,255 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



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|-----|---|--------|-----|-----|-----|---|
| 17. | During the course of audit, we observe that ULB is not in practice to prepare monthly Receipt & Payment Account & Trial Balance as per Rule 120-121 of BMAR 2014. | Medium | Yes | Yes | Yes | It is yet not submitted by the DEAS team. It is under process. |
| 18. | ULB is not in practice to prepare scheme wise Bank Reconciliation Statement. | Medium | Yes | Yes | Yes | ULB is in practice to make consolidated BRS of the entire scheme. Scheme wise BRS will be maintain from future. |
| 19. | We observed that various registers, books of records etc are not being prepared by ULB. Such as Journal/Magazines/Newspaper Register, Temporary Advance Register, Money Order/Bank Draft received Register, Register of remittances made into Bank, Bank Draft dispatch Register, Bill Register, Establishment Register, Stock Register, Capital Goods/Consumables & Non consumables articles Register, Statutory Deduction Register, Pay Roll Register, PF Register, Fixed Asset Register, Grant Register, Procurement Register, Allotment Register, Bank Guarantee & Interest Bearing Securities Register, etc. | Medium | Yes | Yes | Yes | Statutory Deduction Register and Allotment Register is maintain by the ULB. It is not updated due to this it is not provided to the auditor. We will take care of it in upcoming audit. Further, ULB is trying to maintain all the registers in future. |
| 20. | Closing of Cash Book has not been done on day to day basis which is not as per the Bihar Municipal Accounting Manual. It should be closed on daily basis. | Medium | No | Yes | Yes | It will done from the FY 2021-22. |
| 21. | Registers of Suits filed are not being maintained at ULB, due to this we are unable to provide comment in detailed audit report in this context. | Medium | Yes | Yes | Yes | There is no such case in Nagar Parishad, Fathua. |
| 22. | We observed that Scheme wise cash book has been maintained but not updated. | Medium | Yes | Yes | Yes | It will update as soon as possible. |
| 23. | ULB has not been in practice to prepare financial statements. | Medium | Yes | Yes | Yes | It is yet not submitted by the DEAS team. |
| 24. | Advance Register has not been maintained by the concerned ULB and in the absence of above register, it is difficult to check or comments on adjustment and recovery of advances. Further, advance has been given to cashier Vijay | High | Yes | Yes | Yes | It will maintain from upcoming period. |



| | | | | | | |
|-----|---|--------|-----|-----|-----|--|
| | Shankar for office expense without any advance requisition. | | | | | |
| 25. | Municipal Accounts Committee has not been constituted by the Fathua Nagar Parishad. It should be constituted in the first Board Meeting of the ULB every year. Please specify the reason for the same. | Medium | Yes | Yes | Yes | It will take care in future. |
| 26. | ULB is not in practice to prepare Statutory Deduction Register for deductions and taxes which creates difficulties to ascertain Statutory liabilities at any point of time. Statutory Liabilities like IT-TDS, GST-TDS, Labour Cess, Royalty etc are collected from time to time but its payments are not made within due dates. Statutory Liability should be remitted to the Govt. as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the concerned department. | Medium | Yes | Yes | Yes | GST TDS & IT-TDS deduction and return filing is on time except few months because of lockdown in the state. Further the statutory liabilities of Royalty, labour cess etc is deposited in march '22. |
| 27. | During the course of audit we observed that net payment was being made to Contractors from a particular scheme fund but their statutory liabilities were being paid through separate bank a/c(SBI 7379) due to this, the amount of (SBI 7379) is deducted & balance are still left in that particular scheme. Further no amount is being transferred from that scheme to the SBI 7379 a/c. But the Utilization Certificate submitted for that particular scheme is for both amount i.e (amount paid to contractor + amount paid for statutory liability). | Medium | Yes | Yes | Yes | All the remaining amount will transfer as soon as possible. |
| 28. | No separate Grant Register is being maintained by ULB, hence it is difficult to find out unutilized grant at any point of time. | Medium | Yes | Yes | Yes | Grant Register as per BMAR format is ordered for printing. Hence, it will be update in upcoming period. |
| 29. | As per our observation, Utilization Certificate of Rs 13,93,47,786.00 for the following schemes are pending for submission to the Urban Development & Housing Department till the FY 2020-21: a) 15 th Finance Grant- Rs 10,11,89,040 b) 5 th Finance Grant-Rs 1,48,3,318 c) 5 th Finance Grant (Others)- Rs 1,48,63,318 d) Swachhta Aundan- Rs 24,61,200 e) Nagrik Suvidah-Rs 50,000,00 | High | Yes | Yes | Yes | All the remaining UCs will submit to department as soon as possible in future. |



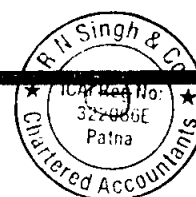
| | | | | | | |
|-----|--|--------|-----|-----|-----|--|
| | f) Ward Parshad Allowance-Rs 5,16,000 g) Jal Jeevan Haryali- Rs 4,54,910 | | | | | |
| 30. | Details of directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same. | Medium | No | Yes | Yes | Directives issued by UD & HD is followed by Fathua Nagar Parishad. We will take care of it in upcoming audit. |
| 31. | During the course of audit, no any officials of DEAS team were present at ULB, further their attendance sheet has not been disclosed to us. So, we are unable to comment whether they are working or not in FY 20-21. | Medium | No | Yes | Yes | The officials of DEAS team are yet not deployed for FY_20-21. It will deploy soon at the ULB. |
| 32. | No details have been provided to us regarding EPF return and EPF slip to the respective employees. So, we are unable to comment on the same, whether the amount deducted for EPF is paid to concerned department or not. | High | Yes | Yes | Yes | EPF is deducted from the salary of daily wages and contractual employee on monthly basis by Fathua Nagar Parishad. Due to some technical reason the amount is not deposited to the concerned department. We will deposit it as soon as possible. |
| 33. | No details has been provided by ULB relating to the ESI registration and payment of premium for concerned employees. | High | Yes | Yes | Yes | ESI Registration will be completed as soon as. |
| 34. | Treasury Balance Certificates of various schemes are not provided during the course of audit. | Medium | No | Yes | Yes | It will take care in future. |
| 35. | ULB is not in practice to prepare Attendance Register of their staff, so we are not able to verify the salary payment to permanent as well as daily wages & contractual staff. Further, a | Medium | Yes | Yes | Yes | Bio metric register is maintained but due to Covid- |



| | Biometric Attendance is installed but not in working conditions. In absence of it, there may be chances of excess payment to the staff. | | | | | 19, it is not in working. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------|--|-----------------------|---------------|-------------|--------|--|-------|-----------------------|--------|------------|-------|-----------------------|-------|------------|-----|-----------------------|--------|------------|------|-----------------------|--------|------------|------|-----------------------|--------|------------|--------|-----------------------|--------|------------|-----------|-----------------------|--------|------------|---------|-----------------------|--------|------------|-----------|-----------------------|--------|------------|-----------|-----------------------|--------|------|-----|-----|-----|---------------------------------|
| 36. | Log Book of Vehicle & Generator is not maintained and consequently its analysis is not possible. In absence of the same, we are unable to comment on the authenticity of the end use of fuel expense whether it is for official purpose or not. Instance of payment made during this quarter are as follow: <table border="1"> <thead> <tr> <th>Date of payment</th> <th>Expense month</th> <th>Agency Name</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>20/04/2020</td> <td>March</td> <td>Saraswati Automobiles</td> <td>69,331</td> </tr> <tr> <td>22/04/2020</td> <td>April</td> <td>Saraswati Automobiles</td> <td>44179</td> </tr> <tr> <td>10/06/2020</td> <td>May</td> <td>Saraswati Automobiles</td> <td>41,157</td> </tr> <tr> <td>02/07/2020</td> <td>June</td> <td>Saraswati Automobiles</td> <td>24,044</td> </tr> <tr> <td>06/08/2020</td> <td>July</td> <td>Saraswati Automobiles</td> <td>28,751</td> </tr> <tr> <td>05/09/2020</td> <td>August</td> <td>Saraswati Automobiles</td> <td>32,815</td> </tr> <tr> <td>05/10/2020</td> <td>September</td> <td>Saraswati Automobiles</td> <td>29,444</td> </tr> <tr> <td>12/11/2020</td> <td>October</td> <td>Saraswati Automobiles</td> <td>23,420</td> </tr> <tr> <td>11/01/2021</td> <td>Nov & Dec</td> <td>Saraswati Automobiles</td> <td>39,264</td> </tr> <tr> <td>06/03/2021</td> <td>Jan & feb</td> <td>Saraswati Automobiles</td> <td>54,837</td> </tr> </tbody> </table> | Date of payment | Expense month | Agency Name | Amount | 20/04/2020 | March | Saraswati Automobiles | 69,331 | 22/04/2020 | April | Saraswati Automobiles | 44179 | 10/06/2020 | May | Saraswati Automobiles | 41,157 | 02/07/2020 | June | Saraswati Automobiles | 24,044 | 06/08/2020 | July | Saraswati Automobiles | 28,751 | 05/09/2020 | August | Saraswati Automobiles | 32,815 | 05/10/2020 | September | Saraswati Automobiles | 29,444 | 12/11/2020 | October | Saraswati Automobiles | 23,420 | 11/01/2021 | Nov & Dec | Saraswati Automobiles | 39,264 | 06/03/2021 | Jan & feb | Saraswati Automobiles | 54,837 | High | Yes | Yes | Yes | Log Book will maintain shortly. |
| Date of payment | Expense month | Agency Name | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20/04/2020 | March | Saraswati Automobiles | 69,331 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22/04/2020 | April | Saraswati Automobiles | 44179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10/06/2020 | May | Saraswati Automobiles | 41,157 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 02/07/2020 | June | Saraswati Automobiles | 24,044 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06/08/2020 | July | Saraswati Automobiles | 28,751 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 05/09/2020 | August | Saraswati Automobiles | 32,815 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 05/10/2020 | September | Saraswati Automobiles | 29,444 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12/11/2020 | October | Saraswati Automobiles | 23,420 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11/01/2021 | Nov & Dec | Saraswati Automobiles | 39,264 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06/03/2021 | Jan & feb | Saraswati Automobiles | 54,837 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37. | We are not able to check the compliance status of Internal Audit Observations for FY 2016-17 to FY 19-20 as well as AG Audit Report for FY 15-16 to FY 17-18. As compliance report has not been prepared by ULB. | Medium | No | No | Yes | Internal Audit Report for FY 2016-17 to FY 19-20 is not provided to Fathua Nagar Parishad and Compliance Report of AG Audit is under preparation. It will submit to department & AG Auditor shortly. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



| 38. | As per our observations during the course of audit, there is Statutory dues of Royalty of Rs. 17,67,444 on 31.03.2021 in following schemes in books of account: | High | No | Yes | Yes | It is deposited to the concerned department by the end of FY_21-22. | | | | | | | | | | | | | | | | | | | | | | | | |
|---------|---|-----------------|------|-----------------|-----|---|-------------|----|------------|-------------|----|------------|-------------|----|--------------|-----------|----|------------------|-----------|----|--------------|-------------|----|-------------|-----------|--|--|--|--|--|
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| Sl. No. | FUND | ROYALTY | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. | 5TH FINANCE NALL GALL | 3,08,326.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | STAMP DUTY | 7,95,998.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | STATE FUND | 3,12,526.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | CM NALL GALL | 63,838.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. | PROFESSIONAL TAX | 13,744.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. | 14TH FINANCE | 1,83,572.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. | CM NALL JAL | 89,440.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 39. | As per our observations during the course of audit, there is Statutory dues of Labour Cess of Rs. 9,15,489 on 31.03.2021 in following schemes in books of account: | High | No | Yes | Yes | It is deposited to the concerned department by the end of FY_21-22. | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>FUND</th> <th>LABOUR CESS</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>5TH FINANCE NALL GALL</td> <td>1,49,752.00</td> </tr> <tr> <td>2.</td> <td>STAMP DUTY</td> <td>3,98,978.00</td> </tr> <tr> <td>3.</td> <td>STATE FUND</td> <td>1,27,943.00</td> </tr> <tr> <td>4.</td> <td>CM NALL GALL</td> <td>35,644.00</td> </tr> <tr> <td>5.</td> <td>PROFESSIONAL TAX</td> <td>6,872.00</td> </tr> <tr> <td>6.</td> <td>14TH FINANCE</td> <td>96,543.00</td> </tr> <tr> <td>7.</td> <td>CM NALL JAL</td> <td>99,757.00</td> </tr> </tbody> </table> | Sl. No. | FUND | LABOUR CESS | 1. | 5TH FINANCE NALL GALL | 1,49,752.00 | 2. | STAMP DUTY | 3,98,978.00 | 3. | STATE FUND | 1,27,943.00 | 4. | CM NALL GALL | 35,644.00 | 5. | PROFESSIONAL TAX | 6,872.00 | 6. | 14TH FINANCE | 96,543.00 | 7. | CM NALL JAL | 99,757.00 | | | | | |
| Sl. No. | FUND | LABOUR CESS | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. | 5TH FINANCE NALL GALL | 1,49,752.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | STAMP DUTY | 3,98,978.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | STATE FUND | 1,27,943.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | CM NALL GALL | 35,644.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. | PROFESSIONAL TAX | 6,872.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. | 14TH FINANCE | 96,543.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. | CM NALL JAL | 99,757.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 40. | As per our observations during the course of audit, there is Statutory dues of Seigniorage Fee of Rs. 3,60,543 on 31.03.2021 in following schemes in books of account: | High | No | Yes | Yes | It is deposited to the concerned department by the end of FY_21-22. | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Sl. No.</th> <th>FUND</th> <th>SEIGNIORAGE FEE</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>5TH FINANCE NALL GALL</td> <td>43,321.00</td> </tr> <tr> <td>2.</td> <td>STAMP DUTY</td> <td>1,06,969.00</td> </tr> <tr> <td>3.</td> <td>STATE FUND</td> <td>1,24,496.00</td> </tr> <tr> <td>4.</td> <td>CM NALL GALL</td> <td>5,389.00</td> </tr> <tr> <td>5.</td> <td>14TH FINANCE</td> <td>60,214.00</td> </tr> <tr> <td>6.</td> <td>CM NALL JAL</td> <td>20,154.00</td> </tr> </tbody> </table> | Sl. No. | FUND | SEIGNIORAGE FEE | 1. | 5TH FINANCE NALL GALL | 43,321.00 | 2. | STAMP DUTY | 1,06,969.00 | 3. | STATE FUND | 1,24,496.00 | 4. | CM NALL GALL | 5,389.00 | 5. | 14TH FINANCE | 60,214.00 | 6. | CM NALL JAL | 20,154.00 | | | | | | | | |
| Sl. No. | FUND | SEIGNIORAGE FEE | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. | 5TH FINANCE NALL GALL | 43,321.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2. | STAMP DUTY | 1,06,969.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3. | STATE FUND | 1,24,496.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4. | CM NALL GALL | 5,389.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 5. | 14TH FINANCE | 60,214.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 6. | CM NALL JAL | 20,154.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 41. | We observed that ULB is not in practice to make agreement with successful bidder on govt. stamp paper which is totally unfair and unacceptable practice. ULB is unable to take legal action against the contractor if he fails to complete the contractual obligations. As per our opinion, all the agreement without Indian non judicial stamp paper is null and void. Further, in absence of the same contractors are not bounded to work. | High | Yes | Yes | Yes | It will take care in future. | | | | | | | | | | | | | | | | | | | | | | | | |
| 42. | ULB is in practice to mention initial estimated | High | Yes | Yes | Yes | We will follow | | | | | | | | | | | | | | | | | | | | | | | | |



| | | | | | | |
|-----|---|--------|-----|-----|-----|---|
| | cost of work determined by Fathua Nagar Parishad as agreement value in place of bid value of successful bidder which is not as per the norms of Bihar Finance (Amendment) Rule, 2005. | | | | | your advice and will take care of it in future. |
| 43. | ULB is not in practice to prepare fixed asset register. Further there is no unique identification provided to existing asset at ULB and depreciation is also not being charged in the books of account. | Medium | Yes | Yes | Yes | Fixed Asset Register will maintained soon. |

For R.N. SINGH & CO.
Chartered Accountants



CA CHANAKYA SHREE
Partner

M. No.:079322

FRN: 322066E

Date: 12-08-2022

UDIN: 22079322ADWNXZ8650



2. AUDITEE PROFILE

1. INTRODUCTION

The Internal Audit of (Fatuha Nagar Parishad) covering the Period from 1st April 2020 to 30th June 2020 was conducted by following person under the guidance of TL CA Ashok Kumar Pandey and MAE CA Birendra Kumar Singh:

1) Mr. Arshit Ranjan

2. ADMINISTRATION

The Present body of the ULB has taken charge on 06th July 2021. The incumbency in the key Administrative and Executive Positions was as under:

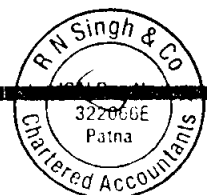
Smt. Rupa Kumari, Chairman from 22nd August 2017 to till date.

Shri Praveen Kumar, Executive Officer from 06th July 2021 to till date.

3. REVIEW OF OUTSTANDING AUDIT PARAS:

Status of Audit Observations is as under:

| Sl. No. | Particulars of Audit and date of report | Total no. of audit Paras | Total no. of audit Paras where necessary improvement/ corrective measure is required | Total no. of audit Paras where recovery of cash is proposed | Total no. of audit Paras where recovery has been made | Total amount of Recovery | Total no. of outstanding para where no action has been taken | No. and Date of Compliance Report |
|---------|--|--------------------------|--|---|---|--------------------------|--|-----------------------------------|
| 1 | AG Audit Report of FY(2015-16 to FY 2017-18) | 14 | 14 | 7 | 0 | 0 | 14 | Not Complied |
| 2 | Internal Audit for FY 2016-2017 | 22 | 22 | 9 | 0 | 0 | 22 | Not Complied |
| 3 | Internal Audit for FY 2017-2018 | 22 | 22 | 2 | 0 | 0 | 22 | Not Complied |
| 4 | Internal Audit for FY 2018-19 | 31 | 31 | 6 | 0 | 0 | 31 | Not Complied |
| 5 | Internal Audit for FY 2019-20 | 41 | 41 | 6 | 0 | 0 | 41 | Not Complied |



4. FINANCE

I. Budgetary provisions and expenditure for the last three years.

| Year | 2018-19 | 2019-20 | 2020-21 |
|-----------------------|-----------------|-----------------|-----------------|
| Final/Revised Budget | 37,53,99,440.00 | 75,86,25,000.00 | 87,76,48,000.00 |
| Actual Expenditure | 14,39,45,992.70 | 10,25,61,061.01 | 11,81,92,021.36 |
| Savings(+)/ Excess(-) | 23,14,53,447.30 | 65,60,63,938.99 | 75,94,55,978.64 |

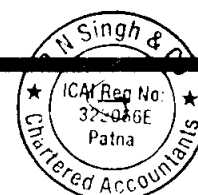
II. Volume of transactions:

| Period | Budgeted (2020-21) | Previous Year (2019-20) | Current Year (2020-21) |
|-----------------|--------------------|-------------------------|------------------------|
| Openingbalance | 3,70,08,648.00 | 30,26,57,937.26 | 30,93,00,438.75 |
| Receipts | 84,16,62,000.00 | 10,92,03,562.87 | 15,85,84,498.37 |
| Total | 87,86,70,648.00 | 41,18,61,500.13 | 46,78,84,937.12 |
| Net expenditure | 87,76,48,000.00 | 10,25,61,061.38 | 11,81,92,021.36 |
| Closingbalance | 10,22,648.00 | 30,93,00,438.75 | 34,96,92,915.76 |

III. **Bank Reconciliation:** - We have observed that Fatuha Nagar Parishad is not in practice to prepare bank reconciliation statement as per prescribed format. However, the balance of different bank accounts has been provided which are as follows:

Details of Closing Balance:

| Sl No | Name Of Scheme / Item | Bank Name/ Account No. | Balance As Per Pass Book As On 31-03-2021 | Balance As Per Cash Book As On 31-03-2021 | Differences | Remarks BRS Prepared/ Not Prepared |
|-------|--------------------------|------------------------|---|---|-------------|------------------------------------|
| 1. | Various Scheme | Treasury P/L A.C | 322975139.00 | 322975139.00 | - | Prepared Consolidated . |
| 2. | HOUSING FOR ALL | BOB 4630 | 536162.44 | 536162.44 | - | Prepared Consolidated . |
| 3. | STAFF PENSION | BOI 10033 | 264874.15 | 264874.15 | - | Prepared Consolidated . |
| 4. | E-GOVERNANCE | CANARA 0040 | 135254.00 | 135254.00 | - | Prepared Consolidated . |
| 5. | NULM | CANARA 0080 | 4796113.00 | 4796113.00 | - | Prepared Consolidated |
| 6. | INTERNAL RESOURCES | CANARA 340 | 10021542.77 | 10021542.77 | - | Prepared Consolidated |
| 7. | SBM | ICICI 0799 | 2695178.00 | 2695178.00 | - | Prepared Consolidated |
| 8. | KABIR ANTHEYOSTI | PNB 0037 | 85384.99 | 85384.99 | - | Prepared Consolidated . |
| 9. | 14 th FINANCE | PNB 8038 | 62316.39 | 62316.39 | - | Prepared Consolidated |
| 10. | INTERNAL RESOURCE | PNB 8065 | 449266.69 | 449266.69 | - | Prepared Consolidated . |
| 11. | U.L.D.S.S.M.T | PNB 8074 | 3811085.19 | 3811085.19 | - | Prepared |



| | | | | | | |
|-----|--------------------|-------------|------------|------------|---|-------------------------|
| | | | | | | Consolidated |
| 12. | INTERNAL RESOURCES | SBI 7379 | 3787387.14 | 3787387.14 | - | Prepared Consolidated . |
| 13. | E. P. F | CANARA 1308 | 73212.00 | 73212.00 | - | Prepared Consolidated |

Note: - Some of the schemes such as 14th finance, 4th finance, 5TH finance (CM Nal Jal), 5th finance (CM Nali Gali), 5th finance (Others), Administrative Building, City Manager Salary, Electricity Bill, Executive Officer Salary, Park, Road, Professional tax, Stamp Duty, Nagrik Suvidah, State Fund, (CM Sat Nischay Yojna) State Nali Gali & State Pay Jal, Tractor, Jal Jeevan Haryali , 15th Finance, Ward Parshad Allowance schemes have been maintained through Treasury P/L A/C.

IV. REVENUE & CAPITAL RECEIPT:

| Income Details (Amounts to be provided in Rupees) | | | | | | | |
|---|---|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Sl. No. | Details | FY_2018-19 | | FY_2019-20 | | FY_2020-21 | |
| | | 2018-19 (Annual) | 2017-18 (Annual) | 2019-20 (Annual) | 2018-19 (Annual) | 2020-21 (Annual) | 2019-20 (Annual) |
| | Total Receipts (A+B) | 16,27,83,471.2 3 | 113,740,541.5 8 | 10,92,03,562.8 7 | 16,27,83,471.2 3 | 158584498.37 | 10,92,03,562.87 |
| A. | Revenue Receipts(1+2+3) | 72,11,591.63 | 16,084,316.08 | 7,86,68,538.87 | 72,11,591.63 | 57200646.37 | 7,86,68,538.87 |
| 1. | Own Revenue Receipts (a+b) | 25,63,706.00 | 2,637,216.00 | 23,83,658.00 | 25,63,706.00 | 2777806.00 | 23,83,658.00 |
| a) | Tax Revenue(levie dand collected bymunicipal body) | 20,56,923.00 | 2,522,534.00 | 1847976.00 | 20,56,923.00 | 2660833.00 | 1847976.00 |
| i) | Property tax | 20,56,923.00 | 2,522,534.00 | 18,46,976.00 | 20,56,923.00 | 2536833.00 | 18,46,976.00 |
| ii) | Other tax (levied and collected bymunicipal body) | 0.00 | 0.00 | 1,000.00 | 0.00 | 124000.00 | 1,000.00 |
| b) | Non-tax revenue (levied and collected by municipal body) | 5,06,783.00 | 114,682.00 | 5,35,682.00 | 5,06,783.00 | 116973.00 | 5,35,682.00 |
| i) | Fees & fines | 3,81,283.00 | 13,634.00 | 4,33,652.00 | 3,81,283.00 | 2280.00 | 4,33,652.00 |
| ii) | User Charges | 45,500.00 | 61,048.00 | 24,000.00 | 45,500.00 | 0.00 | 24,000.00 |
| iii) | Other non-tax revenue (levied and collected by municipal body) | 80,000.00 | 40,000.00 | 78,030.00 | 80,000.00 | 114693.00 | 78,030.00 |
| 2 | Other Revenue Receipts | 31,61,996.63 | 12,093,835.14 | 19,26,583.87 | 31,61,996.63 | 789570.37 | 19,26,583.87 |



| | | | | | | | |
|----|--|------------------------|----------------------|-----------------------|------------------------|---------------------|-----------------------|
| a) | Income from interest/investments | 15,89,108.00 | 2,249,639.14 | 12,52,446.87 | 15,89,108.00 | 759089.37 | 12,52,446.87 |
| b) | Other Revenue Income | 15,72,888.63 | 9,844,196.00 | 6,74,137.00 | 15,72,888.63 | 30481.00 | 6,74,137.00 |
| 3. | Transfers/ Grants/ Assigned Revenues | 14,85,889.00 | 1,353,264.94 | 7,43,58,297.00 | 14,85,889.00 | 53633270.00 | 7,43,58,297.00 |
| a) | State Assigned Revenue | 0.00 | 0.00 | 0.00 | 0.00 | 10545110.00 | 0.00 |
| b) | State Finance Commission (SFC) Grants/ Devolution | 14,85,889.00 | 919,440.00 | 6,22,89,429.00 | 14,85,889.00 | 29755580.00 | 6,22,89,429.00 |
| c) | Octroi compensation | 0.00 | 0.00 | 23,48,476.00 | 0.00 | 0.00 | 23,48,476.00 |
| d) | Other State Govt. Transfer | 0.00 | 0.00 | 14,20,055.00 | 0.00 | 0.00 | 14,20,055.00 |
| e) | Central Finance Commission (CFC) Grant | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| f) | Other Central Govt. Transfer | 0.00 | 0.00 | 33,00,000.00 | 0.00 | 13331800.00 | 33,00,000.00 |
| g) | Others | 0.00 | 433,824.94 | 50,00,337.00 | 0.00 | 780.00 | 50,00,337.00 |
| B. | Capital Receipts | 15,55,71,879.60 | 97,656,225.50 | 3,05,35,024.00 | 15,55,71,879.60 | 101383852.00 | 3,05,35,024.00 |
| 1 | Sale of Municipal Land | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2 | Loans (from State Govt. or Banks etc.) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 3 | State Capital Account Grant (under State Schemes etc.) | 13,51,02,905.60 | 80,074,532.50 | 14,27,197.00 | 13,51,02,905.60 | 0.00 | 14,27,197.00 |
| 4 | Central Capital Account Grant (under Central Schemes etc.) | 2,04,68,974.00 | 17,581,693.00 | 2,91,07,827.00 | 2,04,68,974.00 | 101189060.00 | 2,91,07,827.00 |
| 5 | Other Capital Receipts | 0.00 | 0.00 | 0.00 | 0.00 | 194792.00 | 0.00 |



V. REVENUE & CAPITAL EXPENDITURE:

| Expenditure Details (Amounts to be provided in Rupees) | | | | | | | |
|--|--|------------------------|-----------------------|---------------------|------------------------|---------------------|---------------------|
| Sl. No. | Details | FY_2018-19 | | FY_2019-20 | | FY_2020-21 | |
| | | 2018-19 (Annual) | 2017-18 (Annual) | 2019-20 (Annual) | 2018-19 (Annual) | 2020-21 (Annual) | 2019-20 (Annual) |
| Total Expenditure(1+2) | | 14,39,45,992.70 | 7,90,40,667.60 | 102561061.38 | 14,39,45,992.70 | 118192021.36 | 102561061.38 |
| 1. | Revenue Expenditure | 2,67,56,034.70 | 2,84,01,622.60 | 31431377.38 | 2,67,56,034.70 | 48038996.36 | 31431377.38 |
| 1.1 | Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff) | 1,15,48,492.00 | 1,22,49,992.00 | 10478196.00 | 1,15,48,492.00 | 10546993.00 | 10478196.00 |
| 1.2 | Operation and Maintenance (O&M) | 1,36,82,918.00 | 44,98,084.00 | 5524760.00 | 1,36,82,918.00 | 16179615.00 | 5524760.00 |
| 1.3 | Loan repayment (Interest payments) | 0.00 | 0.00 | 5005.38 | 0.00 | 0.00 | 5005.38 |
| 1.4 | Others (any other revenue expenditure which is not salaries, O&M or Interest Payment) | 15,24,624.70 | 1,16,53,546.60 | 15423416.00 | 15,24,624.70 | 21312388.36 | 15423416.00 |
| 2. | Capital Expenditure | 11,71,89,958.00 | 5,06,39,045.00 | 71129684.00 | 11,71,89,958.00 | 70153025.00 | 71129684.00 |
| 2.1 | All developmental works under Central/State specific schemes | 6,83,72,158.00 | 4,69,14,790.00 | 65549009.00 | 6,83,72,158.00 | 35403239.00 | 65549009.00 |
| 2.2 | Loan Repayments (Principal Amount) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2.3 | Other Capital expenditure | 4,88,17,800.00 | 37,24,255.00 | 5580675.00 | 4,88,17,800.00 | 34749786.00 | 5580675.00 |



VI. STATUS OF IMPLEMENTATION OF DOUBLE ENTRY ACCOUNTING SYSTEM:

Tibrewal Chand & Co (Rourkela, Odisha) has started doing double entry accounting system in the concerned ULB.

- Year wise Status of DEAS are as follows;

FY- 2014-15: Completed and submitted to Department.

FY- 2015-16: Completed and submitted to Department.

FY- 2016-17: Completed

FY- 2017-18: Completed

FY- 2018-19: Completed

FY- 2019-20: Completed

FY- 2020-21: In Process

- Interval of accounting entry passed in tally: Daily Basis
- Preparation of Fixed Asset Register: In Process.
- Opening Balance Sheet: Not Prepared.
- Annual Financial Statement: Not Prepared.
- During the course of audit, no any officials of DEAS were presented at ULB, further their attendance sheet has not been disclosed to us. So, we are unable to comment on that they are working or not.

VII. 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 a Municipal Accounts Committee at its first meeting in each year or as soon as possible may be at any meeting subsequent thereto, details of such has not provided to us to constitute the Municipal Accounts Committee till the date of our audit.



3. SUMMARY AUDIT OBSERVATIONS

Part – A (Monetary Implication):

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

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

(i) Mobile Tower Collection:

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

Criteria – Tower Tax is taxes on Communication Tower & related structure as defined in BIHAR COMMUNICATION TOWERS AND RELATED STRUCTURES RULES, 2012.

As per the rule, all operators are required to register with their concerned ULBs and pay registration fee & renewal charges on annual basis for communication tower erected within municipal area. Currently the registration fee for Nagar Parishad Rs.40000/- per tower and annual renewal fee is Rs.10000/- per annum per tower

Condition – As per details provided to us there are total 18 (eighteen) Mobile Towers registered with this ULB up to 31.03.2021 and Rs. 22,62,000.00 has not been collected till the date of audit from these tower operators as Tower Tax.

Consequence Effect/ Impact - Due to non-collection of Tower Rent within prescribe time line, ULB incurred interest loss and 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 basis and take appropriate actions against irregularity.

| Sl.No | Company Name | Date of establishment | No of Tower | Registration Fee | Renewal Fee | Total | Collection | Dues Balance |
|-------|-------------------------|-----------------------|-------------|------------------|-------------|-------------|------------|--------------|
| 1 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 0 | 1,68,000.00 |
| 2 | Total tele Service Ltd. | 2004-05 | 1 | 30000.00 | 1,44,000.00 | 1,74,000.00 | 68,000.00 | 1,06,000.00 |
| 3 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 20,000.00 | 1,48,000.00 |
| 4 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 0 | 1,68,000.00 |

| | | | | | | | | |
|-------------------|---------------------------------------|---------|-----------|-----------|------------------|---------------------------|------------------|---------------------|
| 5 | Tata Indicom | 2009-10 | 1 | 40,000.00 | 1,04,000.00 0 | 1,44,000.00 | 0 | 1,44,000.00 |
| 6 | Smart Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 7 | Reliance Rim Tale Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 8 | Dishnet Wireless Ltd. | 2008-09 | 1 | 40,000.00 | 1,12,000.00 0 | 1,52,000.00 | 0 | 1,52,000.00 |
| 9 | Bharati cellular Ltd. | 2005-06 | 1 | 40,000.00 | 1,36,000.00 0 | 1,76,000.00 | 0 | 1,76,000.00 |
| 10 | B.S.N.L. Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 11 | Austam Tele Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 12 | Airtel Services Bharati Cellular Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 13 | Aircel Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 14 | Aircel Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 0 | 1,60,000.00 | 0 | 1,60,000.00 |
| 15 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 16 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 17 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 18 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| Total dues | | | 18 | | | 23,50,000.00 0 | 88,000.00 | 22,62,000.00 |

NOTE: We assume renewal charge is charged on commencement of financial year. Further, the above mentioned dues balance is excluding interest rate of 1.5% p.m.



(ii) **Advertisement Tax:**

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

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

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

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

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

(iii) **Holding & Property Tax Deposit – Irregularity:**

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

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

Condition - During verification of property tax collection receipt and tax deposit receipt we have found that, first property tax collected by the tax collector is submitted to tax inspector of ULB then tax inspector deposited the same after some days to the Bank Account. This results in doubly gap in tax collection & tax deposition. Also Daily Collection Register is either not prepared or not up to date.

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

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

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

Details of such irregularities have been provided below:

| Receipt No. | Period | Amount Collected | Deposit Date |
|-------------|-----------------------|------------------|--------------|
| 2475-2488 | 01/04/2020-30/04/2020 | Rs 23,499 | 30-04-2020 |
| 2489-2531 | 01/05/2020-31/05/2020 | Rs 60,428 | 30-05-2020 |
| 2532-2734 | 01/06/2020-30/06/2020 | Rs 2,17,907 | 30-06-2020 |
| 2799-2801 | 01/05/2020-30/05/2020 | Rs 9,000 | 30-05-2020 |
| 2802-2806 | 01/06/2020-30/06/2020 | Rs 14,650 | 30-06-2020 |
| 2735-2775 | 01/07/2020-31/07/2020 | Rs 49,445 | 31-07-2020 |
| 2776-2889 | 01/08/2020-31/08/2020 | Rs 1,88,381 | 31-08-2020 |



| | | | |
|-----------|-----------------------|---|---|
| 2890-3090 | 01/09/2020-30/09/2020 | Rs 1,86,238 & Rs 86,466 | 28-09-2020 & 30-09-2020 |
| 2807-2847 | 01/06/2020-30/06/2020 | Rs 50,125 | 30-09-2020 |
| 2848 | 01/09/2020-30/09/2020 | Rs 17,676 | 30-10-2020 |
| 3091-3195 | 01/10/2020-31/10/2020 | Rs 1,39,430, Rs 69,856 & Rs 73,571 | 19-10-2020, 20-10-2020 & 31-10-2020 |
| 3196-3225 | 01/11/2020-30/11/2020 | Rs 38,694 | 01-12-2020 |
| 3226-3309 | 01/12/2020-31/12/2020 | Rs 1,60,903 & Rs 39,554 | 29-12-2020 & 31-12-2020 |
| 2849 | 01/11/2020-30/11/2020 | Rs 500 | 01-12-2020 |
| 3310-3410 | 01/01/2021-31/01/2021 | Rs 40,327, Rs 1,77,219, Rs 1,73,929 & Rs 40,136 | 07/01/2021, 14.01.2021, 22/01/2021 & 30/01/2021 |
| 3411-3507 | 01/02/2021-28/02/2021 | Rs 2,84,413 & Rs 18,582 | 25-02-2021 & 26/02/2021 |
| 3508-3610 | 01/03/2021-31/03/2021 | Rs 2,54,949 & Rs 41,741 | 26-03-2021 & 31-03-2021 |
| 2850-2851 | 01/01/2021-31/01/2021 | Rs 1,000 | 26-03-2021 |
| 2852-5856 | 01/03/2021-31/03/2021 | Rs 35,352 | 26-03-2021 |

(iv) **Holding & Property Tax Collection:**

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

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

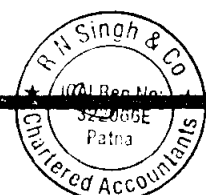
Consequence / Effect / Impact - Holding / Property Tax is collected by the tax collector from all wards but in some cases, property tax is not being collected from long period by the tax collector. Due to non-collection of Property/Holding Tax, there is a major operational revenue loss to ULB and there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

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

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

During verification of property tax related documents, we have found so many property holders that are not paying property tax from a long time but no major action taken by the ULB for recovery of the same. Details of Some Big defaulters are below:

| Sr. No. | Name | Father's/Husband's Name | Ward No. | Holding No. | Period Year | Amount Due |
|---------|----------------------------|-------------------------|----------|-------------|-----------------------|------------|
| 01 | Mehi Cinema Palace, Fathua | - | 15 | 349 | FY 2008-09 to 2020-21 | 28860 |
| 02 | Ram Pyari Devi | Gopal Saran Singh | 11 | 164 | FY 2008-09 to 2020-21 | 19812 |
| 03 | Shyam Babu Muna | Shiv Narayan Shaw | 11 | 171 | FY 2008-09 to 2020-21 | 18980 |
| 04 | Hari Nandan Das | - | 11 | 172 | FY 2008-09 to 2020-21 | 19500 |
| 05 | Kamleshwar Mahto | - | 11 | 189 | FY 2008-09 to 2020-21 | 45084 |



| | | | | | | |
|----|---------------------------------------|---------------------|----|-----|--------------------------|-------|
| 06 | Sargi Devi | Prayag Mahto | 11 | 196 | FY 2008-09 to 2020-21 | 29172 |
| 07 | Reshmi Devi | Shiv Narayan Mistri | 11 | 208 | FY 2008-09 to 2020-21 | 22360 |
| 08 | Rajan Gop | Bidyanath gop | 19 | 84 | FY 2008-09 to 2020-21 | 48880 |
| 09 | Dak Bunglow, Zila Parishad | - | 23 | 471 | FY 2008-09 to 2020-21 | 73580 |
| 10 | Jitendra Kumar Bihari & Binda Devi | - | 12 | 47 | FY 2008-09 to 2020-21 | 30056 |
| 11 | Umesh Prakash Gupta | - | 12 | 50 | FY 2008-09 to 2020-21 | 25298 |
| 12 | Sunita Devi | Anuj Kumar | 12 | 126 | FY 2008-09 to 2020-21 | 21580 |
| 13 | Chandu Kant | Amit Kumar | 12 | 127 | FY 2008-09 to 2020-21 | 21580 |
| 14 | Anita Devi | Sanjay Singh | 12 | 175 | FY 2008-09 to 2020-21 | 26780 |
| 15 | Ramnath Shaw | Late Sokhi Shaw | 12 | 225 | FY 2008-09 to 2020-21 | 64870 |
| 16 | Thana Karyalay, Fathua | - | 12 | 53 | FY 2008-09 to 2020-21 | 23400 |
| 17 | Dharmendra Kr | Durga Prasad | 12 | 87 | FY 2008-09 to 2020-21 | 17004 |
| 18 | Raj Kumar Prasad | Ram Swarath Prasad | 12 | 220 | FY 2008-09 to 2020-21 | 18720 |
| 19 | Prakash Sah | Hiralal Sah | 12 | 151 | FY 2008-09 to 2020-21 | 15392 |
| 20 | Papu Singh | Raj Kumar Singh | 11 | 169 | FY 2008-09 to 2020-21 | 16510 |

(v) Market/Shop Rent Collection

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

Criteria– Non-Collection of Market/Shop Rent and imposition of late fine by the concerned ULB.

Condition– There is very less inflow of income from market rent in the concerned ULB.

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 Rent which results in Revenue leakage.

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



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

➤ **Nandani Development Association Audit Objective** - As per Point No. 15 of TOR

Criteria- Internal Auditor will report on each payment, which the payment terms & conditions of tender and rate offers are according to procurement law and policies.

Condition – As per the terms of agreement with Nandani Development Associations, as per Condition Para No. 5 of Contract, Agency will submit the EPF challans of all such working employees as evidence to ULB.

As per Para no. 4 of contract, service provider will pay the working employees on the basis of their biometric attendance.

But, as per details mentioned in payment file regarding EPF challans of working employees have not been matched with the number of employees claimed by service provider, details of such has been enclosed in *Annexure 1* of our report.

Consequence Effect/ Impact – In light above mentioned facts, there is a difference between employees claimed and actual working of employees. In light of EPF challans, we reached on a conclusion that there is an excess payment to service provider of Rs. 4431300.00 made during the FY_2020-21.

Cause– There is collusion with the service provider and the approving authority.

Corrective Action / Recommendation – Higher management should review all the payments and agreement and constitute a committee under special secretary for same.

c. Report on findings of field survey and calculation of property tax of minimum 20 high value properties;

Report on field survey of 20 high value properties

| Sl. No. | Owner Property Name | Add Of Owner | Ward No | Type of construction | Taxable area | Rate/sqft | Annual rent | Annual Property Tax@9% | Residential/ Commercial |
|---------|---------------------|-----------------|---------|----------------------|--------------|-----------|-------------|------------------------|-------------------------|
| 1 | Rambabu Prasad | Mirjapur Nohta | 14 | R.C.C | 176 | 11.11 | 1955 | 176 | Residential |
| 2 | Ramrati Devi | Mirjapur Nohta | 14 | R.C.C | 1240 | 2.22 | 2753 | 248 | Residential |
| 3 | Urmila Devi | Nohta | 14 | R.C.C | 480 | 3.33 | 1598 | 144 | Residential |
| 4 | Dilip Yadav | Nohta | 22 | R.C.C | 600 | 5.55 | 3330 | 300 | Residential |
| 5 | Saroj Devi | Nohta | 22 | R.C.C | 320 | 5.55 | 1776 | 160 | Residential |
| 6 | Jay pal Singh | Devichak | 12 | R.C.C | 117 | 27.77 | 3250 | 292 | Residential |
| 7 | Kamlesh Singh | Devichak | 12 | R.C.C | 117 | 27.77 | 3250 | 292 | Residential |
| 8 | Prabha Devi | Devichak | 12 | R.C.C | 144 | 27.77 | 4000 | 360 | Residential |
| 9 | Naval Singh | Bankipur Gorakh | 11 | R.C.C | 198 | 27.77 | 5500 | 496 | Residential |
| 10 | Suresh Puri | Bankipur Gorakh | 11 | R.C.C | 420 | 11.11 | 4666 | 420 | Residential |
| 11 | Muneshwar Singh | Dariyapur | 16 | R.C.C | 400 | 5.55 | 2220 | 200 | Residential |
| 12 | Vivek Kumar Singh | Nohta | 22 | R.C.C | 504 | 5.55 | 2797 | 252 | Residential |



| | | | | | | | | | |
|----|---------------------|-----------------|----|--------|------|------|------|-----|-------------|
| 13 | Shashi Prasad Gupta | Nohta | 22 | R.C.C | 460 | 5.55 | 2553 | 230 | Residential |
| 14 | Brijnandan Prasad | Mirjapur Nohta | 22 | R.C.C | 624 | 5.55 | 3463 | 312 | Residential |
| 15 | Dilip Paswan | Kalyanpur | 15 | R.C.C. | 500 | 5.55 | 2775 | 250 | Residential |
| 16 | Bhola Paswan | Kalyanpur | 15 | R.C.C. | 500 | 5.55 | 2775 | 250 | Residential |
| 17 | Mewalal | Nohta | 22 | R.C.C | 540 | 5.55 | 2997 | 270 | Residential |
| 18 | Munna Kumar | Nohta | 22 | R.C.C | 334 | 5.55 | 1854 | 167 | Residential |
| 19 | Raja Ram | Raipura | 17 | R.C.C | 900 | 5.55 | 4995 | 450 | Residential |
| 20 | Santosh Kumar | Bankipur Gorakh | 8 | R.C.C | 1020 | 2.22 | 2264 | 204 | Residential |

NOTE: - Property / holding tax are assessed by the ULB. On test check basis, we have calculated the area and no variance found. However, it is very difficult to do the Field survey due to resentment of property holders and sometimes it is very ugly.

d. Implementation of Self-Assessment System (SAS) of Property Tax in the ULB;

Self-Assessment System (SAS) of Property Tax has been implemented in Fatuha Nagar Parishad but we have found that assessee is very less aware of that. ULB should conduct time to time awareness programme to make people aware of SAS.

Note: We further commented in the detailed audit report for all major irregularity observed during the course of audit.

Part-B (Non-Monetary Implication):

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

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

It has been noticed during the audit that the following Books of Accounts & Registers has not been maintained or not properly maintained (Status as mentioned).

| Sl. No. | Particulars | Status |
|---------|-----------------------------|-------------------------|
| 1 | Fixed Assets Register | Not Maintained |
| 2 | Advance & Recovery Register | Not Maintained |
| 3 | Demand Register | Not Maintained Properly |
| 4 | Daily Collection Register | Not Maintained Properly |
| 5 | Labour Cess Register | Not Maintained Properly |
| 6 | Royalty Register | Not Maintained Properly |
| 7 | TDS Register | Not Maintained Properly |
| 8 | GST Register | Not Maintained Properly |
| 9 | Procurement Register | Not Maintained |
| 10 | Bank Wise Cashbook | Not Maintained |
| 11 | Pay Roll Register | Not Maintained |
| 12 | Leave Register | Not Maintained |
| 13 | Bill Register | Not Maintained |
| 14 | File Movement Register | Not Maintained |
| 15 | Temporary Advances to Staff | Not Maintained |
| 16 | Grant Register | Not Maintained |

| | | |
|----|----------------------|-------------------------|
| 17 | Journal Register | Not Maintained |
| 18 | Ledger Register | Not Maintained |
| 19 | Scheme wise Cashbook | Not Maintained Properly |

b. Irregularity in procurement process: -

We observed that procurement processes are too weak and chances of misappropriation are too high. Purchase was made without any quotation. Details are as follow: -

| Date | Co./Shop Name | Particulars | Amount |
|------------|---------------------|---|-------------|
| 03/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 64,000 |
| 13/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 31,140 |
| 26/05/2020 | Techno tonic, Patna | Chlorine & Chemicals | Rs 16,520 |
| 11/06/2020 | Sai trading | Chlorine & Chemicals | Rs 38,825 |
| 02/07/2020 | Hafeez tent house | Gadda, tosak etc | Rs 1,48,970 |
| 06/08/2020 | Vikash Agro | Chlorine & Chemicals | Rs 55,949 |
| 01/09/2020 | - | Repair & maintenance of electrical appliances | Rs 31,230 |
| 01/12/2020 | - | Repair & maintenance of vehicle | Rs 22,838 |
| 01/12/2020 | - | Lighting & other arrangement on chath puja | Rs 85,000 |
| 28/12/2020 | - | Chemical & chlorine | Rs 1,10,646 |
| 05/01/2021 | Shri Bajang Bag | Bags | Rs 43,365 |
| 03/02/2021 | Shanti Home Decor | Paint & Brush | Rs 49,140 |
| 18/02/2021 | Kunti & Associates | Book Shelf | Rs 40,000 |
| 08/03/2021 | - | Repair & maintenance of Toilet | Rs 34,255 |

Further, all other major irregularities have been disclosed in detailed Audit Report on work order wise in *Annexure 3*.

c. Non Compliance of directives by UD & HD, Government of Bihar: -

Details of Directives issued by UD & HD has not been provided to us during the course of audit, so we are unable to check compliance of the same.

d. Non-compliance of Act & Rules: -

As per section 127 of the Bihar Municipal Act, the Municipality can levy the following taxes:

- Property tax on land and building.
- Surcharge on transfer of land and building.
- Tax on deficit in parking space in any non-residential building.
- Water tax,
- Fire tax,
- Tax on advertisement
- Surcharges on entertainment tax,

We observed that only property tax has been collected during the year other taxes have not been levied till date.



e. Lack of internal control measures: -

1. During the course of our Audit, we have observed various discrepancies in the Cash Book, which are enumerated below: -

- Main Cash Book as well as Subsidiary Cash Book has not been closed/authorized by Executive Officer on daily basis.
- Cashbook is not maintained on day to day basis which is not proper as per Bihar Municipal Accounting Manual. It should be prepared & closed on daily basis.

2. After analyzing operating control, it was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.

3. During verification of property tax collection receipt and tax deposit receipt we have found that property tax collected by the tax collector is not deposited to the ULB on the same date.

4. Advance and Recovery register is not maintained by Fatuha Nagar Parishad.

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

We observed that during the whole financial year no deduction has been made U/s 192 from payment made as Salary of Executive Officer, We have been calculated interest and penalty U/s 201 and 271C respectively in *Annexure -4* which is attached in the report. Further, we observed that statutory dues like Labour Cess, Royalty, Seigniorage Fee etc is not deposited to the concerned department on regular interval which may leads to imposition of penalty in future. Details of the same is provided in Executive Summary.

g. Deficiency in pay-roll system: -

There is no system of Pay-Roll implemented at the ULB. So, we are unable to comment on the same. Moreover, no Register has been shown to us regarding records relating to statutory deduction like PF, ESIC, Income tax etc. during the period of internal audit. Also there is no system of issuing pay slip. Further point wise irregularity has been disclosed in detailed audit report.

h. Utilizations of grant and report on missing Utilization certificates:

As per details provided by Fatuha Nagar Parishad (*Annexure-5*) Some UC's of Previous FY's & up to end of FY 2020-21 was not prepared & submitted to the Urban Development & Housing Department till the date of audit. We have given direction & helped Fatuha Nagar Parishad for the preparation of UC's, they have started to prepare UC's.

The Detail of Pending UC: -

We are providing all help to the ULB so that UC shall be prepared on time and submitted to UD&HD.

| Sl. No. | Name of Scheme | Financial Year | Letter No/Date | UC Pending Amount(Lakh) | UC Submitted/Not |
|---------|--------------------------|----------------|----------------|-------------------------|------------------|
| 1. | 14 th Finance | 2015-16 | 13/13-07-15 | 38.45 | Not Submitted |
| 2. | Drain | 2014-15 | 65/13-11-14 | 1.71 | Not Submitted |
| 3. | Road & Drain | 2015-16 | 45/02-09-15 | 1.98 | Not Submitted |
| 4. | Road & Drain | 2015-16 | 45/02-09-15 | 1.88 | Not Submitted |
| 5. | Road & Drain | 2015-16 | 45/02-09-15 | 1.93 | Not Submitted |



| | | | | | |
|--------------|--------------|---------|-------------|--------------|---------------|
| 6. | Road & Drain | 2015-16 | 45/02-09-15 | 2.68 | Not Submitted |
| 7. | Road & Drain | 2015-16 | 45/02-09-15 | 1.92 | Not Submitted |
| 8. | Road & Drain | 2015-16 | 45/02-09-15 | 1.34 | Not Submitted |
| 9. | Road & Drain | 2015-16 | 45/02-09-15 | 3.09 | Not Submitted |
| 10. | Road & Drain | 2015-16 | 45/02-09-15 | 1.38 | Not Submitted |
| TOTAL | | | | 56.40 | |

However, we have been provided Utilization Certificates submitted by Fatuha Nagar Parishad till date of audit. We are attaching the same as *(Annexure-5)*

i. Physical verification of inventory/stores: -

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

j. Advances, their adjustment & recovery: -

Advance Register has not been maintained by the concerned ULB and in the absence of above register, it is difficult to check or comments on adjustment and recovery of advances. Advance has been given to staff for office expenses without any advance requisition.

k. Comment on management of Fixed and other Assets: -

Fixed Assets Register has not been maintained in concerned ULB and in the absence of above register; it is difficult to verify the same.

l. Report on compliance of financial guidelines of schemes of MOHUA and UD & HD, GoB:

We observed some irregularity regarding complying of Financial guidelines of schemes of MOHUA and UD & HD, GoB have been disclosed in detailed audit report.

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

➤ As per Manual on Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22, The number of supplier firms in Limited Tender Enquiry should be more than three. But during the course of audit, we observed that ULB is not following the norms and made the tender even if in the less number of supplier due to which competition is going to reduce and ULB also get opportunity loss of requisite quality and reasonable supplier. As per our opinion, all the agreement which are made is null and void. Details of the related agreement verify during the quarter is annexed in *(Annexure 2)*.

➤ We observed that ULB is not in practice to make agreement with successful bidder on govt. stamp paper which is totally unfair and unacceptable practice. ULB is unable to take legal action against the contractor if he fails to complete the contractual obligations. As per our opinion, all the agreement without Indian non judicial stamp paper is null and void. Further, in absence of the same contractors are not bounded to work.



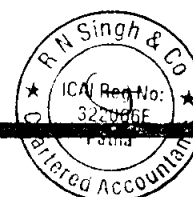
PART – C (Other)

| Sl. No. | Particular | Remarks/ Observation |
|---------|--|--|
| a. | Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000. | All the irregularity which is observed has been disclosed in detailed audit report. |
| b. | 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/-. | All the irregularity which is observed has been disclosed in detailed audit report. Some of irregularities have been disclosed above. |
| c. | Verify instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future. | We have verified such instances and found some irregularities. Details of irregularity have been annexed in Executive Summary in Observation Para, and recommendations have also been annexed in Recommendation in Executive Summary. |
| d. | Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. has been deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers. | All the irregularity which is observed has been disclosed in detailed audit report. Some of irregularities have been disclosed above. |
| e. | Whether all the C&AG audit & Internal audit Paras has been complied by the ULBs | No, Internal audit paras of FY 2016-17 to FY 2019-20 as well as C & AG Audit FY 2015-16 to 2017-18 has not been complied by the ULB. As Compliance report of the same has not been prepared by the ULB till the date of audit we are unable to check the exact status of compliance of the same. |
| f. | Any Other deficiencies noticed during the audit to improve internal control systems | It was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc. |



4. Detail Audit Observations

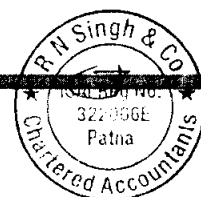
| RISK ASSESSMENT | | | | | | | |
|---------------------------|--|-----------------------|------------|------------|---------------|---------------------------------|---|
| Name of the ULB | | FATUHA NAGAR PARISHAD | | | | | |
| Sr. No. | Observations | Risk Rating | Design Gap | System gap | Operating Gap | Mgt. Comment | Auditor Recommendation |
| DEMAND GENERATION: | | | | | | | |
| 1. | Loss of Revenue due to under Assessment /wrong Generation Of demand. | HIGH | Yes | Yes | Yes | Assessment will done in future. | There is no assessment has been conducted by ULB after FY 2008-09. There is an immediate requirement for an independent assessment. Further, management should assess the residential household and commercial household. Further, there is no functional mechanism at the level of Parishad regarding generation of demand. Notice has also not been issued by the Parishad to the householders to pay the |



| | | | | | | | |
|----|--|--------|-----|-----|-----|--|---|
| | | | | | | | holding tax which is not paid by them. Only the collection is being made by Parishad on the basis of householder's wish. Further, new rate is not being adopted by the Parishad. |
| 2. | Collusion with Citizen regarding Assessment. | LOW | No | No | No | - | No such cases found. |
| 3. | Non-Updating Various Register like hand book, DCB register, Assessment registered. | MEDIUM | Yes | Yes | Yes | It is not updated due to this it is not provided to during the course of audit. It will take care in future. | Management should take initiative to update these registers as quickly as possible, it is really helpful for ULB for appropriate calculation of dues and also helpful to serve demand to the respective Property Holders. |
| 4. | Others | - | - | - | - | - | - |

RECEIPTS AND BANKING:

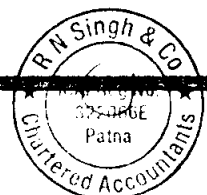
| | | | | | | | |
|----|---|--------|----|-----|-----|--------------------------------------|---|
| 1. | Error in collections, loss of receipts and perpetrated frauds | LOW | No | No | No | - | No such cases found. |
| 2. | Non-updating various register like hand book, DCB register, cash book, etc. | MEDIUM | No | Yes | Yes | It will be done from the FY_2021-22. | Cash book has been updated on the basis of amount deposited into the bank and |



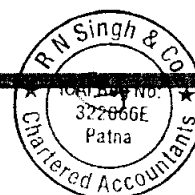
| | | | | | | | |
|----|---|-----|----|----|----|---|---|
| | | | | | | | mostly updated on monthly basis. As per our opinion, it should be recorded on the basis of DCB. |
| 3. | Collusion with the citizen and the ULBs staff to make wrong assessments of income | LOW | No | No | No | - | No such cases found. |
| 4. | Others | - | - | - | - | - | - |

REVENUE EXPENDITURE:

| | | | | | | | |
|----|-----------------------|------|----|-----|-----|---|--|
| 1. | Error in over payment | HIGH | No | Yes | Yes | In reference of this, as per the reply provided by Nandani Development Association the KYC of all daily workers is not available with them. That's why the EPF return of the remaining employee was not filed. So, this is the reason behind the difference between | As per our opinion management should recover such excess payment and further recommend for internal investigation on such contractual payment from initiation of contract (Nandani Development Association) under special secretary of UD&HD. Details of such payment is enclosed in Management Executive Summary. |
|----|-----------------------|------|----|-----|-----|---|--|



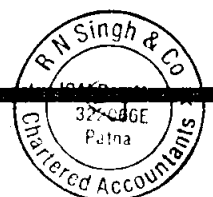
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|----|-----------------------------|------|-----|-----|-----|--|--|
| | | | | | | the no. of workers provided and the no. of workers in EPF return.. | |
| 2. | Loss of supporting document | HIGH | Yes | Yes | Yes | It will look into future. Further, Log Book will maintain shortly. | There is no supporting document available at the level of ULB except individual voucher. Further, payment has been made to supplier without receipt TAX Invoices (as per CGST Act). Management should insure to maintained all the supporting like as: Requisition Sheet, Comparative Sheet, Approval Sheet, Tax Invoices. Consumption Sheet. Further, there is no log book maintained by ULB for consumption of Petrol, |



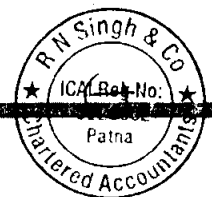
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|----|--|--------|-----|-----|-----|----------------------------------|---|
| | | | | | | | Diesel, Lubricant Oil etc. It should be maintained and updated. |
| 3. | Loss of authentication | LOW | No | No | No | - | No Such cases found. |
| 4. | Perpetrated fraud (Like payment more than one time on same bill) | LOW | No | No | No | - | No Such cases found. |
| 5. | Non-updating various register like Bill register with payment fig., etc. | MEDIUM | Yes | Yes | Yes | It will be taken care in future. | Stock & Consumption register has not been maintained by ULB. It should be maintained at the ULB for more transparency because there is lack of trail from requirement to consumption of stocks. Bill Register has also not been maintained by ULB. Management should insure the maintenance and updation of same. |
| 6. | Others | - | - | - | - | - | |

ESTABLISHMENT EXPENDITURE:

| | | | | | | | |
|----|-----------------------|------|----|-----|-----|---|--|
| 1. | Error in over payment | HIGH | No | Yes | Yes | This taxable amount is personally paid by the | IT- TDS u/s 192 and professional tax is not deducted |
|----|-----------------------|------|----|-----|-----|---|--|



| | | | | | | | | |
|----|--|--------|-----|-----|-----|--|--|-----|
| | | | | | | Executive Officer at the end of the financial year. | from the executive officer's salary payment. Management should deduct the entire Statutory obligation first and then disburse any of such amounts. | the |
| 2. | Loss of supporting document | MEDIUM | Yes | Yes | Yes | It will be taken care in future. | Pay Slip, Service Log book, Attendance Register and other document related to such payment should be checked before release of Payment. | |
| 3. | Loss of authentication | LOW | No | No | No | - | No Such cases found. | |
| 4. | Collusion with employee | MEDIUM | Yes | Yes | Yes | Biometric machine is not in working conditions due covid-19. | Payroll system should be appropriately followed by ULB. | |
| 5. | Perpetrated fraud (Like payment more than one time to same or ghost employee) | LOW | No | No | No | - | No Such cases found. | |
| 6. | Non-updating various register like salary register, PF register, Service book/record, advance register, etc. | MEDIUM | Yes | Yes | Yes | ULB is trying to maintain the register in future. | Management should take initiative to update the registers as quickly as | |



possible.

7.

Others

-

-

-

-

-

-

CAPITAL EXPENDITURE:

1.

Error in over payment

HIGH

No

Yes

Yes

The excess money paid will deduct in future from the security money available with the ULB.

We observed in Yojana No.- 64/18-19 & Agreement No.-4712/19-20, Work Name: Construction of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26. there is excess payment of Rs 4,000 made to contractor for sign board which is not mentioned in approved Bill of quantity (BOQ) provided by BUIDCO which is not acceptable as per the norms. Management should recover the excess money paid to the contractor.

2.

Loss of supporting document

HIGH

Yes

Yes

Yes

It will be taken care

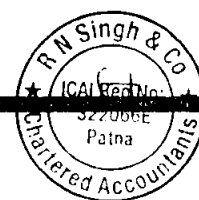
Management should insure



| | | | | | | |
|--|--|--|--|--|--|--|
| | | | | | | <p>in future.</p> <p>that payment should be made after all the supporting documents which is required as per the letter of approval issued by BUIDCO for work has been submitted by the concerned person as well as contractor.</p> <p>Like as: Pre Level Certificate. Slop determination sheet and its report. Tax invoice and declaration of contractor as well as junior engineer regarding use iron rods of TATA/SAIL/RINL, Quality report of the bricks, sand, stone chips, etc. Photos of all steps of works like as : on pre level condition of ground, after demolishing</p> |
|--|--|--|--|--|--|--|



| | | | | | | | |
|----|---------------------------|------|-----|-----|-----|---|--|
| | | | | | | | work, etc. as per the BOQ stages. |
| 3. | Loss of authentication | HIGH | Yes | Yes | Yes | It will be taken care in future. | There is no authentication certificate incorporated in the payment file regarding Ground Level of Road in light of wording of Honorable High Court, Patna(CWJC-14831/2009). |
| 4. | Collusion with contractor | HIGH | Yes | Yes | Yes | The tender is decided by the Executive Engineer, BUIDCO Patna. All the technical and financial decision regarding the successful bidder is taken by them. Fathua Nagar Parishad only follows the instruction provided by the BUIDCO | We observed that ULB is not following the norms as per Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22 and made the tender even if in the less number of supplier due to which competition is going to reduce and ULB also get opportunity loss of requisite quality and reasonable supplier. |



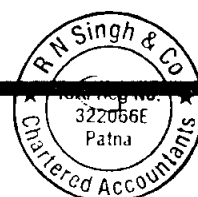
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|----|---|--------|-----|-----|-----|----------------------------------|---|
| | | | | | | to do the agreement. | ULB should cancel the tender if the no. of bidder is less than three and go for Re-tendering. Further, ULB should also take reasonable steps to generate awareness among the contractors for participating in the tender. |
| 5. | Perpetrated fraud (Like payment more than one time to same contractor). | LOW | No | No | No | - | No Such cases found. |
| 6. | Non-updating various register like work register, MB, bill register, Fixed Assets register, Service book/record, advance register, etc. | MEDIUM | Yes | Yes | Yes | It will be taken care in future. | Management should take initiative to update the registers as quickly as possible. Like as: Bill Register, Work Register, Fixed Asset Register. |
| 7. | Others | HIGH | Yes | Yes | Yes | It will be taken care in future. | ULB should make agreement with successful bidder on Indian Non Judicial Stamp Paper mentioning |



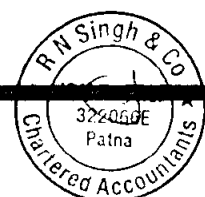
the agreement value i.e. bid value of successful bidder. This enables ULB to take legal action against the contractor if he fails to complete the contractual obligations.

PROCUREMENT AND INVENTORY:

| | | | | | | | |
|----|---|--------|-----|-----|-----|----------------------------------|---|
| 1. | Error in over payment | LOW | No | No | No | - | No Such cases found. |
| 2. | Loss of supporting document | HIGH | Yes | Yes | Yes | It will be taken care in future. | No Purchase requisition, challan, comparative sheet is being maintained at the level of ULB. Management should insure to maintain the same at the level of ULB. |
| 3. | Loss of authentication/Procedural error | MEDIUM | No | No | No | - | There are lots of scopes of improvement for transparent procurement procedures like as: Develop/form a procurement committee, develop a purchase requisition form and |



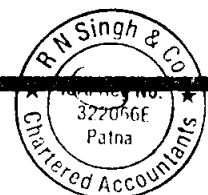
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|----|--|--------|-----|-----|-----|----------------------------------|--|
| | | | | | | | after approval of such requisition file move to committee to procure the same through the procurement procedure of Municipal Corporation. Receipt of delivery challan and record the same in Stock Sheet and details of Register are mentioned on such challan. Further, management should take initiative to adopt transparent and appropriate procurement process in the case of purchase from GeM Portal. |
| 4. | Collusion with contractor | LOW | No | No | No | - | No such case found |
| 5. | Perpetrated fraud (Like payment more than one time to same contractor) | LOW | No | No | No | - | No Such cases found. |
| 6. | Non-updating various register like store register, issue register, bill register with payment fig., advance register, etc. | MEDIUM | Yes | Yes | Yes | It will be taken care in future. | Management should take initiative to update the registers as |



| | | | | | | | | |
|----|--------|---|---|---|---|---|-------------------|----|
| | | | | | | | quickly possible. | as |
| 7. | Others | - | - | - | - | - | | |

GRANT AND LOANS AND UTILISATION THEREOF:

| | | | | | | | |
|----|---|--------|-----|-----|-----|--|---|
| 1. | Non utilization of grant or grant unspent. | MEDIUM | No | No | No | - | The unspent grant should be refund to the department. |
| 2. | Not furnishing of UC | HIGH | No | No | Yes | - | UC should be preparing and submit to the department on monthly basis as per expenditure incurred by ULB after finalization of work as per issued work order under the schemes and its allotment letter. |
| 3. | Non fulfillment of condition part thereto | LOW | No | No | No | - | No Such cases found. |
| 4. | Perpetrated fraud (Like payment more than one time same contractor) | LOW | No | No | No | - | No Such cases found. |
| 5. | Non-updating various register like grant register, work register, bill register with payment fig., advance register, etc. | MEDIUM | Yes | Yes | Yes | ULB is trying to maintain all the registers in future. | Management should take initiative to update the registers as quickly as possible. Like as: Grant Register, Work Register, Bill Register. |



| | | | | | | | |
|----|--------|---|---|---|---|---|---|
| 6. | Others | - | - | - | - | - | - |
|----|--------|---|---|---|---|---|---|

FIXED DEPOSITS AND INVESTMENTS:

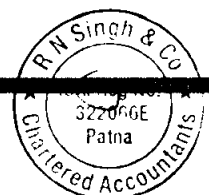
| 1. | Not deposited at appropriate time (loss of revenue) | LOW | No | No | No | - | - |
|----|---|------|----|-----|-----|---|--|
| 2. | Loss of Investment certificate | HIGH | No | Yes | Yes | - | We observed in Yojana No.- 64/18-19 & Agreement No.-47f2/19-20, Work Name: Construction of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26, Interest bearing security i.e. Term Deposit provided by the contractor for Earnest money deposit (EMD) is not available in file. ULB is advised to do not kept the Deposit certificate of EMD in the relevant file. There is more chances of misplace of certificate from their. ULB should kept it in safe custody or |



| | | | | | | | |
|----|--|--------|-----|-----|-----|-------------------------------------|---|
| | | | | | | | locker. Further, it is also advised to ULB to make Interest bearing Security register. |
| 3. | Non fulfillment of condition part thereto | LOW | No | No | No | - | - |
| 4. | Collusion with bank officials to invest at lower rate | LOW | No | No | No | - | - |
| 5. | Deposit into Current account | LOW | No | No | No | - | - |
| 6. | Non-updating various register like investment register, Bank book, cash book, etc. | MEDIUM | YES | YES | YES | It will update as soon as possible. | Register should be updated on daily to avoid non updation of Cash Book. |
| 7. | Others | - | - | - | - | - | - |

LOANS AND ADVANCES:

| | | | | | | | |
|----|---|--------|-----|-----|-----|---|--|
| 1. | Unauthorized release of advance | HIGH | Yes | Yes | Yes | It will take care from upcoming period. | We observed that an advance was issued to Cashier; Vijay Shankar without any concerned documentation and requisitions. |
| 2. | Release of advance beyond authority | HIGH | No | No | No | - | - |
| 3. | Non-adjustment of loan or advance during the year | MEDIUM | No | Yes | Yes | It will be maintained as soon as. | Monthly adjustment of advance has not made at the level of ULB because of no bills or |



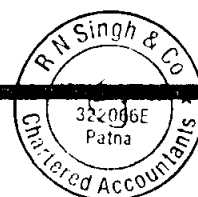
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|----|---|--------|-----|-----|-----|-------------------------------------|--|
| | | | | | | | vouchers related to advance has not been submitted by the concerned Staff. Management should fix the timeline and insure the details of expenditure are submitted on monthly interval. |
| 4. | Collusion with employee/party to release advance/loan beyond authority | LOW | No | No | No | - | - |
| 5. | Advance/loan not account for | LOW | No | No | No | - | - |
| 6. | Non-updating various register like Loan & advance, Bank book, cash book, etc. | MEDIUM | Yes | Yes | Yes | It will update as soon as possible. | Management should take initiative to update the registers as quickly as possible. |
| 7. | Others | - | - | - | - | - | - |

LIST OF IMPORTANT REGISTERS

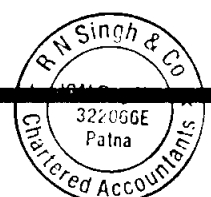
| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|-------------------------|--|-----------------|--------------|-------------------|--|
| | RISK RATING: | MEDIUM | | | | |
| | CAG OBSERVATIONS STATUS | Compliance Report has not been provided. | | | | |
| | | PERIOD: 01/04/20 to 31/03/21 | | | | |
| Sl. No. | Particulars | Audit Observation | Associates Risk | MGT. Comment | Status (Resolved) | |



| | | | | | or not) |
|----|---|--|---|---|--------------|
| 1. | Cash Book | General Cash Book & Subsidiary Cash Book has been maintained by the ULB but opening and closing balance has not been updated on daily basis. | Due to non-closing of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud & defalcation. | It will done from the FY 2021-22. | Not Resolved |
| 2. | Ledger | Tally data has not been provided to us by the DEAS team at ULB. | It is quite difficult to prepare appropriate financial statement. | The officials of DEAS team are yet not deployed for FY_20-21. It will deploy soon at the ULB. | Not Resolved |
| 3. | Journal | Journal Register has not been maintained. | Advance has been accounted as expenditure and in case of amount has not been actually spend, in that case only expenditure is being reversed in respect of accounting as liability. | It will be taken care in future. | Not Resolved |
| 4. | Register for Journal/ Magazines/Newspapers | Not-Maintained | This may leads to misplacement of Journal, Magazines & Newspapers. | It will be taken care in future. | Not Resolved |
| 5. | Register for Temporary Advances | Not-Maintained | It may leads to fraud & Defalcation. | It will be taken care in future. | Not Resolved |



| | | | | | |
|-----|---|------------------------------|--|--|--------------|
| 6. | Register of Money Orders/Bank Draft Received | Not-Maintained | It may leads to dishonour of DD received or misplace of DD. | ULB is trying to maintain all the registers in future. | Not Resolved |
| 7. | Cheque Issue Register | Maintained | - | - | - |
| 8. | Register of Remittances made into bank | Not-Maintained | It may also lead to dual payment and further create difficulty to prepare BRS. | ULB is trying to maintain all the registers in future. | Not Resolved |
| 9. | Bank Passbook | Maintained | - | - | - |
| 10. | Register of Bank drafts dispatched | Not-Maintained | Non-maintenance may lead to dual claim by the concern parties, due to this there is a problem to maintain segregated record regarding returning of DD. Further, it is also problematic to record the details of the person who receipt the same. It may also lead dishonor of DD due to loss of the 3 months from the date of issue. | ULB is trying to maintain all the registers in future. | Not Resolved |
| 11. | Bill Register | Not-Maintained | It may be difficult to trace any bill. | ULB is trying to maintain all the registers in future. | Not Resolved |
| 12. | Establishment Register | Not Appropriately Maintained | It may create chances of inappropriate payments and avoid the Bihar Municipal Accounting Manual. | ULB is trying to maintain all the registers in future. | Not Resolved |



| | | | | | |
|-----|---|--|---|---|--------------|
| 13. | Stock Register | Maintained but not updated | It may leads to misplacement of Stock items. | ULB is trying to maintain or update all the registers in future. | Not Resolved |
| 14. | Capital Goods/Consumable articles, non-consumable articles and | Not-Maintained | It may leads to misplacement of Capital Goods/Consumable articles & non-consumable article. | ULB is trying to maintain all the registers in future. | Not Resolved |
| 15. | Statutory Deduction Register | Maintained but not updated | Due to non-booking of statutory deduction, there is chances of delay in their payments & filing of returns. | It is not updated due to this it is not provided to the auditor. We will take care of it in upcoming audit. | Not Resolved |
| 16. | Fixed Assets Register | Not-Maintained | It may leads to misplacement of fixed assets. | Fixed Asset Register will maintained soon. | Not Resolved |
| 17. | Grant Register | Maintained | - | - | - |
| 18. | Scheme Register | Maintained but not updated | - | - | - |
| 19. | Monthly accounts of Receipts/Payments | Not-Maintained | Due to this segregation of head wise balance is difficult. | It is yet not submitted by the DEAS team. It is under process. | Not Resolved |
| 20. | Temporary Advances Register for Staff, Customers/supplier/VE C and TA/DA Advance | Not-Maintained | It may leads to fraud & Defalcation. | It will maintain from upcoming period. | Not Resolved |
| 21. | Dispatch Register | Maintained but not appropriate procedure has been adopted. | It may leads to fraud & Defalcation. | It will be taken care in future. | Not Resolved |
| 22. | File Register | Not-Maintained | It may leads to misplacement of | It will be taken care in future. | Not Resolved |



files.

23. Any other (Name of the register)

CASH AND BANK

Name of the ULB

FATUHA NAGAR PARISHAD

RISK RATING:

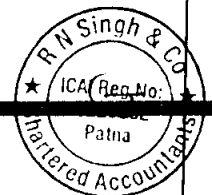
HIGH

**CAG
OBSERVATIONS
STATUS**

Compliance Report has not been provided.

PERIOD: 01/04/20 to 31/03/21

| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved/ or not) |
|---------|--|---|-----------------|--|---|---------------------------|
| 1. | Check whether there is no any undue delay in presentation of cheque/DD received, to bank, | No Such cases Found. | - | - | - | - |
| 2. | Whether cheque/ draft issue/ receipt/ dishonored register have been maintained as per prescribed form (As Per BMAM) & entry are made on properly, accurately & timely basis. | We observed that only cheque issue register is being maintained at ULB. | - | It may lead to dual payment and further create difficulty to prepare BRS. | It will be taken care in future. | Not Resolved |
| 3. | Whether banking transactions (receipts & Payments) are matched with cash book, Cheque issue register, collection register, etc., Verify the same with Bank statement & BRS, | We observed that Bank wise BRS has not been prepared at the ULB. | - | It is difficult to verify the BRS bank wise and it may leads to mis utilization fund and difficult to find out the same. | ULB is in practice to make consolidated BRS of the entire scheme. Scheme wise BRS will be maintain from future. | Not Resolved |



PUBLIC WORKS

Name of the ULB

FATUHA NAGAR PARISHAD

RISK RATING:

LOW

**CAG
OBSERVATIONS
STATUS**

Compliance Report has not been provided.

PERIOD: 01/04/20 to 31/03/21

| Sl. No. | Particulars | Audit Observation | Amount involved | Associates Risk | MGT. Comment | Status (Resolved/ or not) |
|---------|---|--|-----------------|-----------------|--|---------------------------|
| 1. | Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB, | No observation found in this regard. | - | - | - | - |
| 2. | Whether bill has been signed by proper in charge, | No observation found in this regard. | - | - | - | - |
| 3. | Whether the bill has been checked by the accountant with the MB (also compare the qty.), estimate, agreement, previous bill (in case of running agreement) | We observed in Yojana No.- 64/18-19 & Agreement No.-4712/19-20, Work Name: Constructio n of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26, there is excess payment of Rs 4,000 made to | Rs 4000/- | High | The excess money paid will deduct in future from the security money. EMD amount is misplaced from the file, we are trying to find it as soon as, | Not Resolved |



| | | | | | | | |
|----|--|--|---|---|---|---|---|
| | | contractor for sign board which is not mentioned in approved Bill of quantity (BOQ) provided by BUIDCO which is not acceptable as per the norms. | | | | | |
| 4. | Verify whether any payment made for removing /dismantling material which have scrap value must be indicated in the bill, | No observation found in this regard. | - | - | - | - | - |
| 5. | Whether measuring has done by the engineer concerned, | No observation found in this regard. | - | - | - | - | - |
| 6. | Whether expenditure on construction of work was debited to WIP & verified with MB maintained, | No observation found in this regard. | - | - | - | - | - |
| 7. | Whether master roll(machine numbered & authorized) has been maintained for details of store, specifying: | No observation found in this regard. | - | - | - | - | - |
| | Date of Issue, | - | - | - | - | - | - |
| | Name of subordinate, | - | - | - | - | - | - |
| | Name of work, | - | - | - | - | - | - |
| | Number of labour, | - | - | - | - | - | - |
| | Period of engagement, | - | - | - | - | - | - |
| | Details of payment(date, Amount, Cheque no, etc.) | - | - | - | - | - | - |
| 8. | Whether the same has been periodically | No observation | - | - | - | - | - |



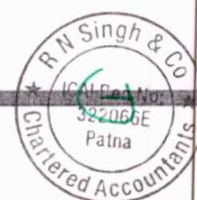
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| | verified. | found in this regard. | | | | |
| 9. | Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007, | No observation found in this regard. | - | - | - | - |

CASH BOOK

| | |
|-------------------------|--|
| Name of the ULB | FATUHA NAGAR PARISHAD |
| RISK RATING: | MEDIUM |
| CAG OBSERVATIONS STATUS | Compliance Report has not been provided. |

PERIOD: 01/04/20 to 31/03/21

| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
|---------|---|--|-----------------|--|----------------------------------|---------------------------|
| 1. | Whether Opening Balance & Closing Balance was worked out or not, | No observation found in this regard. | - | - | - | - |
| 2. | Whether posting of receipt & payment side of cash book are properly maintained & it was matched with proper evidence like Receipt Voucher, Cheque issue Register, Bank Statement, etc., | No observation found in this regard. | - | - | - | - |
| 3. | Whether posting in on daily basis, | No, Cashbook is maintained on monthly basis. | - | There may be a chance of making back dated entry. This may leads to fraud & defalcation. | It will be done from FY_2022-23. | Not Resolved |
| 4. | Whether there is any clerical error (casting or/and posting error, | No observation found in this | - | - | - | - |



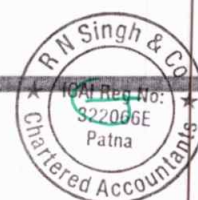
| | | | | | | |
|----|--|---|---|---|---|--------------|
| | etc) or not, | regard. | | | | |
| 5. | Whether any delay in deposit of amount of collection by cashier, | The revenue earned from internal source of ULB has not been deposited same day. | - | It leads to interest revenue loss to the ULB. | It is not possible to deposit the amount collected at the end of the day because of distance between the bank and the ULB. Hence, the amount collected during the whole month is deposited at the end of the month. | Not Resolved |
| 6. | conduct physical verification of cash and report heavy cash balance if any | No discrepancies found in this regard. | - | - | - | - |
| 7. | Any Other | No | - | - | - | - |

COLLECTION

| | |
|-----------------------|------------------------------|
| Name of the ULB | FATUHA NAGAR PARISHAD |
| RISK RATING: | HIGH |
| Name of Tax Collector | Rajesh Kumar |

PERIOD: 01/04/20 to 31/03/21

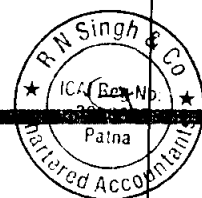
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
|---------|-------------------------------------|-----------------------------|-----------------|----------------------|---------------------|---------------------------|
| 1. | Whether collection procedure are as | Collection procedure is not | - | It may leads revenue | It will be prepared | Not Resolved |



| | per guidelines/direction of ULB, | being appropriate followed at the level of ULB. | | loss to the ULB. | in future. | |
|----|--|--|---|---------------------------------------|---|--------------|
| 2. | Whether collections are made on the basis of Demand & Collection Register, | Collection is not being made on the basis of Demand & Collection Register. | - | It may leads revenue loss to the ULB. | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. | Not Resolved |
| 3. | Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt vouchers are properly vouched so that no any variation in posting the same, | Yes | - | - | - | - |
| 4. | Whether collections are bifurcated in different heads as required, | Yes | - | - | - | - |
| 5. | Whether a separate bank account has been maintained for each circle, (for PMC only) | N/A | - | - | - | - |



| | | | | | | |
|-----|--|--------------------------------------|---|--|---|--------------|
| 4. | Whether cheque issue register are matched | No observation found in this regard. | - | - | - | - |
| 5. | Whether proper steps has been taken for dishonored cheque, it was realized in cash or not, | No such cases found. | - | - | - | - |
| 6. | Whether Bank Reconciliation has been made for each account, verify the status of BRS, (attached as annexure) | Not Prepared. | - | It may lead to miss-appropriation of fund. | ULB is in practice to make consolidated BRS of the entire scheme. Scheme wise BRS will be maintain from future. | Not Resolved |
| 7. | Check whether no any fraud payment or payment to other person has been made, | No such cases found. | - | - | - | - |
| 8. | Whether bank statement for all account have been promptly received from bank. | No issues found in this regard. | - | - | - | - |
| 9. | Number of Bank account maintained | 12 | - | - | - | - |
| 10. | Original copy of cancelled receipt is attached with duplicate copy with "CANCELLED" marked on it. | No such cases found. | - | - | - | - |
| 11. | Liability for stale cheques account review is done and necessary reversal entries are passed | No such cases found. | - | - | - | - |
| 12. | Any other | - | - | - | - | - |



| | | | | | | |
|-----|---|---|--|--|---|--------------|
| | | Further, as per the DCB we observed that collection are not being made by all the holdings. | | | | |
| 10. | Whether government share of collections (like Education cess & health cess) are properly & timely deposited in its own account, (if applicable) | No Education/Health cess is not being charged or deposited during this period. Further liability register is not being maintained at the level of ULB to quantify the same. | Due to lack of information provided to us, we are unable to quantify or comment on this. | It is a statutory irregularity, government may issue notice for penalty as well as interest. | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. | Not Resolved |
| 11. | Whether there is any short/non collection or short deposit or not deposit, | No observation found in this regard. | - | - | - | - |
| 12. | Whether penalty(@2% P.M/ 1.5%) has been duly charged on late payment, | No observation found in this regard. | - | - | - | - |
| 13. | Whether daily collections are entered into hand book, collection register maintained by TC & it should be properly entered in demand & collection register, | No observation found in this regard. | - | - | - | - |
| 14. | Whether collection by way of cheque are properly banked & credited into account, | No Such cases found. | - | - | - | - |



| | | | | | | |
|-----|---|----------------------|---|---|---|---|
| 15. | Whether any refund/remission granted are admissible under the law and that have been duly sanctioned, | No Such cases found. | - | - | - | - |
| 16. | Whether any immediate steps has been taken or not for cheque dishonored received, | No Such cases found. | - | - | - | - |
| 17. | Whether reversal of payment has been made for any dishonored cheque. | No Such cases found. | - | - | - | - |

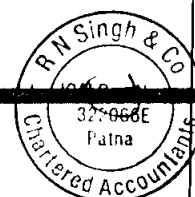
DEMAND

| | |
|------------------------|------------------------------|
| Name of the ULB | FATUHA NAGAR PARISHAD |
|------------------------|------------------------------|

| | |
|---------------------|-------------|
| RISK RATING: | HIGH |
|---------------------|-------------|

| | |
|------------------------------|---------------------|
| Name of Tax Collector | Rajesh Kumar |
|------------------------------|---------------------|

| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
|---------|--|--|-----------------|---------------------------------|---|---------------------------|
| 1. | Ensure whether closing balance of previous year is accurately brought forward, | No closing balance of previous year is brought forward in this year. Amount has not been quantified due to non-maintenance of Demand Register. | - | It may leads to revenue losses. | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. | Not Resolved |
| 2. | Whether determination of demand is on manual or computerized way, & it | Nagar Parishad is not being in | - | It may leads to revenue losses. | - | Not Resolved |



| | | | | | | | |
|----|--|---|---|---------------------------------|---|--------------|--|
| | would be as per updated rules, regulation, guidelines & other required details for proper calculation, | practice to raise the demand. No proper details are recorded in the manual register. | | | | | |
| 3. | Whether data for calculation is correct & properly verified by appropriate authority/Internal Auditor by way of physical survey, | As per previous report there is no difference has been found during assessment of 20 high value property. | - | It may leads to revenue losses. | - | Not Resolved | |
| 4. | Whether revision of valuation of holding properly made after specified period | Last updated in 2008-09 | - | It may leads to revenue losses. | It will be done in future. | Not Resolved | |
| 5. | Whether any refund/remission granted are admissible under the law and that have been duly sanctioned, | No Such cases found. | - | - | - | - | |
| 6. | Ensure whether there is any clerical error in calculation, | No Such cases found. | - | - | - | - | |
| 7. | Whether demand register in prescribed format is maintained or not, | Demand register is being maintained at the level of ULB but not updated appropriately. | - | It may leads to revenue losses. | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. | Not Resolved | |
| 8. | Whether persons involve in calculation/ collection | Yes | - | - | - | - | |



| | | | | | | | |
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| | have knowledge of their responsibility, | | | | | | |
| 9. | Whether there is proper distribution of responsibility for calculation, recovery & updation of register for demand, so that no single person have control on two or process at the same time, | Due to lack of Manpower all these work has been controlled single handedly. | - | It may leads to fraud & Defalcation. | - | Not Resolved | |
| 10. | Whether there is any under/no assessment, | No | - | - | - | - | |
| 11. | Whether there is appropriate measures(As Per section 155 & 158 of BMA, 2007) are adopted for recovery of Government/bid dues, | No measures have been taken for recovery of Government Dues. | - | It may leads to revenue losses. | ULB will trying their best, notice will issue to Mobile Tower Company and holding tax biggest defaulters as soon as possible. | Not Resolved | |
| 12. | Whether notice for demand has been made in prescribed format (As Per BMAR) & as per rules & regulations, | No notices of demand are being served. | - | It may leads to revenue losses. | ULB will trying their best, notice will issue to Mobile Tower Company and holding tax biggest defaulters as soon as possible. | Not Resolved | |
| 13. | Whether penalty(@2% P.M/ 1.5%) has been charged on late payment, | No observation found in this regard. | - | - | - | - | |
| 14. | Whether Demand, Collection & Balance Register has been | No register is being maintained at | - | It may leads to revenue losses. | It will be taken care in future. | Not Resolved | |



| | | | | | | |
|-----|---|--|---|---------------------------------|---------------------------|--------------|
| | prepared on daily basis for all receipts or not, & it would be authorized by proper authority or not, | the level of ULB for reconciliation of Demand, Collection and Balance due. | | | | |
| 15. | Whether there are adequate safeguard on data has been operated or not, | Yes | - | - | - | - |
| 16. | Whether self- assessment property tax return for payment of property tax has been filed by the assesses in the prescribed format, | No | - | It may leads to revenue losses. | It will look into future. | Not Resolved |
| 17. | Whether there is any collusion with customer/holding w.r.t., assessment, payment, etc. | No Such cases found. | - | - | - | - |
| 18. | Any Other | No | - | - | - | - |

ESTABLISHMENT

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|---|---|-----------------|--|---|---------------------------|
| | RISK RATING: | High | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Whether establishment expenditure is sanction by authorized person & it has been within sanctioned limit, | Yes | - | - | - | - |
| 2. | Whether service log book has been maintained & up to date or not | ULB is not in practice to prepare attendance Register of their staff, so we are not able to verify the salary payment | - | It clearly indicates there are high chances of irregular attendance of the employees and wrong | Due to covid-19, Biometric attendance is not working. | Not Resolved |



| | | | | | | |
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| | | to permanent as well as daily wages & contractual staff. Further, a Biometric Attendance is installed but not in working conditions. In absence of it, there may be chances of excess payment to the staff. | | payment. | | |
| 3. | Audit whether apart from comparing the pay & allowance drawn by each employee in the pay bill with the corresponding entries in the pay column of the service book and checking the acquaints roll of employee who have been paid in cash, | In the payment of employees, there is no appropriate payroll system is being followed by the ULB, Service book is not used for payment of them. | - | It may lead to fraud and defalcation. | It will be taken care in future. | - |
| 4. | Whether each employee has unique identification number & it has be referred in all matter in relation to service book Whether payment made to employee has been verified with attendance register/logbook, | No unique employee no. is being allotted by the ULB. | - | It may lead to dual payment or wrong payment to employee. | - | - |
| 5. | Whether service book for calculation of payable has been authorized by the proper person, | Service book has not been used for calculation of the payable. | - | It may lead to wrong payment to employee. | - | - |
| 6. | Whether account depart has prepared the advice & instructed the bank for the payment as per advice, | Yes | - | - | - | - |



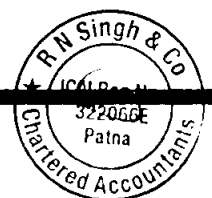
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| 7. | Whether undistributed amount of pay & allowance as shown in cash book matched with balance of undistributed salary balance, | No Such cases found. | - | - | - | - |
| 8. | Whether undistributed amount of pay & allowance are not for more than 3 months as cash in hand, | No Such cases found. | - | - | - | - |
| 9. | Whether disbursement of pay & allowance are duly recorded in books & accepted by employee specifying separate hade with date of receive (In case of arrear), | No Such cases found. | - | - | - | - |
| 10. | Whether the bill prepared according to sanctioned scale, | Yes | - | - | - | - |
| 11. | Whether no any payment is made to Employee whose service retired in any manner, | We are unable to comment on that because of ULB is not in practice to payment of employees on the basis of their attendance maintained in attendance register. | - | It may lead to fraud and defalcation. | - | - |
| 12. | Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment, | No observation found in this regard. | - | - | - | - |
| 13. | Whether all statutory deduction or adjustment has been made before payment, | We observed that no Statutory deduction is being made from the payment of | 117840 .00 | It may leads to penalty and interest U/s 271C and 201(1A). The amount of Interest and | This taxable amount is personally paid by the Executive | - |



| | | | | | | |
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| | | employees except EPF & PF. | | Penalty in the whole financial year is Rs. 15297 & 117840 respectively. | Officer at the end of the financial year. | |
| 14. | To check compliance of rules in regard to establishment matters viz., travel, daily allowance, leave, advances (House building and vehicle advance etc.) and settlement thereof. | No Such cases found. | - | - | - | - |
| 15. | To check salary bills. | No observation found in this regard. | - | - | - | - |
| 16. | Position of outstanding advances paid to employees | Advance Register has not been maintained by the concerned ULB and in the absence of above register, it is difficult to check or comments on adjustment and recovery of advances. Further, advance has been given to cashier Vijay Shankar for office expense without any advance requisition. | - | It may leads to fraud and defalcation of such amount. | It will be maintained from upcoming future. | - |
| 17. | To check deduction of provident fund and ESI has been made as per rules | No details is being provided to us so, we are unable to comment on same, whether | - | It may lead to Statutory irregularity. | EPF is deducted from the salary of contractual and daily | - |



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| | | the amount deducted for EPF is paid to concerned department or not. | | | wages employee on monthly basis by Fathua Nagar Parishad. Due to some technical reason the amount is not deposited to the concerned department. We will deposit it as soon as possible. Further, ESI Registration will be completed as soon as. | |
| 18. | Whether PF slips are issued to the employees on yearly basis and to see whether all statutory returns for PF are submitted to the concerned authorities. | No details is being provided to us so, we are unable to comment on same has been issued or not. | - | It may lead to Statutory irregularity. | EPF is deducted from the salary of contractual and daily wages employee on monthly basis by Fathua Nagar Parishad. Due to some technical reason the | - |



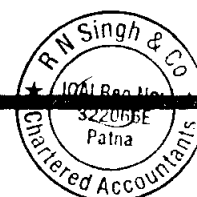
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| | | | | | | amount is not deposited to the concerned department. We will deposit it as soon as possible. | |
| 19. | To check whether salary bill is prepared in such a manner that it gives breakup of the amount of bill and all adjustments such as deduction of PF, TDS and other advances and loans etc. | There is no break up in such bill regarding TDS deduction or deduction of Professional Tax. Further, ULB is not in practice to deduct any type of statutory liabilities while making payment to their employees. | - | It may lead to Statutory irregularity and Interest and Penalty may be imposed. | These Statutory Liabilities is personally paid by the employees at the end of the financial year. | - | |
| 20. | Check Retirement benefit to employee | No observation found in this regard. | - | - | - | - | |
| 21. | Personnel Appointments and to see whether all records are updated from time to time. | Yes, updated from time to time. | - | - | - | - | |
| 22. | Dismissal and Resignation/ Termination | No Such cases found. | - | - | - | - | |
| 23. | Temporary workers | No observation found in this regard. | - | - | - | - | |
| 24. | Overtime | No Such cases found. | - | - | - | - | |
| 25. | Attendance Register To check number of persons mentioned in the attendance register tally | ULB is not in practice to maintain attendance | - | It may lead to Statutory irregularity. | Due to covid-19, Biometric attendance | - | |



| | | | | | | |
|-----|--|--------------------------------------|---|-------------------------------------|----------------------------------|--------------|
| | with the sanctioned strength of a unit. | register. | | | is not working. | |
| 26. | Personnel Files | No observation found in this regard. | - | - | - | - |
| 27. | Training of employees(including Skill development Levy) | No Such cases found. | - | - | - | - |
| 28. | Leave Register – To check whether a leave register is maintained as per types of leave as medical Leave/CL/EL/maternity/paternity leave. | Not Maintained | - | It may leads to over/less payments. | It will be taken care in future. | Not Resolved |

GRANT

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|---|---|-----------------|---|------------------------|---------------------------|
| | RISK RATING: | Medium | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Maintenance/Updation register regarding details of funds received and expenditure. | We observed that only fund received is maintained at the level of ULB. ULB is not in practice to maintain such expenditure. | - | Due to it, chances of irregular submission of UC to concern department. | - | - |
| 2. | Any diversion/re-appropriation of funds not covered under the provision of BMA, 2007 should be pointed out for remedial action. | No such cases found | - | - | - | - |
| 3. | To check whether utilization certificate is for actual utilization of funds received . | Yes | - | - | - | - |
| 4. | It should also be checked that utilization certificate is issued as per prescribed | We have found that UC has not been issued | 564000 0.00 | It may lead to freeze/crystallization of fund | We will take necessary | Not Resolve |



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| | time frame given in the Manual and issue of UCs is not delayed. | as per prescribe time line during the period. | | if it is not used within the time frame as mentioned in allotment letter. | steps for same. | |
| 5. | Internal Auditor should also check whether expenditure incurred on each activity does not exceed the budget. | No Such cases found. | - | - | - | - |

PAYMENT OF BILLS OF CONTRACTORS

| Name of the ULB | | FATUHA NAGAR PARISHAD | | | | |
|-----------------|--|--|-----------------|--|----------------------------------|---------------------------|
| RISK RATING: | | High | | | | |
| Sl. No | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved/ or not) |
| 1. | Original bill duly signed by contractors is submitted. | No, most of cases contractor has not signed on the original bill | - | It may lead to wrong initiation of payment or chances of collusion with contractor are too high. | It will be taken care in future. | - |
| 2. | Contractor has put his initials in all cuttings and corrections in the bill. | No observation found in this regard. | - | - | - | - |
| 3. | All Supporting documents are attached with the bills. | We observed that payment has been released to contractor without adequate supporting document which is required as the allotment | 3718408 1.00 | It is clearly indicate collusion of officers and contractors. | It will be taken care in future. | - |



| | | | | | | |
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| | | issued by BUIDCO. Like as: Pre leveling Certificate, Slope determination . Actual invoice of Reinforcement of TATA/RINI/ SAIL company. Quality testing report of Bricks, sand, Metal, Stone chips etc. and also a declaration regarding obey of order of Patna High Court in respect of CWJC No. 14831/2009. | | | | |
| 4. | The rates, security deposit, and deductions are as per terms and conditions specified in the agreement | Yes | - | - | - | - |
| 5. | The variations in quantities and completion period etc. have been authorized by the competent authority | Yes | - | - | - | - |
| 6. | Job completion certificate has been processed by the dealing assistant. | We observed that ULB is not in practice to issue job completion certificate. we further | 3718408 1.00 | It is clearly indicate collusion of officers and contractors. | It will be taken care in future. | - |

| | | | | | | |
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| | | observed that date of completion is considered on the basis of date of actual measurement on MB whereas per terms of agreement Date when Executive Officer issue the certificate of completion of work after verification and compilation of all deficiency observed. | | | | |
| 7. | Bills passed for payment are as per rules & T & C of Tender. | As per above mentioned facts in Point No. 3, bill passed for payment without fulfilling of rules & T & C prescribed by BUIDCO in Tender. | 3718408 1.00 | It is clearly indicate collusion of officers and contractors. | It will be taken care in future. | - |
| 8. | All terms and conditions of the contract are fulfilled before passing the bills. | No, all terms and condition of the contract are not being fulfilled before passing the bills. | 3718408 1.00 | It is clearly indicate collusion of officers and contractors. | It will be taken care in future. | - |
| 9. | Every final bill is checked in detail with | Yes | - | - | - | - |

| | | | | | | |
|-----|---|-------------------------|---|---|---|---|
| | measurement books. | | | | | |
| 10. | Cash/Bank Vouchers to be checked for authorization etc. | Yes | - | - | - | - |
| 11. | Overall review of the books of accounts. | Yes | - | - | - | - |
| 12. | Position of outstanding advances paid to suppliers/contractors. | No such cases are found | - | - | - | - |

RECEIPT VOUCHER

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|--|-----------------------|-----------------|-----------------|--------------|---------------------------|
| | RISK RATING: | LOW | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Whether "Receipt Vouchers" are in the prescribed format & having machined serial number & there is no any manuscript form, | Yes | - | - | - | - |
| 2. | Check; | | - | - | - | - |
| 3. | What is the date of printing, | Checked | - | - | - | - |
| 4. | What quantity of serial number was printed out, | Checked | - | - | - | - |
| 5. | What is the date of dispatched, quantity of receipt vouchers & their serial number; | Checked | - | - | - | - |
| 6. | Log book/ Register maintained at printing press regarding printing of "Receipt Vouchers". | Checked | - | - | - | - |
| 7. | Verify that "Receipt Vouchers" received & their storing, having same quantity & serial numbered which was | Yes | - | - | - | - |

| | | | | | | |
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| | actually dispatched & proper recording of the same along with issue, | | | | | |
| 8. | Verify Log book/ Register maintained at every collection center & cash counter with regard to receipt & return quantity & serial number, | Yes | - | - | - | - |
| 9. | Verify the log book/ Register of 'Receipt Vouchers' & cross verified the allotments to TC(Log Book) with their date of issue, serial number, name of TC & their circle | Yes | - | - | - | - |
| 10. | Check whether TC have same "Receipt Voucher" which was actually issued by store & it must be authorized by the appropriate authority, | Yes | - | - | - | - |
| 11. | Check that there should be proper recording at each stage (where authority has been changed) of log book/ register for issue/receipt of "Receipt Vouchers", | No Such cases found. | - | - | - | - |
| 12. | Confirm that all unused "Receipt Vouchers" are under the custody of authorized person, | Yes | - | - | - | - |
| 13. | Verify that any cancelled vouchers have in both original & carbon copy, | Yes | - | - | - | - |



| | | | | | | |
|-----|--|-----|---|---|---|---|
| 14. | Verify whether reversible carbon has been used during receipt. | Yes | - | - | - | - |
|-----|--|-----|---|---|---|---|

OTHER REVENUE:

| | | | | | | |
|----|-------------------|--|---|--------------------------------|---|--------------|
| 1. | Advertisement Tax | No System Developed for collection of advertisement tax. | - | It will affect municipal fund. | There is no advertisement tax collected by the ULB. | Not Resolved |
| 2. | Tower Tax | We observed that no notices is being send to concerned personals for 18 towers which is established under the jurisdiction of Parishad till last financial year (FY_20-21) to pay the tower tax. Note: We assumed renewal charge is charged during the commencement of the financial year. | 22,62,000.00 (excluding interest @ 1.5% p.m.) | It will affect municipal fund. | ULB will try their best. Notice will issue to Mobile Tower Company as soon as possible. | In Process |



| | | | | | | |
|----|---------------------------------------|--------------------------------------|---|---|---|---|
| 3. | Professional Tax | No professional tax collected. | - | - | - | - |
| 4. | Assigned Revenue (As details annexed) | No Such cases found. | - | - | - | - |
| 5. | Rental Charges (As details annexed) | No observation found in this regard. | - | - | - | - |
| 6. | Fee & uses Charges | Collected | - | - | - | - |
| 7. | Other Revenue Items | - | - | - | - | - |

REVENUE EXPENSES

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|--|-----------------------|-----------------|-----------------|--------------|---------------------------|
| | RISK RATING: | High | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Whether payment is on the basis of Sanction / work order letter & incurred by authorized person. | Yes | - | - | - | - |
| 2. | Whether payment is made through prescribed format. | Yes | - | - | - | - |
| 3. | Whether payment is made without any undue delay or whether any cheque issued are promptly issued to the respective person. | Yes | - | - | - | - |
| 4. | Whether there is bifurcation of responsibility towards person making payment & person preparing MB, receipt of goods , maintenance of payment file, etc. | Yes | - | - | - | - |



| | | | | | | |
|----|---|--|------------|---|---|---------------|
| 5. | Whether updation of accounts/books are on proper & timely basis, | Yes | - | - | - | - |
| 6. | Whether authorized person verify & sign the document involve, | Yes | - | - | - | - |
| 7. | Whether data base for the same has been properly maintained & safeguard measures are taken, | No database has been maintained by the ULB. | - | Important information may be lost or stolen. | - | Not Resolved. |
| 8. | Whether exact amount (no any over payment) are paid and verified by supporting document, & no any collusion with party, | We observed that an excess payment made in this quarter to Nandani Development Association (Agreement No. 2161) as per Condition Para No. 5 of Contract, relates to EPF data submitted by the concerned association. Further, we observed that the other Para No. 4, 6 and 10 are not considering before | 4431300.00 | It is clearly indicate misappropriation of fund from a long period, so management should take initiative and investigate all the payments made to this concerned party under a committee constituted under Special Secretary. | In reference of this, as per the reply provided by Nandani Development Association the KYC of all daily workers is not available with them. That's why the EPF return of the remaining employee was not filed. So, this is the reason behind the difference between the no. of workers provided and the no. of workers in EPF return. | - |



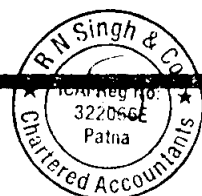
| | | release of Payment. | | | | |
|-----|--|--|---|---|---------------------------------|---|
| 9. | Whether register for settlement of service bill has been maintained and up to date, | Yes | - | - | - | - |
| 10. | Whether payment made to the same to whom it might be payable and no any second claim in this regard, | Yes | - | - | - | - |
| 11. | Whether payment has been made after deducting statutory dues or advances, | Yes | - | - | - | - |
| 12. | Whether the expenditure are made with a period & amount as sanctioned, | Yes | - | - | - | - |
| 13. | Whether there is undue rush of expenditure at the end of financial year, | No | - | - | - | - |
| 14. | Whether payment has to be made after confirmation from store, | We observed that ULB is not in practice to maintain data in store and no confirmation has been taken from stores before payment. | - | There may be chances of misappropriation of fund as well as stocks. | - | - |
| 15. | Whether payment for repairs, etc., has to be made on the basis of logbook maintained, | There is no log book is maintained in respect of repairs and | - | There may be chances of misappropriation of | Log Book will maintain shortly. | - |



| | | | | | | |
|-----|---|----------------------|---|-------|---|---|
| | | maintenanc e. | | fund. | | |
| 16. | Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007, | Yes | - | - | - | - |
| 17. | Confirm whether goods/assets received/accepted on or before 31 st March, where the bill is received after that date have been accounted for (either on the basis of purchase order, tender rate or as per bill), | No Such cases found. | - | - | - | - |
| 18. | Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment, | No Such cases found. | - | - | - | - |
| 19. | Whether all statutory deduction or adjustment has been made before payment, | Yes | - | - | - | - |
| 20. | Whether entry of any event during service has been made in service book by authorized person, | Yes | - | - | - | - |

STATUTORY REQUIREMENT

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|---|-----------------------|------------------------|----------------------------------|-----------------------------------|---------------------------|
| | RISK RATING: | High | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Whether deduction of TDS on payment has been made as per law, | We observed that TDS | IT TDS of Rs 117840.00 | Interest U/s 201 and Penalty U/s | This taxable amount is personally | - |



| | | | | | | |
|----|--|---|----------------------------------|--|---|---|
| | | U/s 192 as well as professional Tax has not been deducted during the whole financial year related to payment made to Executive officer. | & Professional tax of Rs 2500.00 | 271C may be levied on ULB. The gross amount of Interest and Penalty is Rs. 15,297 & Rs 1,17,840 respectively | paid by the Executive Officer at the end of the financial year. | |
| 2. | Whether TDS deducted are timely deposited into bank with same amount, | Yes | - | - | - | - |
| 3. | Whether regulatory requirement for submission of Return has been followed, | Statutory Liabilities like IT-TDS, GST-TDS, Labour Cess, Royalty etc are collected from time to time but its payments are not made within due dates. Statutory Liability should be remitted to the Govt. as per their due dates specified in their respective Acts. | - | There may be levied Penalty & charges for delayed deposit by the concerned department. | GST_TDS & IT-TDS deduction and return filing is on time except few months because of lockdown in the state. Further the statutory liabilities of Royalty, labour cess etc is deposited in march'22. | - |



| | | | | | | |
|----|--|---|--|---|---|-----------|
| 4. | Whether any deduction is made in any act, must be deposited as per their respective act, | The due date of payment of Labour Cess, Seigniorage fee and Royalty which is deducted from payment of contract work but same has not been deposited till the date of audit during the whole period. | i) Royalty of Rs. 17,67,444, ii) Labour Cess of Rs. 9,15,489, iii) Seigniorage Fee of Rs. 3,60,543 | Department may take suo moto action and initiate a proceeding regarding, freezing of bank account maintained under ULB. | It is deposited to the concerned department by the end of FY_21-22. | Resolved. |
| 5. | Verify whether in case of "through rate" contract, there is no any payment for material, etc. by the ULB | No Such cases found. | - | - | - | - |
| 6. | Any demand is outstanding from regulatory authority for non-compliance. | Details have not been provided to us to comment. | - | - | - | - |

TENDER DETAILS (WORK ORDER WISE)

| | | | | | | |
|-----------------|---|------------------|-----------------|-----------------|--------------|------------------|
| Name of the ULB | FATUHA NAGAR PARISHAD | | | | | |
| RISK RATING: | High | | | | | |
| Work order No. | Details are annexed in Annexure 2 & Annexure 3 of Executive Summary of the Report | | | | | |
| | PERIOD: 01/04/20 to 31/03/21 | | | | | |
| Sl. No. | Particulars | Audit Observatio | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved |



| | | n | | | | /or not) |
|----|---|---------------------------|---|---|---|----------|
| 1. | To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts. | Yes | - | - | - | - |
| 2. | To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents. | Yes | - | - | - | - |
| 3. | The important guidelines relating to earnest money, delivery schedule, payment terms, performance warranty/guarantee, inspection, arbitration, liquidated damages/penalty for delayed supplies, purchase on risk and cost were incorporated in the tender documents for safeguarding the interest of corporation. | Yes | - | - | - | - |
| 4. | The purchase proposal was approved by the competent authority. as per delegation of powers | Yes | - | - | - | - |
| 5. | Indent for purchase indicates the details of quantity required, last purchase rate, period for which stores are needed and name of consignee. | Not in prescribed format. | - | - | - | - |
| 6. | Approval of mode of procurement | Yes | - | - | - | - |



| | | | | | | |
|----|--|--|---|--|---------------------------------|---|
| 7. | The tender documents are prepared properly and description of items to be procured, quantity and estimated value should be indicated. | Yes | - | - | - | - |
| 8. | To check whether the direction was followed for notification /advertising and opening of bids at notified date, time and place in the presence of bidders. | Yes | - | - | - | - |
| 9. | Award of contract and its execution is as per procedure and guidelines issued by the Govt. of India in view of conditions agreed with the Development partners (DFID, World Bank, & European Union etc.) | Tender was awarded to the contractor even in the less number of participants which is not as per the Manual on Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22. Further, the timeline which is prescribed by BUIDCO has not been complied for signing of agreement | - | It shall give space to the concerned employees for their improper practice and get personal benefits in respect of award the contract. | It will be taken care in future | - |



| | | | | | | | |
|-----|---|--|---|---|----------------------------------|---------------|---|
| | | | and issue of work order and also no condition letter is being granted by BUIDCO for taking additional time to agreements. | | | | |
| 10. | To check whether bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available. | Yes | - | - | - | - | - |
| 11. | To check whether contract was awarded to the lowest evaluated responsive bidders who fulfilled qualification requirements, specified in the tender's documents. | Yes | - | - | - | - | - |
| 12. | In case of negotiations of prices, it should be checked whether the negotiation was made with L1 bidder and all the relevant records thereof were available. | Yes | - | - | - | - | - |
| 13. | To check whether articles were received / work was completed in time as per delivery schedule. | YES | - | - | - | - | - |
| 14. | The stores/goods are properly recorded in the Stock Registers /Asset Register. | No record has been exist/recorded at the level of ULB regarding such assets. | - | There may be chances of misplacement goods/stores | It will be taken care in future. | Not resolved. | - |



| | | | | | | |
|-----|---|---------------------|---|---|---|---|
| 15. | Whether any complaint was received regarding procurement and payment and existence of mechanism for redressal of Complaints | No such cases found | - | - | - | - |
|-----|---|---------------------|---|---|---|---|

Further, we observed that no procurement process is being adopted by ULB for procurement of stocks and consumable even if value of procurement is more than Rs. 15000.00.

VEHICLE LOG BOOK

| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
|---------|--|-----------------------|-----------------|---|--|---------------------------|
| | RISK RATING: | MEDIUM | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | Whether logbook has maintained or not & up to date with proper details like journeys, work undertaken, covering route, visited place, kilometer, etc., | Not maintained | - | It may lead to over/less payment also there may be chance of fraud and defalcation. | Log Book will maintain Shortly Log Book will maintain Shortly | - |
| 2. | Whether logbook of journey is maintained in detail & signed by the officials using them, | | - | | | - |
| 3. | Whether it should be used for official purpose, otherwise charges are recoverable, | | - | | | - |
| 4. | Whether details of fuel for the same has been maintained in log book, | | - | | | - |
| 5. | Whether full details of repairs have been maintained & it have been through authorized center, | | - | | | - |
| 6. | Whether authorized person have proper | | - | | | - |



check over logbook.

FIXED ASSETS

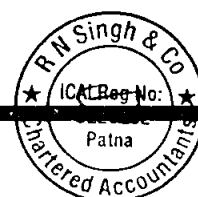
Name of the ULB

FATUHA NAGAR PARISHAD

RISK RATING:

MEDIUM

| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
|---------|---|--|-----------------|---|--|---------------------------|
| 1. | Status on Maintenance of Fixed Assets Register | It has not been maintained yet. | - | It may leads to misplacement of assets. | Fixed Asset Register will maintained soon. | Not Resolved |
| 2. | Budget availability is confirmed before acquisition | Yes | - | - | - | - |
| 3. | Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition | Unable to comment on it, since fixed asset register is not finalized till now. | - | - | Fixed Asset Register will maintained soon. | Not Resolved |
| 4. | all fixed assets are acquired only after obtaining approval of the concerned authority | Yes | - | - | - | - |
| 5. | Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register. | No Physical Verification has been done. | - | It may leads to misplacement of assets. | Fixed Asset Register will maintained soon. | Not Resolved |
| 6. | Depreciation is provided on each class of fixed assets at the prescribed rates | No Depreciation is provided. | - | It leads to over valuation of fixed assets. | It will be levied once when fixed asset register has been finalized. | Not Resolved |
| 7. | Asset Replacement Register is properly maintained asset class- | No such cases found. | - | - | - | - |



| | Wise | | | | | |
|--------------------------|--|--|-----------------|------------------------------|----------------------------------|---------------------------|
| OTHERS | | | | | | |
| | Name of the ULB | FATUHA NAGAR PARISHAD | | | | |
| | RISK RATING: | MEDIUM | | | | |
| Sl. No. | Particulars | Audit Observation | Amount Involved | Associates Risk | MGT. Comment | Status (Resolved /or not) |
| 1. | All permanent changes made in the assessment of buildings and lands have been recorded in this register with reference to the monthly lists, Register of Revision Petitions, Register of Appeal Petitions, and Register of Writes-off. | No assessment has been done after 2008-09. | - | It may lead to revenue loss. | It will be taken care in future. | Not Resolve |
| 2. | Demands of current year and previous year have been reconciled with reference to the above details | No reconciliation is being made due to demand register has not been prepared. | - | It may lead to revenue loss. | It will be taken care in future. | Not Resolve |
| REGISTER OF SUITS | | | | | | |
| 1. | All suits filed by the municipality for recovery of any sum due are entered. | No register of suits is being maintained at the ULB so; we are unable to comment on these matters. | - | - | - | - |
| 2. | All suits filed against the municipality are Entered | | - | - | - | - |
| 3. | Sanction from the Council obtained for filing/defending the Suit | | - | - | - | - |
| 4. | All details like the Assessment Number, | | - | - | - | - |



| | | | | | |
|----|--|---|---|---|---|
| | amount involved, Name of Court and Suit Number etc. are clearly entered | | | | |
| 5. | Execution Petitions are filed for recovery of sums, in cases the suits are disposed in favour of municipality. | - | - | - | - |

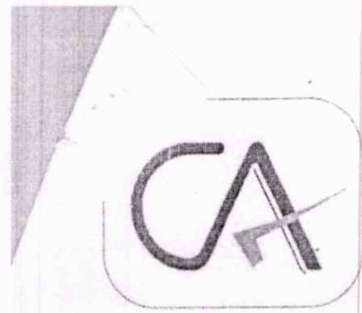
GENERAL OBSERVATIONS: -

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Demand Register, Advance Register, Annual Accounts, Assets Register were not maintained. Effective steps should be taken to improve the maintenance of accounts and increasing of its own sources of revenues.

For R.N. Singh & Co.
Chartered Accountants
FRN: 322066E




CA Chanakya Shree
Partner
Mem No: 079322
UDIN: 22079322A0WNX28650
DATE: 12-08-2022



R. N. SINGH & CO.

Chartered Accountants

208, Hem Plaza, Fraser Road,

Patna-800001

Ph : 7707000444

E-mail- patna@rnsinghandco.in

Discussion Note:

FATHUA NAGAR PARISHAD

Period 01/04/2020 to 31/03/2021 (FY 2020-21)

| Sl. No. | Particulars | Management's Remarks |
|---------|---|---|
| 1. | We observed that an excess payment has been made in this financial year to Nandini Development Association (2161 dated 03/10/2018) as per condition Para No. 5 of Contract, which relates to EPF data submitted by the concerned association. Further, we observed that the other Para No. 4 and 10 have not been considered before release of payment. As per our calculation (Annexure 1), excess payment of Rs 44,313,00 made in the FY_20-21. Management should review all previous payment made to this association and take initiative to investigate all the payments made to this concerned party. | In reference of this, as per the reply provided by Nandani Development Association the KYC of all daily workers is not available with them. That's why the EPF return of the remaining employee was not filed. So, this is the reason behind the difference between the no. of workers provided and the no. of workers in EPF return. |
| 2. | As per Manual on Policies and Procedures for Purchase of Goods 2006 (2017) Para 6.21 & 6.22, The number of supplier firms in Limited Tender Enquiry should be more than three. But during the course of audit, we observed that ULB is not following the norms and made the tender even if in the less number of supplier due to which competition is going to reduce and ULB also get opportunity loss of requisite quality and reasonable supplier. As per our opinion, all the agreement which are made is null and void. Details of the related agreement verify during the quarter is annexed in (Annexure 2). | The tender is decided by the Executive Engineer, BUIDCO Patna. All the technical and financial decision regarding the successful bidder is taken by them. Fathua Nagar Parishad only follows the instruction provided by the BUIDCO to do the agreement. |
| 3. | We observed that the timeline which is prescribed by BUIDCO has not been complied for signing of agreement and issue of work order and also no condition letter is being granted by | It will be take care in future. |



| | | |
|----|--|--|
| | BUIDCO for taking additional time to agreements. Due to this, as per our opinion all the agreements which are made after the prescribed timeline are null and void. Details of such agreements are annexed in (Annexure 3). | |
| 4. | As per Para (i) of Description of work of Contract with Nandani Development Association, the agency has to deploy additional resources on the occasion of Deepawali, Dusshera, Holi, Ganga Dusshera, Kartik Purnima, Eid , Bakrid, Chhath and other festivals to maintain special cleaning arrangements. No extra payment will be paid for this to agency. But we observe in the month of December dated 01/12/2020 Nagar Parishad paid Rs 6,100 as wages on the occasion of chhath puja for cleaning of road. Both the situation contradict each other which simply indicates the agency is failed to fulfill the condition of the contract, but no any deduction or recovery made from the agency by the ULB. | There is increase in the demand of excess labour on the special occasion, so in that case ULB deploy extra labour by their own to maintain and manage the arrangements smoothly. |
| 5. | We observed that ULB is in practice to made payment to contractor without adequate supporting documents which is required as per the allotment issued by BUIDCO. Such as: Pre leveling Certificate, Slope determination, Actual invoice of reinforcement of TATA/RINL/SAIL company, Quality testing reports of sand, metal etc. and also a declaration regarding obey of order of Patna High Court in respect of CWJC No. 14831/2009. The amount paid to such contracts is Rs. 3,71,840,81 in this financial year as per our observation. We further observed that ULB is not in practice to issue job completion certificate and considered date of completion on the basis of date of actual measurement on Measurement Book (MB) which is written by Junior Engineer, whereas per terms of agreement, date of completion is the date of certificate issued by Executive Officer for job completion after verification and compilation of all deficiency observed. | It will take care in future. |
| 6. | We observed in Yojana No.- 64/18-19 & Agreement No.-47f2/19-20, Work Name: Construction of PCC Road from NH 30 to Sansan Yadav Marg in ward no. 26, there is excess payment of Rs 4,000 made to contractor for sign board which is not mentioned in approved Bill of | The excess money paid will deduct in future from the security money. EMD amount is misplaced from the file. We are trying to find it as soon as. |



| | | |
|-----|--|---|
| | quantity (BOQ) provided by BUIDCO which is not acceptable as per the norms. Further, Interest bearing security i.e. Term Deposit provided by the contractor for Earnest money deposit(EMD) is also not available in file. | |
| 7. | We observed that TDS u/s 192 of Rs 1,17,840 has not been deducted during the whole financial year related to payment made to Executive Officer. Interest u/s 201 and Penalty u/s 271C may be levied on ULB. The gross amount of Interest & Penalty is Rs. 15,297 & Rs 1,17,840 respectively (Annexure 4). | This taxable amount is personally paid by the Executive Officer at the end of the financial year. |
| 8. | During the course of audit, we observed that professional tax has not been deducted by ULB from the payment of Executive Officer. The total amount which is not deducted is Rs 2,500. | This amount is personally paid by the Executive Officer at the end of the financial year. |
| 9. | Mobile Tower Tax has not been collected by the ULB. As per details provided to us there are total 18 Mobile towers registered with ULB upto 31.03.2021 and Rs 22,62,000 (excluding interest @ 1.5% p.m) has not been collected till the date of Audit from these tower operators as Tower tax. Further, we also observed that there is no action taken by ULB for its recovery. Details of the same are provided in detailed Audit Report. | ULB will trying their best, Notice will issue to Mobile Tower Company as soon as possible. |
| 10. | During verification of property tax related documents, we observed that there are many property holders that are not paying property tax from a long time but no action taken by the ULB for its recovery. Details of these property holders are provided in detailed Audit Report. | We follow your advice, notice will issue to the biggest defaulters as soon as possible. |
| 11. | Demand & Arrear Register is not maintained by ULB. So, we are unable to quantify the total outstanding demand of Property tax, Advertisement tax, Rent on municipal properties etc. Further, we also observed that Nagar Parishad is not in practice to raise the demand for all outstanding balances of the holders. | Demand & Arrear Register is not updated due to this it is not provided during the course of audit. It will provide in upcoming audit in future. |
| 12. | Property & Holding tax assessment has not been done every year. We observed that assessment is not done after FY 2008-09. Further, single person is holding all the responsibility related to demand, collection and balancing. | There is no assessment done by the Nagar Parishad Fathua after 2008-09. Hence, it will be done in future. |



| 13. | In Fathua Nagar Parishad, SAS implementation of property tax has not been implemented. | It will look into future. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-------------|---|--|---|------------------|--------------|-----------|-----------------------|-----------|------------|-----------|-----------------------|-----------|------------|-----------|-----------------------|-------------|------------|-----------|-----------------------|----------|------------|-----------|-----------------------|-----------|------------|-----------|-----------------------|-----------|------------|-----------|-----------------------|-------------|------------|-----------|-----------------------|----------------------------|----------------------------|-----------|-----------------------|-----------|------------|------|-----------------------|-----------|------------|-----------|-----------------------|--|---|-----------|-----------------------|-----------|------------|-----------|-----------------------|----------------------------|----------------------------|------|-----------------------|--------|------------|--|
| 14. | As per Rule 27 of BMAR 2014, Collections to be deposited into the bank on the same day, but during the course of audit, we observe that the amount collected from own source revenue has not been deposited on the same date as required. The details are given below: | It is not possible to deposit the amount collected at the end of the day because of long distance between the bank and the ULB. Hence, the amount collected during the whole month is deposited at the end of the month. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th>Receipt No.</th> <th>Period</th> <th>Amount Collected</th> <th>Deposit Date</th> </tr> </thead> <tbody> <tr> <td>2475-2488</td> <td>01/04/2020-30/04/2020</td> <td>Rs 23,499</td> <td>30-04-2020</td> </tr> <tr> <td>2489-2531</td> <td>01/05/2020-31/05/2020</td> <td>Rs 60,428</td> <td>30-05-2020</td> </tr> <tr> <td>2532-2734</td> <td>01/06/2020-30/06/2020</td> <td>Rs 2,17,907</td> <td>30-06-2020</td> </tr> <tr> <td>2799-2801</td> <td>01/05/2020-30/05/2020</td> <td>Rs 9,000</td> <td>30-05-2020</td> </tr> <tr> <td>2802-2806</td> <td>01/06/2020-30/06/2020</td> <td>Rs 14,650</td> <td>30-06-2020</td> </tr> <tr> <td>2735-2775</td> <td>01/07/2020-31/07/2020</td> <td>Rs 49,445</td> <td>31-07-2020</td> </tr> <tr> <td>2776-2889</td> <td>01/08/2020-31/08/2020</td> <td>Rs 1,88,381</td> <td>31-08-2020</td> </tr> <tr> <td>2890-3090</td> <td>01/09/2020-30/09/2020</td> <td>Rs 1,86,238 & Rs 86,466</td> <td>28-09-2020 & 30-09-2020</td> </tr> <tr> <td>2807-2847</td> <td>01/06/2020-30/06/2020</td> <td>Rs 50,125</td> <td>30-09-2020</td> </tr> <tr> <td>2848</td> <td>01/09/2020-30/09/2020</td> <td>Rs 17,676</td> <td>30-10-2020</td> </tr> <tr> <td>3091-3195</td> <td>01/10/2020-31/10/2020</td> <td>Rs 1,39,430, Rs 69,856 & Rs 73,571</td> <td>19-10-2020, 20-10-2020 & 31-10-2020</td> </tr> <tr> <td>3196-3225</td> <td>01/11/2020-30/11/2020</td> <td>Rs 38,694</td> <td>01-12-2020</td> </tr> <tr> <td>3226-3309</td> <td>01/12/2020-31/12/2020</td> <td>Rs 1,60,903 & Rs 39,554</td> <td>29-12-2020 & 31-12-2020</td> </tr> <tr> <td>2849</td> <td>01/11/2020-30/11/2020</td> <td>Rs 500</td> <td>01-12-2020</td> </tr> </tbody> </table> | Receipt No. | Period | Amount Collected | Deposit Date | 2475-2488 | 01/04/2020-30/04/2020 | Rs 23,499 | 30-04-2020 | 2489-2531 | 01/05/2020-31/05/2020 | Rs 60,428 | 30-05-2020 | 2532-2734 | 01/06/2020-30/06/2020 | Rs 2,17,907 | 30-06-2020 | 2799-2801 | 01/05/2020-30/05/2020 | Rs 9,000 | 30-05-2020 | 2802-2806 | 01/06/2020-30/06/2020 | Rs 14,650 | 30-06-2020 | 2735-2775 | 01/07/2020-31/07/2020 | Rs 49,445 | 31-07-2020 | 2776-2889 | 01/08/2020-31/08/2020 | Rs 1,88,381 | 31-08-2020 | 2890-3090 | 01/09/2020-30/09/2020 | Rs 1,86,238 & Rs 86,466 | 28-09-2020 & 30-09-2020 | 2807-2847 | 01/06/2020-30/06/2020 | Rs 50,125 | 30-09-2020 | 2848 | 01/09/2020-30/09/2020 | Rs 17,676 | 30-10-2020 | 3091-3195 | 01/10/2020-31/10/2020 | Rs 1,39,430, Rs 69,856 & Rs 73,571 | 19-10-2020, 20-10-2020 & 31-10-2020 | 3196-3225 | 01/11/2020-30/11/2020 | Rs 38,694 | 01-12-2020 | 3226-3309 | 01/12/2020-31/12/2020 | Rs 1,60,903 & Rs 39,554 | 29-12-2020 & 31-12-2020 | 2849 | 01/11/2020-30/11/2020 | Rs 500 | 01-12-2020 | |
| Receipt No. | Period | Amount Collected | Deposit Date | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2475-2488 | 01/04/2020-30/04/2020 | Rs 23,499 | 30-04-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2489-2531 | 01/05/2020-31/05/2020 | Rs 60,428 | 30-05-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2532-2734 | 01/06/2020-30/06/2020 | Rs 2,17,907 | 30-06-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2799-2801 | 01/05/2020-30/05/2020 | Rs 9,000 | 30-05-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2802-2806 | 01/06/2020-30/06/2020 | Rs 14,650 | 30-06-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2735-2775 | 01/07/2020-31/07/2020 | Rs 49,445 | 31-07-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2776-2889 | 01/08/2020-31/08/2020 | Rs 1,88,381 | 31-08-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2890-3090 | 01/09/2020-30/09/2020 | Rs 1,86,238 & Rs 86,466 | 28-09-2020 & 30-09-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2807-2847 | 01/06/2020-30/06/2020 | Rs 50,125 | 30-09-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2848 | 01/09/2020-30/09/2020 | Rs 17,676 | 30-10-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3091-3195 | 01/10/2020-31/10/2020 | Rs 1,39,430, Rs 69,856 & Rs 73,571 | 19-10-2020, 20-10-2020 & 31-10-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3196-3225 | 01/11/2020-30/11/2020 | Rs 38,694 | 01-12-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3226-3309 | 01/12/2020-31/12/2020 | Rs 1,60,903 & Rs 39,554 | 29-12-2020 & 31-12-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2849 | 01/11/2020-30/11/2020 | Rs 500 | 01-12-2020 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



| | | | |
|-----------|-----------------------|---|---|
| 3310-3410 | 01/01/2021-31/01/2021 | Rs 40,327, Rs 1,77,219, Rs 1,73,929 & Rs 40,136 | 07/01/2021, 14/01/2021, 22/01/2021 & 30/01/2021 |
| 3411-3507 | 01/02/2021-28/02/2021 | Rs 2,84,413 & Rs 18,582 | 25-02-2021 & 26/02/2021 |
| 3508-3610 | 01/03/2021-31/03/2021 | Rs 2,54,949 & Rs 41,741 | 26-03-2021 & 31-03-2021 |
| 2850-2851 | 01/01/2021-31/01/2021 | Rs 1,000 | 26-03-2021 |
| 2852-5856 | 01/03/2021-31/03/2021 | Rs 35,352 | 26-03-2021 |

15. Advertisement tax has not been levied by the Fathua Nagar Parishad. There is not any system develop for the levy of advertisement tax.

There is no advertisement tax collected by the ULB.

16. As per Rule 131C of Bihar Finance (Amendment) Rule, 2005 Purchase of goods without quotation: Purchase of goods upto the value of Rs 15,000/- only on each occasion may be made without inviting quotations or bids on the basis of a certificate recorded by competent authority but We observed that no quotations or procurement process is being adopted by ULB for procurement of stocks and consumables even if value of procurement is more than Rs 15,000. Details are as follow:

Due to Covid-19 pandemic, spraying of chorine chemicals and sanitizer takes place by the ULB as per the directions of the department. Further, except of the above, ULB will take care of it from future.

| Date | Co./Shop Name | Particulars | Amount |
|------------|---------------------|----------------------|-----------|
| 03/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 64,000 |
| 10/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 31,140 |
| 13/04/2020 | Vikash Agro | Chlorine & Chemicals | Rs 59,826 |
| 26/05/2020 | Techno tonic, Patna | Chlorine & Chemicals | Rs 16,520 |
| 11/06/2020 | Sai trading | Chlorine & Chemicals | Rs 38,825 |
| 02/07/2020 | Hafeez | Gadda, tosak | Rs |



| | | | | |
|------------|---|---|-------------|---|
| | tent house | etc | 1,48,970 | |
| 06/08/2020 | Vikash Agro | Chlorine & Chemicals | Rs 55,949 | |
| 01/09/2020 | - | Repair & maintenance of electrical appliances | Rs 31,230 | |
| 01/12/2020 | - | Repair & maintenance of vehicle | Rs 22,838 | |
| 01/12/2020 | - | Lighting & other arrangement on chath puja | Rs 85,000 | |
| 28/12/2020 | - | Chemical & chlorine | Rs 1,10,646 | |
| 05/01/2021 | Shri Bajang Bag | Bags | Rs 43,365 | |
| 03/02/2021 | Shanti Home Decor | Paint & Brush | Rs 49,140 | |
| 18/02/2021 | Kunti & Associates | Book Shelf | Rs 40,000 | |
| 08/03/2021 | - | Repair & maintenance of Toilet | Rs 34,255 | |
| 17. | During the course of audit, we observe that ULB is not in practice to prepare monthly Receipt & Payment Account & Trial Balance as per Rule 120-121 of BMAR 2014. | | | It is yet not submitted by the DEAS team. It is under process. |
| 18. | ULB is not in practice to prepare scheme wise Bank Reconciliation Statement. | | | ULB is in practice to make consolidated BRS of the entire scheme. Scheme wise BRS will be maintain from future. |
| 19. | We observed that various registers, books of records etc are not being prepared by ULB. Such as Journal/Magazines/Newspaper Register, Temporary Advance Register, Money Order/Bank Draft received Register, Register of remittances made into Bank,-Bank Draft dispatch Register, Bill Register, Establishment Register, Stock Register, Capital Goods/Consumables & Non consumables articles Register, Statutory Deduction Register, Pay Roll Register, PF Register, Fixed Asset Register, Grant Register, Procurement Register, Allotment Register, Bank Guarantee & Interest Bearing Securities Register, etc. | | | Statutory Deduction Register and Allotment Register is maintain by the ULB. It is not updated due to this it is not provided to the auditor. We will take care of it in upcoming audit. Further, ULB is trying to maintain all the registers in future. |



| | | |
|-----|---|---|
| 20. | Closing of Cash Book has not been done on day to day basis which is not as per the Bihar Municipal Accounting Manual. It should be closed on daily basis. | It will done from the FY 2021-22. |
| 21. | Registers of Suits filed are not being maintained at ULB, due to this we are unable to provide comment in detailed audit report in this context. | There is no such case in Nagar Parishad, Fathua. |
| 22. | We observed that Scheme wise cash book has been maintained but not updated. | It will update as soon as possible. |
| 23. | ULB has not been in practice to prepare financial statements. | It is yet not submitted by the DEAS team. |
| 24. | Advance Register has not been maintained by the concerned ULB and in the absence of above register, it is difficult to check or comments on adjustment and recovery of advances. Further, advance has been given to cashier Vijay Shankar for office expense without any advance requisition. | It will maintain from upcoming period. |
| 25. | Municipal Accounts Committee has not been constituted by the Fathua Nagar Parishad. It should be constituted in the first Board Meeting of the ULB every year. Please specify the reason for the same. | It will take care in future. |
| 26. | ULB is not in practice to prepare Statutory Deduction Register for deductions and taxes which creates difficulties to ascertain Statutory liabilities at any point of time. Statutory Liabilities like IT-TDS, GST-TDS, Labour Cess, Royalty etc are collected from time to time but its payments are not made within due dates. Statutory Liability should be remitted to the Govt. as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the concerned department. | GST_TDS & IT-TDS deduction and return filing is on time except few months because of lockdown in the state. Further the statutory liabilities of Royalty, labour cess etc is deposited in march'22. |
| 27. | During the course of audit we observed that net payment was being made to Contractors from a particular scheme fund but their statutory liabilities were being paid through separate bank a/c(SBI 7379) due to this, the amount of (SBI 7379) is deducted & balance are still left in that particular scheme. Further no amount is being transferred from that scheme to the SBI 7379 a/c. But the Utilization Certificate submitted for that particular scheme is for both amount i.e (amount paid to contractor + amount paid for statutory liability). | All the remaining amount will transfer as soon as possible. |

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| | | |
|-----|---|--|
| 28. | No separate Grant Register is being maintained by ULB, hence it is difficult to find out unutilized grant at any point of time. | Grant Register as per BMAR format is ordered for printing. Hence, it will be update in upcoming period. |
| 29. | As per our observation, Utilization Certificate of Rs 13,93,47,786 for the following schemes are pending for submission to the Urban Development & Housing Department till the FY 2020-21: a) 15 th Finance Grant- Rs 10,11,89,040 b) 5 th Finance Grant-Rs 1,48,63,318 c) 5 th Finance Grant (Others)- Rs 1,48,63,318 d) Swachhta Aundan- Rs 24,61,200 e) Nagrik Suvidah-Rs 50,000,00 f) Ward Parshad Allowance-Rs 5,16,000 g) Jal Jeevan Haryali- Rs 4,54,910 | All the remaining UCs will submit to department as soon as possible in future. |
| 30. | Details of directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same. | Directives issued by UD & HD is followed by Fathua Nagar Parishad. We will take care of it in upcoming audit. |
| 31. | During the course of audit, no any officials of DEAS team were present at ULB, further their attendance sheet has not been disclosed to us. So, we are unable to comment whether they are working or not. | The officials of DEAS team are yet not deployed for FY_20-21. It will deploy soon at the ULB. |
| 32. | No details have been provided to us regarding EPF return and EPF slip to the respective employees. So, we are unable to comment on the same, whether the amount deducted for EPF is paid to concerned department or not. | EPF is deducted from the salary of contractual and daily wages employee on monthly basis by Fathua Nagar Parishad. Due to some technical reason the amount is not deposited to the concerned department. We will deposit it as soon as possible. |
| 33. | No details has been provided by ULB relating to the ESI registration and payment of premium for concerned employees. | ESI Registration will be completed as soon as. |
| 34. | Treasury Balance Certificates of various schemes are not provided during the course of audit. | It will take care in future. |



| 35. | ULB is not in practice to prepare Attendance Register of their staff, so we are not able to verify the salary payment to permanent as well as daily wages & contractual staff. Further, a Biometric Attendance is installed but not in working conditions. In absence of it, there may be chances of excess payment to the staff. | Bio metric register is maintained but due to Covid-19, it is not in working. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|-----------------|---|--|---------------|-------------|--------|------------|-------|-----------------------|--------|------------|-------|-----------------------|-------|------------|-----|-----------------------|--------|------------|------|-----------------------|--------|------------|------|-----------------------|--------|------------|--------|-----------------------|--------|------------|-----------|-----------------------|--------|------------|---------|-----------------------|--------|------------|-----------|-----------------------|--------|------------|-----------|-----------------------|--------|---------------------------------|
| 36. | <p>Log Book of Vehicle & Generator is not maintained and consequently its analysis is not possible. In absence of the same, we are unable to comment on the authenticity of the end use of fuel expense whether it is for official purpose or not. Instance of payment made during the financial year are as follow:</p> <table border="1" data-bbox="196 768 790 1500"> <thead> <tr> <th>Date of payment</th> <th>Expense month</th> <th>Agency Name</th> <th>Amount</th> </tr> </thead> <tbody> <tr> <td>20/04/2020</td> <td>March</td> <td>Saraswati Automobiles</td> <td>69,331</td> </tr> <tr> <td>22/04/2020</td> <td>April</td> <td>Saraswati Automobiles</td> <td>44179</td> </tr> <tr> <td>10/06/2020</td> <td>May</td> <td>Saraswati Automobiles</td> <td>41,157</td> </tr> <tr> <td>02/07/2020</td> <td>June</td> <td>Saraswati Automobiles</td> <td>24,044</td> </tr> <tr> <td>06/08/2020</td> <td>July</td> <td>Saraswati Automobiles</td> <td>28,751</td> </tr> <tr> <td>05/09/2020</td> <td>August</td> <td>Saraswati Automobiles</td> <td>32,815</td> </tr> <tr> <td>05/10/2020</td> <td>September</td> <td>Saraswati Automobiles</td> <td>29,444</td> </tr> <tr> <td>12/11/2020</td> <td>October</td> <td>Saraswati Automobiles</td> <td>23,420</td> </tr> <tr> <td>11/01/2021</td> <td>Nov & Dec</td> <td>Saraswati Automobiles</td> <td>39,264</td> </tr> <tr> <td>06/03/2021</td> <td>Jan & feb</td> <td>Saraswati Automobiles</td> <td>54,837</td> </tr> </tbody> </table> | Date of payment | Expense month | Agency Name | Amount | 20/04/2020 | March | Saraswati Automobiles | 69,331 | 22/04/2020 | April | Saraswati Automobiles | 44179 | 10/06/2020 | May | Saraswati Automobiles | 41,157 | 02/07/2020 | June | Saraswati Automobiles | 24,044 | 06/08/2020 | July | Saraswati Automobiles | 28,751 | 05/09/2020 | August | Saraswati Automobiles | 32,815 | 05/10/2020 | September | Saraswati Automobiles | 29,444 | 12/11/2020 | October | Saraswati Automobiles | 23,420 | 11/01/2021 | Nov & Dec | Saraswati Automobiles | 39,264 | 06/03/2021 | Jan & feb | Saraswati Automobiles | 54,837 | Log Book will maintain shortly. |
| Date of payment | Expense month | Agency Name | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 20/04/2020 | March | Saraswati Automobiles | 69,331 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 22/04/2020 | April | Saraswati Automobiles | 44179 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 10/06/2020 | May | Saraswati Automobiles | 41,157 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 02/07/2020 | June | Saraswati Automobiles | 24,044 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06/08/2020 | July | Saraswati Automobiles | 28,751 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 05/09/2020 | August | Saraswati Automobiles | 32,815 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 05/10/2020 | September | Saraswati Automobiles | 29,444 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 12/11/2020 | October | Saraswati Automobiles | 23,420 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 11/01/2021 | Nov & Dec | Saraswati Automobiles | 39,264 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 06/03/2021 | Jan & feb | Saraswati Automobiles | 54,837 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 37. | We are not able to check the compliance status of Internal Audit Observations for FY 2016-17 to FY 19-20 as well as AG Audit Report for FY 15-16 to FY 17-18. As compliance report has not been prepared by ULB. | Internal Audit Report for FY 2016-17 to FY 19-20 is not provided to Fathua Nagar Parishad and Compliance Report of AG Audit is under preparation. It will submit to department & AG Auditor shortly. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



38. As per our observations during the course of audit, there is Statutory dues of Royalty of Rs. 17,67,444 on 31.03.2021 in following schemes in books of account:

| Sl. No. | FUND | ROYALTY |
|---------|-----------------------|-------------|
| 1. | 5TH FINANCE NALI GALI | 3,08,326.00 |
| 2. | STAMP DUTY | 7,95,998.00 |
| 3. | STATE FUND | 3,12,526.00 |
| 4. | CM NALI GALI | 63,838.00 |
| 5. | PROFESSIONAL TAX | 13,744.00 |
| 6. | 14TH FINANCE | 1,83,572.00 |
| 7. | CM NAL JAL | 89,440.00 |

It is deposited to the concerned department by the end of FY_21-22.

39. As per our observations during the course of audit, there is Statutory dues of Labour Cess of Rs. 9,15,489 on 31.03.2021 in following schemes in books of account:

| Sl. No. | FUND | LABOUR CESS |
|---------|-----------------------|-------------|
| 1. | 5TH FINANCE NALI GALI | 1,49,752.00 |
| 2. | STAMP DUTY | 3,98,978.00 |
| 3. | STATE FUND | 1,27,943.00 |
| 4. | CM NALI GALI | 35,644.00 |
| 5. | PROFESSIONAL TAX | 6,872.00 |
| 6. | 14TH FINANCE | 96,543.00 |
| 7. | CM NAL JAL | 99,757.00 |

It is deposited to the concerned department by the end of FY_21-22.

40. As per our observations during the course of audit, there is Statutory dues of Seigniorage Fee of Rs. 3,60,543 on 31.03.2021 in following schemes in books of account:

| Sl. No. | FUND | SEIGNIORAGE FEE |
|---------|--------------------------|-----------------|
| 1. | 5TH FINANCE NALI GALI | 43,321.00 |
| 2. | STAMP DUTY | 1,06,969.00 |
| 3. | STATE FUND | 1,24,496.00 |
| 4. | CM NALI GALI | 5,389.00 |
| 5. | 14 TH FINANCE | 60,214.00 |
| 6. | CM NAL JAL | 20,154.00 |

It is deposited to the concerned department by the end of FY_21-22.



| | | |
|-----|--|--|
| 41. | We observed that ULB is not in practice to make agreement with successful bidder on govt. stamp paper which is totally unfair and unacceptable practice. ULB is unable to take legal action against the contractor if he fails to complete the contractual obligations. As per our opinion, all the agreement without Indian non judicial stamp paper is null and void. Further, in absence of the same contractors are not bounded to work. | It will take care in future. |
| 42. | ULB is in practice to mention initial estimated cost of work determined by Fathua Nagar Parishad as agreement value in place of bid value of successful bidder which is not as per the norms of Bihar Finance (Amendment) Rule, 2005. | We will follow your advice and will take care of it in future. |
| 43. | ULB is not in practice to prepare fixed asset register. Further there is no unique identification provided to existing asset at ULB and depreciation is also not being charged in the books of account. | Fixed Asset Register will maintained soon. |

10/5
21/4/22
कार्यपालक पदाधिकारी
नगर परिषद, फतुहा (पटना)

(Sign & Stamp)
Executive Officer
Nagar Parishad, Fathua
Place: Fathua, Bihar
Date:



Annexure 1

Calculation of excess payment made to Nandani Development Association during FY 20-21

| Billing Month | Rate/ Day | No. of Days | No of employee claimed and passed | No. of employees as per EPF data (Submitted) | Difference | Excess Payment (avg basis) |
|-----------------------|-----------|-------------|-----------------------------------|--|------------|----------------------------|
| Apr-20 | 300 | 30 | 125 | 98 | 27 | 2,43,000 |
| May-20 | 300 | 31 | 125 | 83 | 42 | 3,90,600 |
| Jun-20 | 300 | 30 | 131 | 98 | 33 | 2,97,000 |
| Jul-20 | 300 | 31 | 125 | 82 | 43 | 3,99,900 |
| Aug-20 | 300 | 31 | 125 | 82 | 43 | 3,99,900 |
| Sep-20 | 300 | 30 | 125 | 81 | 44 | 3,96,000 |
| Oct-20 | 300 | 31 | 125 | 79 | 46 | 4,27,800 |
| Nov-20 | 300 | 30 | 130 | 80 | 50 | 4,50,000 |
| Dec-20 | 300 | 31 | 123 | 88 | 35 | 3,25,500 |
| Jan-21 | 300 | 31 | 130 | 88 | 42 | 3,90,600 |
| Feb-21 | 300 | 28 | 135 | 88 | 47 | 3,94,800 |
| Mar-21 | 300 | 31 | 135 | 101 | 34 | 3,16,200 |
| EXCESS PAYMENT | | | | | | 44,31,300 |

18/5
21/4/22
कार्यपालक पदाधिकारी
नगर परिषद, फतुवा (पटना)
(Sign & Stamp)

Executive Officer
Nagar Parishad, Fathua
Place: Fathua, Bihar
Date:



Annexure 2
FY_20-21

| Sl. No. | Yojana No. | Agreement No. | Scheme Name | No. of Bidder | Bidder Name | Name of Winner Bidder |
|---------|------------|---------------|------------------------|---------------|---------------------------------|--|
| 1 | 09/18-19 | 35f2/19-20 | CM SAAT NISCHAY YOJANA | 2 | Meghanath Saw & Mahmud Alam | Mahmud Alam quoted 0.05% below bid value |
| 2 | 78/19-20 | 54f2/19-20 | CM SAAT NISCHAY YOJANA | 2 | Meghanath Saw & Mahmud Alam | Mahmud Alam quoted 10% below bid value by lottery method |
| 3 | 50/18-19 | 28f2/19-20 | STAMP DUTY | 2 | Karmendra Kumar & Sanjeev Kumar | Sanjeev Kumar quoted 0.10% below bid value |
| 4 | 26/18-19 | 08f2/19-20 | STAMP DUTY | 2 | Vikas Kumar & Mannu Rai | Vikas Kumar quoted bid value |
| 5 | 13/18-19 | 36f2/19-20 | STAMP DUTY | 2 | Meghanath Saw & Mahmud Alam | Mahmud Alam quoted 0.05% below bid value |
| 6 | 48/18-19 | 12f2/19-20 | STAMP DUTY | 2 | Sanjeet Kumar & Rajeev Kumar | Sanjeet Kumar quoted 0.01% below bid value |
| 7 | 04/18-19 | 38f2/19-20 | CM SAAT NISCHAY YOJANA | 2 | Sanjeet Kumar & Rajeev Kumar | Rajeev Kumar quoted 0.05% below bid value |
| 8 | 06/20-21 | 6f2/20-21 | 14TH FINANCE | 2 | Mannu Rai & Vikash Kumar | Vikash Kumar quoted bid value |
| 9 | 14/20-21 | 14f2-20/21 | 14TH FINANCE | 2 | Mannu Rai & Vikash Kumar | Vikash Kumar quoted bid value |
| 10 | 01-18/19 | 37f2-19/20 | CM SAAT NISCHAY YOJANA | 2 | Sanjeet Kumar & Rajeev Kumar | Rajeev Kumar quoted 0.05% below bid value |
| 11 | 41-18/19 | 49f2-19/20 | STAMP DUTY | 2 | Navin Raj & Vikash Kumar | Vikash Kumar quoted 0.05% below bid value |
| 12 | 28-18/19 | 45f2/19-20 | STAMP DUTY | 2 | Navin Raj & Vikash Kumar | Vikash Kumar quoted 0.05% below bid value |

कार्यपालक पदाधिकारी
(Sign & Stamp)
Nagar Parishad, Fathua

Executive Officer

Nagar Parishad, Fathua

Place: Fathua, Bihar

Date:



Annexure 3

Q4 of FY_20-21

| Sl. No. | Yojana No. | Agreement No. | Name of Contractor | Name of Scheme | Date of Letter disbursement by BUDCO | Timeline for contract | Last due date of Contract | Actual Date of Agreement |
|---------|------------|---------------|--------------------|------------------------|--------------------------------------|-----------------------|---------------------------|--------------------------|
| 1 | 09/18-19 | 35f2/19-20 | Mahmud Alam | CM SAAT NISCHAY YOJANA | 30-05-2019 | 7 days | 06-06-2019 | 16-10-2019 |
| 2 | 78/19-20 | 54f2/19-20 | Mahmud Alam | CM SAAT NISCHAY YOJANA | 30-11-2019 | 7 days | 07-11-2019 | 17-12-2019 |
| 3 | 50/18-19 | 28f2/19-20 | Sanjeev Kumar | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 12-09-2019 |
| 4 | 26/18-19 | 08f2/19-20 | Vikash Kumar | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 20-06-2019 |
| 5 | 64/18-19 | 47f2/19-20 | Navin Raj Nohta | STAMP DUTY | 26-09-2019 | 7 days | 03-10-2019 | 13-12-2019 |
| 6 | 13/18-19 | 36f2/19-20 | Mahmud Alam | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 16-10-2019 |
| 7 | 48/18-19 | 12f2/19-20 | Sanjeet Kumar | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 27-06-2019 |
| 8 | 04/18-19 | 38f2/19-20 | Rajeev Kumar | CM SAAT NISCHAY YOJANA | 30-08-2019 | 7 days | 06-09-2019 | 16-10-2019 |
| 9 | 05/17-18 | 78f2/17-18 | Rohit Kumar | STATE FUND | 31-03-2017 | 10 days | 10-04-2017 | 19-02-2018 |
| 10 | 06/20-21 | 6f2/20-21 | Vikash Kumar | 14TH FINANCE | 21-09-2020 | 7 days | 28-09-2020 | 16-01-2021 |
| 11 | 14/20-21 | 14f2-20/21 | Vikash Kumar | 14TH FINANCE | 21-09-2020 | 7 days | 28-09-2020 | 27-01-2021 |
| 12 | 01-18/19 | 37f2-19/20 | Rajeev Kumar | CM SAAT NISCHAY YOJANA | 30-05-2019 | 7 days | 06-06-2019 | 16-10-2019 |
| 13 | 41-18/19 | 49f2-19/20 | Vikash Kumar | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 03-12-2019 |
| 14 | 28-18/19 | 45f2/19-20 | Vikash Kumar | STAMP DUTY | 30-05-2019 | 7 days | 06-06-2019 | 03-12-2019 |
| 15 | 03-20/21 | 03f2/20-21 | Raj Kishore | 14TH FINANCE | 08-02-2020 | 7 days | 15-02-2020 | 14-09-2020 |

कार्यपालक पदाधिकारी
(Sign & Stamp) (पटना)
Executive Officer

Nagar Parishad, Fathua
Place: Fathua, Bihar
Date:



| Annexure 4 | | | | |
|--------------|----------------------------|------------------------|-------------------|------------------|
| Month | Executive Officer's Salary | TDS Deductable u/s 192 | Interest u/s 201A | Penalty u/s 271C |
| Apr-20 | - | - | - | - |
| May-20 | 2,03,292 | 22,757 | 5,006 | 22,757 |
| Jun-20 | - | - | - | - |
| Jul-20 | 67,764 | 7,586 | 1,365 | 7,586 |
| Aug-20 | - | - | - | - |
| Sep-20 | 2,62,730 | 29,410 | 4,117 | 29,410 |
| Oct-20 | - | - | - | - |
| Nov-20 | 2,95,664 | 33,097 | 3,310 | 33,097 |
| Dec-20 | 74,416 | 8,330 | 666 | 8,330 |
| Jan-21 | 74,416 | 8,330 | 500 | 8,330 |
| Feb-21 | 74,416 | 8,330 | 333 | 8,330 |
| Mar-21 | - | - | - | - |
| TOTAL | 10,52,698 | 1,17,840 | 15,297 | 1,17,840 |

Note: Interest is calculated upto March'22

| Calculation of Income Tax | |
|---|-------------------|
| Total Salary | 10,52,698 |
| (-) Standard Deduction | 50,000 |
| Taxable Salary | 10,02,698 |
| Upto Rs 2.5 Lakh | NIL |
| Rs 2.5 Lakh-Rs 5 Lakh | 12,500 |
| Rs 5 Lakh- Rs 10 Lakh | 1,00,000 |
| Above Rs 10 Lakh | 809.4 |
| GROSS TAX | 1,13,309.4 |
| (+) HEC @ 4% on tax | 4,532.376 |
| NET TAX | 1,17,840 |
| Avg Rate of TDS (117840/1052698*100) | 11.19% |

21/4/22
 कार्यपालक पदाधिकारी
 नगर परिषद, फतुहा (पटना)
 (Sign & Stamp)
 Executive Officer
 Nagar Parishad, Fathua
 Place: Fathua, Bihar
 Date:



Annexure - 6 Tower Tax DETAILS

| Sl.No. | Company Name | Date of establishment | No of Tower | Registration Fee | Renewal Fee | Total | Collection | Dues Balance |
|------------|---------------------------------------|-----------------------|-------------|------------------|-------------|--------------|------------|--------------|
| 1 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 0 | 1,68,000.00 |
| 2 | Total tele Service Ltd. | 2004-05 | 1 | 30000.00 | 1,44,000.00 | 1,74,000.00 | 68,000.00 | 1,06,000.00 |
| 3 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 20,000.00 | 1,48,000.00 |
| 4 | Total tele Service Ltd. | 2006-07 | 1 | 40,000.00 | 1,28,000.00 | 1,68,000.00 | 0 | 1,68,000.00 |
| 5 | Tata Indicom | 2009-10 | 1 | 40,000.00 | 1,04,000.00 | 1,44,000.00 | 0 | 1,44,000.00 |
| 6 | Smart Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 7 | Reliance Rim Tale Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 8 | Dishnet Wireless Ltd. | 2008-09 | 1 | 40,000.00 | 1,12,000.00 | 1,52,000.00 | 0 | 1,52,000.00 |
| 9 | Bharati cellular Ltd. | 2005-06 | 1 | 40,000.00 | 1,36,000.00 | 1,76,000.00 | 0 | 1,76,000.00 |
| 10 | B.S.N.L. Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 11 | Austam Tele Services | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 12 | Airtel Services Bharati Cellular Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 13 | Aircel Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 14 | Aircel Tele Services Ltd. | 2007-08 | 1 | 40,000.00 | 1,20,000.00 | 1,60,000.00 | 0 | 1,60,000.00 |
| 15 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 16 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 17 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| 18 | Reliance Jio | 2018-19 | 1 | - | 20,000.00 | 20,000.00 | 0 | 20,000.00 |
| Total dues | | | | | | 23,50,000.00 | 88,000.00 | 22,62,000.00 |

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DEFAULTER LIST

Singh

| S. No. | Name | Farther's Name/ Husband Name | Ward No. | Holding no. | Period Year | Amount Due |
|--------|------------------------------------|------------------------------|----------|-------------|-----------------------|------------|
| 1 | Mehi Cinema Palace, Fathua | - | 15 | 349 | FY 2008-09 to 2020-21 | 28860 |
| 2 | Ram Pyari Devi | Gopal Saran Singh | 11 | 164 | FY 2008-09 to 2020-21 | 19812 |
| 3 | Shyam Babu Muna | Shiv Narayan Shaw | 11 | 171 | FY 2008-09 to 2020-21 | 18980 |
| 4 | Hari Nandan Das | - | 11 | 172 | FY 2008-09 to 2020-21 | 19500 |
| 5 | Kamleshwar Mahto | - | 11 | 189 | FY 2008-09 to 2020-21 | 45084 |
| 6 | Sargi Devi | Prayag Mahto | 11 | 196 | FY 2008-09 to 2020-21 | 29172 |
| 7 | Reshmi Devi | Shiv Narayan Mistri | 11 | 208 | FY 2008-09 to 2020-21 | 22360 |
| 8 | Rajan Gop | Bidyanath gop | 19 | 84 | FY 2008-09 to 2020-21 | 48880 |
| 9 | Dak Bungalow, Zila Parishad | - | 23 | 471 | FY 2008-09 to 2020-21 | 73580 |
| 10 | Jitendra Kumar Bihari & Binda Devi | - | 12 | 47 | FY 2008-09 to 2020-21 | 30056 |
| 11 | Umesh Prakash Gupta | - | 12 | 50 | FY 2008-09 to 2020-21 | 25298 |
| 12 | Sunita Devi | Anuj Kumar | 12 | 126 | FY 2008-09 to 2020-21 | 21580 |
| 13 | Chandu Kant | Amit Kumar | 12 | 127 | FY 2008-09 to 2020-21 | 21580 |
| 14 | Anita Devi | Sanjay Singh | 12 | 175 | FY 2008-09 to 2020-21 | 26780 |
| 15 | Ramnath Shaw | Late Sokhi Shaw | 12 | 225 | FY 2008-09 to 2020-21 | 64870 |
| 16 | Thana Karyalay, Fathua | - | 12 | 53 | FY 2008-09 to 2020-21 | 23400 |
| 17 | Dharmendra Kr | Durga Prasad | 12 | 87 | FY 2008-09 to 2020-21 | 17004 |
| 18 | Raj Kumar Prasad | Ram Swarath Prasad | 12 | 220 | FY 2008-09 to 2020-21 | 18720 |
| 19 | Prakash Sah | Hiralal Sah | 12 | 151 | FY 2008-09 to 2020-21 | 15392 |
| 20 | Papu Singh | Raj Kumar Singh | 11 | 169 | FY 2008-09 to 2020-21 | 16510 |


MS
21/11/22
कार्यपालक पदाधिकारी
नगर परिषद, फतुह (पटना)
माय



HIGH VALUE PROPERTY DETAILS

Annexure-8

| Sl. No. | Owner Property Name | Add Of Owner | Ward No | Type of construction | Taxable area | Rate/sqft | Annual rent | Annual Property Tax@9% | Residential/ Commercial |
|---------|---------------------|-----------------|---------|----------------------|--------------|-----------|-------------|------------------------|-------------------------|
| 1 | Rambabu Prasad | Mirjapur Nohta | 14 | R.C.C | 176 | 11.11 | 1955 | 176 | Residential |
| 2 | Ramrati Devi | Mirjapur Nohta | 14 | R.C.C | 1240 | 2.22 | 2753 | 248 | Residential |
| 3 | Urmila Devi | Nohta | 14 | R.C.C | 480 | 3.33 | 1598 | 144 | Residential |
| 4 | Dilip Yadav | Nohta | 22 | R.C.C | 600 | 5.55 | 3330 | 300 | Residential |
| 5 | Saroj Devi | Nohta | 22 | R.C.C | 320 | 5.55 | 1776 | 160 | Residential |
| 6 | Jay pal Singh | Devichak | 12 | R.C.C | 117 | 27.77 | 3250 | 292 | Residential |
| 7 | Kamlesh Singh | Devichak | 12 | R.C.C | 117 | 27.77 | 3250 | 292 | Residential |
| 8 | Prabha Devi | Devichak | 12 | R.C.C | 144 | 27.77 | 4000 | 360 | Residential |
| 9 | Naval Singh | Bankipur Gorakh | 11 | R.C.C | 198 | 27.77 | 5500 | 496 | Residential |
| 10 | Suresh Puri | Bankipur Gorakh | 11 | R.C.C | 420 | 11.11 | 4666 | 420 | Residential |
| 11 | Muneshwar Singh | Dariyapur | 16 | R.C.C | 400 | 5.55 | 2220 | 200 | Residential |
| 12 | Vivek Kumar Singh | Nohta | 22 | R.C.C | 504 | 5.55 | 2797 | 252 | Residential |
| 13 | Shashi Prasad Gupta | Nohta | 22 | R.C.C | 460 | 5.55 | 2553 | 230 | Residential |
| 14 | Brijnandan Prasad | Mirjapur Nohta | 22 | R.C.C | 624 | 5.55 | 3463 | 312 | Residential |
| 15 | Dilip Paswan | Kalyanpur | 15 | R.C.C. | 500 | 5.55 | 2775 | 250 | Residential |
| 16 | Bhola Paswan | Kalyanpur | 15 | R.C.C. | 500 | 5.55 | 2775 | 250 | Residential |
| 17 | Mewalal | Nohta | 22 | R.C.C | 540 | 5.55 | 2997 | 270 | Residential |
| 18 | Munna Kumar | Nohta | 22 | R.C.C | 334 | 5.55 | 1854 | 167 | Residential |
| 19 | Raja Ram | Raipura | 17 | R.C.C | 900 | 5.55 | 4995 | 450 | Residential |
| 20 | Santosh Kumar | Bankipur Gorakh | 8 | R.C.C | 1020 | 2.22 | 2264 | 204 | Residential |


 कार्यपालक पदाधिकारी
 नगर परिषद, फतुह (पटना)
 24/4/22

