

**Principal Secretary**

**Urban Development & Housing Department, Govt of Bihar**

**Vikas Bhawan, New Secretariat, Patna**

**Annual Internal Audit**  
**Report Submitted as per**  
**Contract Agreement No 140**  
**dated 05<sup>th</sup> April 2016.**

**As submitted by**  
**K R A & Co.**  
**(Chartered Accountant)**  
**Naya Tola, Patna, Bihar**  
**Contact No: 9971179375, 9708747261**

**APPENDIX – V**

**Annual Internal Audit Report**  
**ULB**

Of Hajipur Nagar Parishad

For the period from 01/04/2016 to 31/03/2017

Internal Audit Conducted By

**K R A & Co.**

**(Chartered Accountants)**

Naya Tola, Patna, Bihar



# K R A & Co. (Chartered Accountants)

Naya Tola, Patna, Bihar-800004

Mb: 09708747261, 09971179375, E-mail: [krapatna@gmail.com](mailto:krapatna@gmail.com)

## Executive Summary

### 1. Introduction

- Name of the Municipality – HAJIPUR NAGAR PARISHAD
- Period covered under current audit – 1<sup>st</sup> April 2016 to 31<sup>st</sup> Mar 2017
- Name of Chief Municipal Officer for the period under Audit – Mr. Siddhartha Harshvardhan

### 2. Results and Findings

#### A. Strengths observed during the audit engagement:

- Manual Accounting system is in existence though not much effective.
- Responses from Executive officers, Head Clerks were satisfactory.
- Office Infrastructure is sufficient for operation.

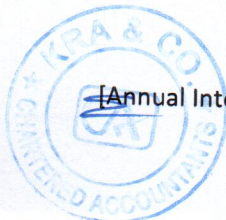
#### B. Weaknesses observed in the functioning of office, maintenance of records etc. during the audit engagement.

- Unable to collect Gov. Building Tax of Rs. 26, 23,870/- as on 30th June 16.
- Unable to collect mobile transmission tax (Registration & Renewal Fees) of Rs. 56,98,800/-.
- Unable to collect Market/Shop rent of Rs. 1,03,87,693/-
- Delay in deposit / non deposition of collected Holding Tax collection
- Non compliance of Income Tax Act & Rules as TDS not deducted on eligible payments.
- Non compliance of Income Tax Act & Rules as TDS deducted but deposited late.
- Non compliance of Income Tax Act & Rules as TDS return filed late.
- Interest & penalty may be imposed for late deposition of deducted Vat, Labour Cess & Royalty as per relevant Acts & Rules
- Final Payments have been made without M and N form/affidavit from Contractor.
- Fixed assets register not maintained/updated properly
- Stores Register not maintained properly.
- Non Maintenance of prescribed books of accounts including Annual account as per BMA 2007 & BMAR 2014.

### 3. Opinion

In our overall opinion - ULB is not much efficient due to non implementation of proper accounting system and financial management of records and not following Bihar Municipal Accounting Rules 2014 properly.

### 4. Audit Recommendations



[Annual Internal Audit Report - Hajipur Nagar Parishad for Financial Year 2016-17]

The Concerned Authority at ULB should raised request for proper manpower requirements at ULB. Proper & relevant Training Programs for existing manpower must be developed, depending upon their Key Responsibilities Area (KRA). Further they must be given training on Bihar Municipal Act & Rules so that proper adherence to the Act & Rules could be done at ULB.

The Concerned Officers should explore other areas of Revenue Generation by surveying their area for Tower tax, Trade tax, Advertisement Tax, Hoarding Fees, Other Fees Taxes & Record Keeping should be done properly. Several Books and registers which are not maintained or maintained in improper manner should be done properly. Team at ULB should have adequate coordination between them for making their internal control system perfect.

#### 5. Comments from Management

As per local management, due to shortage of competent staff and absence of centralised financial control over reporting, they have not been able to resolve the pending issues. In line with the action plan, requisition of placement of proper staff shall be made in future for better financial management.

#### 6. Acknowledgement

We acknowledge that we have received cooperation at the respective ULB and corporation and acceptance of findings and management will follow the recommendations





# K R A & Co. (Chartered Accountants)

Naya Tola, Patna, Bihar-800004

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## Detailed Audit Report

### 1. Introduction

As per the agreement no. 4 of contract we have already submitted the quarterly internal audit report of Patna Hajipur Nagar Parishad for the financial year 2016-17 which was conducted by our Audit Team under guidance of CA. Manvinder Kaur, Partner, K R A & Co. (Chartered Accountants). Now we are submitting the Annual Internal audit of Patna Hajipur Nagar Parishad covering the period from 01/04/2016 to 31/03/2017.

### 2. Administration

The present body of the ULB has taken charge on 05.09.2014. The incumbency in the key Administrative and executive positions were as under:

Executive Officer: - Mr. Siddarth Harshvardhan

Chairman: - Mrs. Sangita Kumari

Vice-Chairman:- Mrs. Rama Nishad

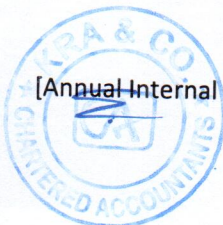
City Manager: - Ms. Kanchan Kumar

### 3. Review of outstanding audit paras:

| S. 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. & dated of compliance report |
|-------|---|---------------------------|--|--|---|--------------------------|--|----------------------------------|
| 1     | AG Audit for FY 12-13 13-14 & 14-15 done in May & June 2015 | 32                        | 32   | 13   | 8   | 10510300                 | 24   | 03-05-16                         |

Particulars of outstanding paras of AG audit are given below:

| S. No. of Paras | Particulars                       |
|-----------------|-----------------------------------|
| LA/SS-1/SA-01   | Sairat list & Details             |
| LA/SS-1/SA-02   | Fixed Assets Register             |
| L.A.S.P.G.-03   | Municipal Accounts Committee work |



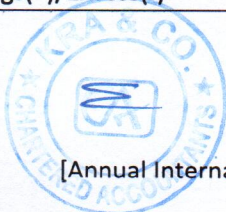
[Annual Internal Audit Report - Hajipur Nagar Parishad for Financial Year 2016-17]

|                |   |
|----------------|---|
| L.A.S.P.G.-04  | Compliance of Old Audit Report  |
| L.A.S.P.G.-05  | Annual Accounts not prepared  |
| L.A.S.P.G.-06  | Advance Salary payment without permanent empowered committee acceptance |
| L.A.S.P.G.-08  | Government grant  |
| LA/SS-1/SA-09  | Loss on Sairat allotment  |
| LA/SS-1/MK-10  | Collection not deposited  |
| LA/SS-1/RNP-11 | Holding tax not deposited   |
| LA/SS-1/MK-12  | Collection not deposited  |
| L.A.S.P.G.-13  | Financial details & comparatives  |
| LA/SS-1/RNP-14 | Holding tax not deposited   |
| LA/SS-1/SA-15  | Sairat amount not deposited   |
| LA/SS-1/SA-16  | Advertisement fees details to be provided                               |
| LA/SS-1/SA-17  | Sairat amount not deposited   |
| L.A.S.P.G.-18  | Income tax not deducted   |
| LA/SS-1/SA-19  | Loss on Sairat allotment  |
| L.A.S.P.G.-20  | Irregular purchase of Street Light                                      |
| LA/SS-1/SA-21  | VAT not deducted  |
| LA/SS-1/RNP-22 | Holding tax not deposited   |
| LA/SS-1/MK-23  | Collection not deposited/less deposited                                 |
| L.A.S.P.G.-26  | Irregular purchase of Dustbin & Rickshaw                                |
| LA/SS-1/MK-27  | Shop rent pending   |
| LA/SS-1/SA-28  | Holding tax pending   |
| LA/SS-1/SA-29  | Non collection of mobile tower tax                                      |
| L.A.S.P.G.-30  | Purchase without approval of Municipal Council Board                    |
| L.A.S.P.G.-31  | Elected Member Travel Allowance   |
| LA/SS-1/MK-32  | Multiple receipt not presented  |
| LA/SS-1/MK-33  | Data/details not presented  |
| LA/SS-1/MK-34  | Collection not deposited  |
| LA/SS-1/MK-35  | Collection not deposited by Cashier                                     |

#### 4. Finance

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

| Year                 | 2016-17        | 2015-16        | 2014-15        |
|----------------------|----------------|----------------|----------------|
| Final/Revised Budget | 68,09,02,340/- | 71,62,03,000/- | 30,68,56,020/- |
| Actual Expenditure   | 25,97,35,614/- | 58,16,33,270/- | 18,84,28,528/- |
| Savings(+)/Excess(-) | 42,11,66,726   | 13,45,69,730/- | 11,84,27,492/- |



[Annual Internal Audit Report - Hajipur Nagar Parishad for Financial Year 2016-17]

## II. Volume of transactions

| Period          | Budgeted<br>(FY 2016-17) | Corresponding<br>Period of Previous<br>Year (FY 2015-16) | Current<br>Period (FY 2016-17) |
|-----------------|--------------------------|--|--------------------------------|
| Opening balance | 50,66,19,553/-           | 16,72,67,683/-   | 26,08,27,780/-                 |
| Receipts        | 2,89,74,44,447           | 87,85,75,893/-   | 20,48,92,458/-                 |
| Total           | 3,40,40,64,000/-         | 104,58,43,576/-  | 46,57,20,238/-                 |
| Net expenditure | 3,39,61,51,000/-         | 53,92,24,023/-   | 25,97,35,614/-                 |
| Closing balance | 79,13,000/-              | 50,66,19,553/-   | 20,59,84,624                   |

## III. Bank reconciliation

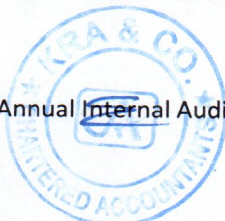
Bank reconciliations have not been prepared up to 31.03.2017, therefore a total of Rs. 9,43,401.22/- unexplained differences observed between Cashbook balances & Passbook balances. Annexure 1 & 2

Closing Balances as per Passbooks are as follows:-

| S. No. | Bank Name                         | Amount              |
|--------|-----------------------------------|---------------------|
| 1      | SBI A/C. NO(3270922473)           | 4095778.00          |
| 2      | SBI A/C.NO(33588148909)           | 16587367.00         |
| 3      | SBI A/C.NO(33460884365)           | 62731.00            |
| 4      | SBI A/C.NO(10878004569)           | 1183673.00          |
| 5      | SBI A/C. NO(33851556442)          | 706909.00           |
| 6      | SBI A/C. NO(33948728857)          | 29726943.00         |
| 7      | BOI A/C. NO(465410110008231)      | 1146082.00          |
| 8      | BOI A/C. NO(465420110000192)      | 384561.00           |
| 9      | UBG BANK A/C.NO(1000831010003678) | 402392.00           |
| 10     | IDBI A/C.NO(724104000003193)      | 502719.00           |
| 11     | HDFC A/C.NO(03451450000100)       | 1479615.00          |
| 12     | CORPORATION(098)                  | 2299770.00          |
| 13     | CORPORATION(097)                  | 11825982.00         |
| 14     | SBI A/C. NO(35188073826)          | 983269.00           |
| 15     | CORPORATION(3686)                 | 1991974.00          |
| 16     | PLA                               | 183192799           |
| 17     | CANARA(021)                       | 16515193.00         |
|        | <b>Total</b>                      | <b>273087757.00</b> |

Closing Balance as per Cash Book Scheme Wise:-

| S. No. | Scheme Name    | Amount       |
|--------|----------------|--------------|
| 1      | SBM            | 42,87,821.64 |
| 2      | AMRUT          | 6,49,943.50  |
| 3      | E-MUNICIPALITY | 26.00        |



|    |                                 |                       |
|----|---------------------------------|-----------------------|
| 4  | HFA                             | 2,95,6,495.50         |
| 5  | MISC                            | 4,19,904.93           |
| 6  | BRGF                            | 5,13,676.75           |
| 7  | TEACHER SALARY                  | 2,86,520.50           |
| 8  | T.HALL + C. HALL                | 3,96,516.25           |
| 9  | K. ANTYESTIC                    | 2,831.50              |
| 10 | ROAD CONST.                     | 8,323.50              |
| 11 | INTEREST                        | 1,14,524.75           |
| 12 | S. S PENSION                    | 1,76,690.25           |
| 13 | SLUM                            | 74,31,735.75          |
| 14 | 13 <sup>TH</sup> FINANCE        | 9,49,562.00           |
| 15 | 14 <sup>TH</sup> FINANCE        | 91,26,183.25          |
| 16 | E-GOVERNANCE                    | 33,225.00             |
| 17 | NULM                            | 42,07,868.50          |
| 18 | 4 <sup>TH</sup> SFC PAY/PENSION | 9,49,356.50           |
| 19 | DEVELOPMENT                     | 1,73,608.25           |
| 20 | URBAN ROADS                     | 7,959.75              |
| 21 | WATER SUPPLY                    | 6,418.75              |
| 22 | PUBLIC HEALTH & HYGINE          | 78,344.75             |
| 23 | UNTIE FUND                      | 46,382.50             |
| 24 | ROAD                            | 32,223.75             |
| 25 | ADM ON BUILDING                 | 1,25,739.75           |
| 26 | CIVIL ANIMITIES                 | 38,538.75             |
| 27 | PAY TO EX-OFFICER               | 10,755.75             |
| 28 | PROF TAX                        | 8,81,214.00           |
| 29 | ADV FOR SHOP CONST.             | 9,30,841.75           |
| 30 | CENSUS                          | 12,750.00             |
| 31 | ALLOTMENT FOR 18 TABLET         | 3,677.50              |
| 32 | ELECTION                        | 2,500.00              |
| 33 | STATE PLAN 2014-15              | 7,40,628.50           |
| 34 | STATE PLAN 2015-16 DRAIN        | 3,06,756.75           |
| 35 | STATE PLAN 2015-16 ROAD         | 1,42,439.00           |
| 36 | SAMRAT ASHOK BHAWAN             | 17,41,662.50          |
| 37 | 5 <sup>TH</sup> SFC             | 2,33,85,323.75        |
| 38 | NALI-GALI                       | 36,32,290.00          |
| 39 | E. O .SALARY                    | 35,425.00             |
| 40 | PAY TO CITY MANAGER             | 11,831.75             |
| 41 | SANITATION GRANT                | 4,96,116.75           |
| 42 | PATH NIRMAN                     | 6,250.00              |
| 43 | M/B                             | 27,98,246.48          |
|    | <b>Total</b>                    | <b>6,81,59,131.00</b> |



#### IV Revenue Receipts

| Period  | Budgeted<br>(FY 2016-17) | Corresponding Period<br>of Previous Year<br>(FY 2015-16) | Current Period<br>(FY 2016-17) |
|---|--------------------------|--|--------------------------------|
| a) Own source                                     |                          |  |                                |
| a) Own source                                     |                          |  |                                |
| Property Tax/Tax Revenue                          | 3,01,00,000/-            | 86,44,969  | 99,38,087/-                    |
| Assigned Revenue                                  | 4,50,00,000/-            | 1,93,96,068  | 2,15,07,785/-                  |
| Others (Fee & User Charges)                       | 2,21,20,000/-            | 37,58,729  | 1,52,12,514/-                  |
|   |                          |  |                                |
| (b) Administrative grant                          | <b>12,30,00,000/-</b>    | <b>6,39,715</b>  | <b>2,11,900/-</b>              |
|   |                          |  |                                |
| (c) Specific Grant Total:                         | <b>95,00,74,447/-</b>    | <b>54,80,90,618</b>                                      |                                |
| (Scheme wise)                                     |                          |  |                                |
| BPL Grant   | 10,00,000/-              | 0  |                                |
| Election Grant                                    | 5,00,00,000/-            | 21,46,200  |                                |
| Electricity & Contingency                         | 55,00,000/-              | 0  |                                |
| School Children health grant                      | 15,00,000/-              | 0  |                                |
| Swachh Bharat Mission                             | 15,00,00,000/-           | 14,00,000  |                                |
| Other Revenue Grants                              |                          | 49,54,28,377   |                                |
| Natural Calamity                                  | 25,00,000/-              |  |                                |
| Kartik chhath/purnima mela                        | 15,00,000/-              |  |                                |
| slum Development                                  | 15,00,00,000/-           | 27,91,296  |                                |
| Pub. Health & Cleaning Grant                      | 3,00,00,000/-            | 1,44,19,800  |                                |
| SJSRY/NULM  | 5,00,00,000/-            | 1,25,43,295  |                                |
| Special Grant (Nagarik Suvidha,<br>House for all) |                          | 1,87,91,650  |                                |
| United Grant                                      | 15,00,00,000/-           |  |                                |

#### V. Status of implementation of Double Entry Accounting System

For the relevant financial year i.e. double entry accounting system has not been followed.

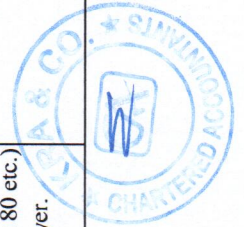
#### VI. Status of Municipal Accounts Committee; if meeting is held

As per management, no such meeting has been held yet.



**5. Annual Internal Audit/Compliance Report of Hajipur Nagar Parishad for Financial Year 2016-17**

| S No | Period          | Observations   | Management Comments/Compliance                            | Reference                | Status  |
|------|-----------------|--|---|--------------------------|---------|
| 1    | Q1, Q2 & Q3     | <p><b>Uncollected Holding Tax of Rs. 26,99,681/- on Govt. Building &amp; Shop rent.</b></p> <ul style="list-style-type: none"> <li>Holding Tax of Rs. 26, 99,681/- on Govt. building was pending to be recovered on till 30th June 2016 as per MIS sent to state government. As per official of ULB, steps are being taken for collection of holding tax.</li> <li>Demand Register &amp; Summery Register in BMAR Form 23 &amp; 24 not maintained.</li> </ul> <p><b>Mobile Transmission Tower Tax (Registration &amp; Renewal) of Rs. 56,98,800/- Pending Collection</b></p> <ul style="list-style-type: none"> <li>Mobile Transmission Tower Tax (Registration &amp; Renewal fees) of Rs. 5698800/- was pending to be collected form 42 Mobile Transmission Towers under concerned ULB, based on records produced by Process Owner of the ULB.</li> <li>No records kept for number of antennas placed at each tower</li> <li>No late fine imposed for delays in collection of renewal fees</li> </ul> | Necessary instructions are being given to concern person. | Point No. 5 Part-A (i)   | Pending |
| 2    | Q1, Q2, Q3 & Q4 | <p><b>Market/shop Rent Pending Collection of Rs. 11507631/-</b></p> <p>Criteria -<br/>Market/shop Rent should be collected on time. Further late fine should be imposed on uncollected/pending collection.</p> <p>Condition -</p> <ul style="list-style-type: none"> <li>Market/shop rent of Rs. 11507631/- was pending to be collected from 652 shops on 30th June 2016 at concerned ULB</li> </ul>   | Necessary instructions are being given to concern person. | Point No. 5 Part-A (ii)  | Pending |
| 3    | Q1, Q2 & Q4     | <p><b>Collected holding tax not deposited by tax collector to cashier 2 to 30 days./ Collected amount kept by cashier 30 days or more.</b></p> <p>As per rule 27 of Bihar municipal accounting rules 2014, Tax Collected has to be deposited on same day before 4:30 PM to the designated personnel for depositing them to the bank.</p>   | Necessary instructions are being given to concern person. | Point No. 5 Part-A (iii) | Pending |
| 4    | Q1, Q2, Q3 & Q4 | <p>Delays observed in depositing of collected tax money to the bank.</p> <p><b>Non Deduction of TDS as per Income Tax Act 1961 &amp; rules prescribed there under:</b></p>   | Necessary instructions are being given to concern.        | Point No. 5 Part-A (iv)  | Pending |
| 5    | Q1, Q2, Q3 & Q4 | <p>On Sample verification of records of Hajipur Nagar Parishad, we observed that no TDS deducted on the salary paid during the relevant Assessment year 2017-18 &amp; Financial Year 2016-17 in respect of income chargeable under sub-section (1) of section 4 of Income Tax Act 1961. It has been observed that annual salaries of few employees were more than Rs 3 lakh.</p> <p>Even no support for exempted investment/expenses under Chapter VI (Section 80 etc.) were collected from the employee, which is mandatory to be collected by employer.</p>  | Necessary instructions are being given to concern person. | Point No. 5 Part-B (i)   | Pending |



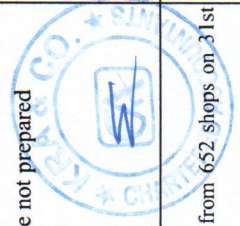
**5. Annual Internal Audit/Compliance Report of Hajipur Nagar Parishad for Financial Year 2016-17**

| S No | Period          | Observations  | Management Comments/Compliance                            | Reference                | Status  |
|------|-----------------|---|---|--------------------------|---------|
| 6    | Q1, Q2, Q3 & Q4 | <u>Non Deduction of TDS as per Income Tax Act 1961 &amp; rules prescribed there under:</u><br>Sample verification of records of Hajipur Nagar Parishad, No TDS deducted on the commission paid during the Financial Year 2016-17 in respect of income chargeable under sub-section (1) of section 4 of Income Tax Act 1961. It has been observed that commission paid to tax collector and Tds not deducted on the same amount.                             | Necessary instructions are being given to concern person. | Point No. 5 Part-B (ii)  | Pending |
| 7    | Q1, Q2, Q3 & Q4 | <u>TDS Deducted but Deposited Late</u><br>•As per Income Tax Act 1961 & Rules, "Tax deduction at source" (TDS) is applicable on the specified transactions and TDS deducted needs to be deposited by 7th day of the next month.<br>On Sample verification of records of Hajipur Nagar Parishad, it is observed that TDS deposited late.   | In future will be followed strictly.                      | Point No. 5 Part-B (iii) | Pending |
| 8    | Q1, Q2, Q3 & Q4 | <u>TDS Return Filled Late</u><br>• As per Income Tax Act 1961 & Rules, "Tax deduction at source" (TDS) is applicable on the specified transactions and TDS deducted needs to be deposited by 7th day of the next month.<br>• Also Quarterly TDS returns need to be filed by 15th day of the following quarter.<br>On Sample verification of records of Hajipur Nagar Parishad, it is observed that TDS return filed late for various quarter of FY 2016-17: | In future will be followed strictly.                      | Point No. 5 Part-B (iii) | Pending |
| 9    | Q1, Q2, Q3 & Q4 | <u>VAT, Labour Cess &amp; Royalty Deducted during 1st quarter F.Y. 2016-17 but Deposited Late:</u><br>Verification of records of Hajipur Nagar Parishad, it is observed that VAT deducted on various bills but deposited late by the ULB in FY 2016-17.<br><u>Carriage payment made without M and N Form</u>  | Necessary instructions are being given to concern person. | Point No. 5 Part-B (iv)  | Pending |
| 10   | Q1, Q2, Q3 & Q4 | As per rule 40, Sub-rule (10) of the Bihar Minor Mineral Concession Rule, 1972, contractor are liable to submit Form 'M' and Form 'N' in compliance of the Bihar Minor Mineral Concession Rules.<br>During Audit we observed that Final payment has been done without affidavit form M and N.   | Necessary instructions are being given to concern person. | Point No. 5 Part-B (v)   | Pending |



**5. Annual Internal Audit/Compliance Report of Hajipur Nagar Parishad for Financial Year 2016-17**

| S No                | Period             | Observations  | Management Comments/Compliance                            | Reference                 | Status  |
|---------------------|--------------------|---|---|---------------------------|---------|
| <del>10</del><br>11 | Q1, Q2,<br>Q3 & Q4 | <b>Fixed Assets Register not maintained &amp; updated at ULB</b><br>As per Chapter 15, Rule 84 of Bihar Municipal Accounting Rules 2014, The Municipality shall maintain the following Registers comprising land, building & all other infrastructure, immovable & movable Properties which belongs to municipality.<br>a) Register of Land (BMAR Form 37)<br>b) Register of Immovable Properties (BMAR Form 38)<br>c) Register of Movable Properties (BMAR Form 39)<br><br>We observed that Fixed asset register is not maintained & updated at ULB. | Necessary instructions are being given to concern person. | Point No. 5 Part-B (vi)   | Pending |
| <del>11</del><br>12 | Q1, Q2,<br>Q3 & Q4 | <b>Store Register not maintained properly</b><br>As per Rule 3 of Bihar Municipal Accounting Rules 2014, The Municipality shall Maintain store register in BMAR Form 47.<br><br>Stores Register is maintained, however stock like printing and stationary, cleaning material, bleaching powder & brooms etc. are not updated in the register.   | Necessary instructions are being given to concern person. | Point No. 5 Part-B (vii)  | Pending |
| <del>12</del><br>13 | Q1, Q2,<br>Q3 & Q4 | <b>Advance payments (Irregularity in disbursement of samajik suraksha pension) Criteria.</b><br>As per rule no 40, No advance shall be made until the previous advance has been settled. Advance payment exceeding Rs 10000 shall be made by municipality through cheque only. We found that there is advances given to following tax collectors for disbursement of samajik suraksha pension but not adjusted till date  | It will be followed from current financial year.          | Point No. 5 Part-B (viii) | Pending |
| <del>14</del><br>15 | Q1/Q2<br>Q3/Q4     | <b>Other Remarks &amp; Observations</b><br>A. As per Bihar Municipal Act 2007 Section 86 & 88 & BMAR 2014, annual accounts not prepared for F Y 2016-17.<br>B. As per rule no 27, collection register separate for each fund is not maintained.<br>C. As per Rule 69 of BMAR 2014, Grant Register in BMAR Form 28 is not maintained<br>D. As per rule no 120, monthly receipt and payment statements are not prepared<br>E. As per rule no 121, monthly trial balance is not prepared.  | Necessary instructions are being given to concern person. | Point No. 5 Part-C (ii)   | Pending |
| <del>15</del><br>16 | Q3                 | <b>Market/shop Rent Pending Collection of Rs. 11120515/-</b><br>• Market/shop rent of Rs. 1,11,20,515/- was pending to be collected from 652 shops on 31st Dec 2016 at concerned ULB  | Necessary instructions are being given to concern person. | Point No. 5 Part-A (iii)  | Pending |



**5. Annual Internal Audit/Compliance Report of Hajipur Nagar Parishad for Financial Year 2016-17**

| S No | Period | Observations  | Management Comments/Compliance                            | Reference              | Status  |
|------|--------|---|---|------------------------|---------|
| 16   | Q4     | <p><u>Uncollected Holding Tax of Rs. 26,23,870/- on Govt. Building &amp; Shop rent.</u></p> <ul style="list-style-type: none"> <li>• Holding Tax of Rs. 26, 23,870/- on Govt. building was pending to be recovered on till 30th June 2016 as per MIS sent to state government. As per official of ULB, steps are being taken for collection of holding tax.</li> <li>• Demand Register &amp; Summery Register in BMAR Form 23 &amp; 24 not maintained.</li> </ul> | Necessary instructions are being given to concern person. | Point No. 5 Part-A (i) | Pending |

