

# Internal Audit Report

of

**ULB: Bettiah Nagar Parishad**

**For the period from 01-04-2018 to 31-03-2019**

**Internal Audit Conducted by:**

**GKSureka & Co.**  
**Chartered Accountants**  
104, Baidyanath Palace, Jagdeo Path,  
Bailey Road Pillar No.10, Patna-800014. (Bihar).  
Phone No:- 0612-2590048  
M: 9811077186, 9999232791  
E: bihar@gksureka.com W: gksureka.com

**From 16-09-2019 to 28-09-2019**

**Report Issued on: 13-10-2019**

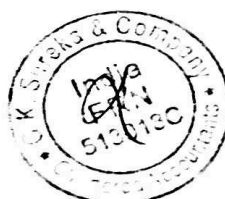
## Executive Summary

### 1. Introduction

|   |   |
|---|---|
| <b>Name of the Municipality</b>                                       | Nagar Parishad Bettiah.                           |
| <b>Period Covered under Current Audit</b>                             | 01.04.2018 to 31.03.2019                          |
| <b>Name of the Chief Municipal Officer for the period under Audit</b> | <b>Executive Officer</b><br>Mr. Manoj Kumar Pawan |

### 2. Results and Findings

|   |  |
|---|--|
| <p><b>Strength observed during the audit engagement</b></p>   | <ul style="list-style-type: none"> <li>➤ General Cash Book has been written.</li> <li>➤ Staff Co-operation during the Audit period was very good.</li> <li>➤ All municipal transactions shall be identified with funds in accordance with rule 5, and separate accounting records have been maintained for each fund.</li> <li>➤ Office infrastructure is sufficient for operation.</li> </ul>   |
| <p><b>Weakness observed in the functioning of office, maintenance of records etc. observed during the audit engagement.</b></p> <p><i>The comments under these two categories should summarize each significant Audit observation in the order of materiality. The summary should be as brief as possible and draw on the observations under the Para on Consequence Effect/ impact of each Audit observation. It should also include a summation of outstanding statutory and internal audit observations.</i></p> | <ul style="list-style-type: none"> <li>➤ Municipality has not been maintaining its books of accounts using double accounting system of book keeping following accrual system of accounting principles guided by the Bihar Municipal Accounting Manual.</li> <li>➤ Statement of outstanding liabilities for expense in BMAR Form-55 is not maintained by the municipality.</li> <li>➤ The property tax register has not been provided to us to ascertain the Total Demand and Arrear at the end of the audit period.</li> <li>➤ Taxes and other revenue collections from internal sources are not deposited in bank on same day.</li> <li>➤ Nagar Parishad is not maintaining the demand register for various types of Taxes and Rent to be collected from the revenue resources i.e. Holding Tax, Tower Tax, and Shop Rent etc.</li> <li>➤ Labour cess (1%) on Building construction work in N.P area has not been collected from the Applicants.</li> <li>➤ Assessment of Property Tax, Rent and other resources has not been conducting on regular intervals.</li> </ul> |



### 3. Opinion

|  |   |
|--|---|
| <b>Overall opinion of the Audit team about the functioning of the Municipality</b> | <p>The functioning of the Municipality is very weak due to following reasons:</p> <ul style="list-style-type: none"><li>➤ Most of the prescribed Books of accounts are not maintained.</li><li>➤ Internal Control w.r.t. collection of taxes, monitoring of grant, monitoring of advances, monitoring of schemes etc. is very poor.</li><li>➤ Collection from own sources is very poor.</li><li>➤ Grant received for various purposes are not utilized on timely basis.</li><li>➤ Manpower of Nagar Parishad is not adequate.</li></ul> |
|--|---|

### 4. Audit Recommendations

|   |   |
|---|---|
| <b>The recommendations of Audit team on the observed weakness</b> | <b>We recommend the followings:</b> <ul style="list-style-type: none"><li>➤ Books of Accounts need to be maintained on double entry accounting system.</li><li>➤ All the prescribed books of accounts and Registers should be prepared on real time basis.</li><li>➤ Cashier Cash Book should be written on daily basis.</li><li>➤ Collection by tax collector should be deposited on daily basis.</li><li>➤ Assessment of property should be conducted on regular intervals.</li><li>➤ Grant Register should be prepared.</li><li>➤ Demand Collection Register of all the wards should be prepared.</li><li>➤ Property tax register should be prepared as per new assessment.</li><li>➤ Collection from own sources should be improved.</li><li>➤ Labour cess (1%) on construction work should be collected.</li></ul> |
|---|---|



## 5. Comments from Management

| Comment from Management | The audit report has been discussed with us; we will try our best to remove the irregularities pointed out in the audit report. |
|-------------------------|---|
|                         |   |

## 6. Acknowledgment

We thank Mr. Manoj Kumar Pawan (Executive Officer), Mr. Abhay Kumar (Accountant) and Mr. Raman Kumar (Tax Daroga) for their support during the period of our audit. We are also thankful to support staffs of the municipality for their cooperation extended to us during the period of our audit.

Place : Patna  
Date :

**For G.K.Sureka & Co.**  
Chartered Accountants  
FRN.-513018C

(CA. Gokul Kumar Sureka)  
Partner  
M.N.- 091380

UDIN: 20091380AAAA DK4823  
Date: 24-06-2020



## Detailed Audit Report

### **1. Introduction**

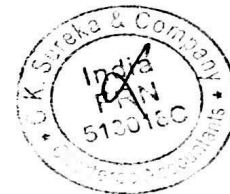
The Internal audit of Nagar Parishad Bettiah covering period from 1st April 2018 to 31st March, 2019 was conducted by our audit team under guidance of CA. Gokul Kumar Sureka, Partner, M/s G.K. Sureka & Co., (Chartered Accountants).

- i. CA. Anoop Kumar Singh
- ii. Mr. Avinash Kumar
- iii. Mr. Kundan Raja
- iv. Mr. Lalan kumar

### **2. Administration**

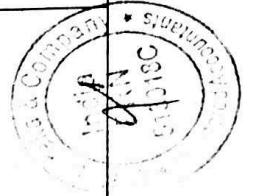
The present body of the ULB has taken charge on 02-07-2018. The incumbency in the key administrative and executive position was as under:

- i. Chairman : Smt. Garima Sikaria, from 09.06.2017 to till date,
- ii. Vice-Chairman : Smt. Kayum Ansari, from 09-06-2017 to till date.
- iii. Executive officer : Shri Manoj Kumar Pawan, from 02-07-2018 to till date.



**3. Review of outstanding audit paras : Status of Audit Observations are as under:**

| Sl. No. | Particulars of Audit and date of report              | Total No. of Audit Paras. | Total No. of paras 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 paras where no action has been taken | No. & date of Compliance report                     |
|---------|--|---------------------------|--|---|---|--------------------------|---|---|
| 1.      | AG audit Report no.- 815/2017-18 dated- 18.06.2018   | 15                        | 15   | 2 (6629262.00)  | 2 (5088985.00)  | 5088985.00               | 13  | Partially complied and pending for Board's Approval |
| 2.      | AG audit Report no.- 1095/2015-16                    | 8                         | 8  | 4   | 1   | 187924.00                | 4   | Partially complied and pending for Board's Approval |
| 3.      | AG audit Report no.- 82/2013-14                      | 28                        | 28   | 12  | 0   | 0                        | 16  | Partially complied and pending for Board's Approval |
| 4.      | Internal audit Report of 2017-18 yet to be complied. |                           |  |   |   |                          |   |   |



#### 4. Finance

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

| Year                    | 2016-17      | 2017-18      | 2018-19       |
|-------------------------|--------------|--------------|---------------|
| Final/ Revised Budget   | 91,19,88,288 | 97,25,28,216 | 1017636000.00 |
| Actual Expenditure      | 31,31,75,651 | 32,34,52,812 | 246665982.27  |
| Savings (+)/ Excess (-) | 59,88,12,637 | 64,90,75,404 | 770970017.73  |

##### II. Volume of transactions

| Period             | Budgeted<br>2018-19 | Previous<br>year<br>(For One year)<br>2017-18 | Correspon<br>ding<br>period of<br>2016-17 | Current<br>Period<br>2018-19 | Cumulative<br>for the<br>current<br>period |
|--------------------|---------------------|---|---|------------------------------|--|
| Opening<br>Balance | 250035062           | 48,50,46,839                                  | N.A                                       | *477586120.68                | 477586120.68                               |
| Receipts           | 778564000           | 31,49,82,755                                  | N.A                                       | 465209030.98                 | 465209030.98                               |
| TOTAL              | 1028599062          | 80,00,29,594                                  | N.A                                       | 942795151.66                 | 942795151.66                               |
| Net<br>Expenditure | 1017636000          | 3234,52,812                                   | N.A                                       | 246665982.27                 | 246665982.27                               |
| Closing<br>Balance | 10963062            | *47,65,76,782                                 | N.A                                       | 696129169.39                 | 696129169.39                               |

\*There is a totaling difference in cash book of Rs. 10,09,338.68 (477586120.68-476576782.00)

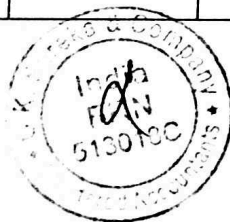
##### III. Bank Reconciliation

Details of Bank Accounts and their reconciliation position are as under:

- *Bank Reconciliation have not been prepared up to 31-03-2019, therefore total of Rs.23699035.39/- unexplained difference observed between cash book and pass book.*

Bank Balance as per Bank Statement as on 31-03-2019

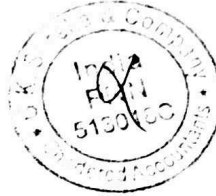
| SL NO. | NAME OF THE BANK | NAME OF SCHEME   | ACCOUNT NUMBER | 31.03.2019  | Remarks |
|--------|------------------|------------------|----------------|-------------|---------|
| 1.     | PNB              | 13TH FINANCE SBM | 732            | 4487462.50  |         |
| 2.     | HDFC             | 13TH FINANCE,SVS | 766            | 4844102.00  |         |
| 3.     | BANDHAN BANK     | 13th FINANCE     | 197            | 17585505.60 |         |



|     |                          |                                |         |              |
|-----|--------------------------|--------------------------------|---------|--------------|
| 4.  | UNION BANK OF INDIA      | BROF                           | 547     | 11243932.00  |
| 5.  | AXIS BANK                | DFID                           | 4050    | 1250344.00   |
| 6.  | ALLAHABAD BANK           | GENERAL FUND                   | 1755    | 6464462.91   |
| 7.  | STATE BANK OF INDIA      | GENERAL FUND                   | 240     | 158515.00    |
| 8.  | PNB                      | GRANT FOR LAPTOP(MALE PARSHAD) | 512     | 173942.00    |
| 9.  | CENTRAL BANK             | IDSMT                          | 6452    | 554508.00    |
| 10. | PNB                      | KABIR ANTYESHTI YOZNa          | 9005    | 2648806.00   |
| 11. | PNB                      | KABIR ANTYESHTI YOZNa          | 9014    | 4271062.00   |
| 12. | ALLAHABAD BANK           | MNVY                           | 839     | 2252478.00   |
| 13. | UNION BANK OF INDIA      | NSDP (NULM)                    | 1129    | 34194771.56  |
| 14. | PNB                      | PENSION FUND                   | 715     | 15957002.09  |
| 15. | BANK OF BRODRA           | PHED                           | 548     | 4176116.38   |
| 16. | ALLAHABAD BANK           | CENSUS                         | 925     | 2589249.00   |
| 17. | STATE BANK OF INDIA      | TEACHER SALARY                 | 498     | 1421.00      |
| 18. | UNION BANK OF INDIA      | HOUSING FOR ALL                | 693     | 273118.00    |
| 19. | STATE BANK OF INDIA      | AMRUT YOZANA                   | 797     | 963.00       |
| 20. | DENA BANK                | SBM                            | 2343    | 338695.00    |
| 21. | ICICI (MOTHER CHILD A/C) | SBM                            | 993     |              |
| 22. | DENA BANK                |                                | 2515    | 996033.00    |
| 23. | TREASURY                 |                                | PLA-055 | 519466768.24 |
| 24. | DENA BANK                |                                | 1187    | 2355082.00   |
| 25. | DENA BANK                |                                | 1567    | 1385124.60   |
| 26. | BANK OF BARODA           |                                | 872     | 2107868.00   |
| 27. | AXIS BANK                |                                | 417     | 32321231.12  |
| 28. | AXIS BANK                |                                | 824     | 331571.00    |



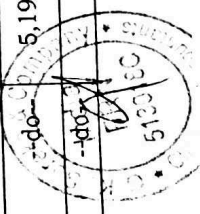
|   |                     |
|---|---------------------|
| <b>Bank Balance as per Pass Book as on 31-03-2019</b> | <b>672430134.00</b> |
| <b>Bank Balance as per Cash Book as on 31-03-2019</b> | <b>696129169.39</b> |
| <b>Difference</b>                                     | <b>23699035.39</b>  |



IV. revenue & Capital receipts

Income Details ( Amounts to be provided in Rupees)

| S. No.      | Details  | 2017-18                |               | 2017-19                |                        | 2018-19                |                | 2019-20                |  |
|-------------|--|------------------------|---------------|------------------------|------------------------|------------------------|----------------|------------------------|--|
|             |  | 2017-18                | 2016-17       | 2018-19                | 2017-18                | 2018-19                | 2019-20        | 2018-19                |  |
|             | <b>Total Receipts (A+B)</b>                                      | <b>31,49,82,755.00</b> | Not Available | <b>46,52,09,030.98</b> | <b>31,49,82,755.00</b> | <b>46,52,09,030.98</b> | Not Applicable | <b>46,52,09,030.98</b> |  |
| <b>A</b>    | <b>Revenue Receipts (1+2+3)</b>                                  | <b>3,59,36,135.00</b>  | --do--        | <b>25,12,95,246.98</b> | <b>3,59,36,135.00</b>  | <b>25,12,95,246.98</b> | --do--         | <b>25,12,95,246.98</b> |  |
| <b>1</b>    | <b>Own Revenue Receipts (a+b)</b>                                | <b>2,46,29,608.00</b>  | --do--        | <b>7,45,85,355.00</b>  | <b>2,46,29,608.00</b>  | <b>7,45,85,355.00</b>  | --do--         | <b>7,45,85,355.00</b>  |  |
| <b>a)</b>   | <b>Tax Revenue ( levied and collected by municipal body)</b>     | <b>164,60,655.00</b>   | --do--        | <b>7,45,85,355.00</b>  | <b>164,60,655.00</b>   | <b>7,45,85,355.00</b>  | --do--         | <b>7,45,85,355.00</b>  |  |
| <b>i)</b>   | Property Tax   | 164,60,655.00          | --do--        | 3,07,68,199.00         | 164,60,655.00          | 3,07,68,199.00         | --do--         | 3,07,68,199.00         |  |
| <b>ii)</b>  | Other Tax (levied and collected by municipal body)               | -                      | --do--        | 4,38,17,156.00         | -                      | 4,38,17,156.00         | --do--         | 4,38,17,156.00         |  |
| <b>b)</b>   | <b>Non-Tax Revenue ( levied and collected by municipal body)</b> | <b>81,68,953.00</b>    | --do--        | -                      | <b>81,68,953.00</b>    | -                      | --do--         | -                      |  |
| <b>i)</b>   | Fees & Fines   | 4,34,075.00            | --do--        | -                      | 4,34,075.00            | -                      | --do--         | -                      |  |
| <b>ii)</b>  | User Charges   | 30,000                 | --do--        | -                      | 30,000                 | -                      | --do--         | -                      |  |
| <b>iii)</b> | Other non-tax revenue (levied and collected by municipal body)   | 77,04,878.00           | --do--        | -                      | 77,04,878.00           | -                      | --do--         | -                      |  |
| <b>2</b>    | <b>Other Revenue Receipts</b>                                    | <b>20,26,946.00</b>    | --do--        | <b>5,55,530.00</b>     | <b>20,26,946.00</b>    | <b>5,55,530.00</b>     | --do--         | <b>5,55,530.00</b>     |  |
| <b>a)</b>   | Income from interest/investments                                 | 16,56,593.00           | --do--        | 5,55,530.00            | 16,56,593.00           | 5,55,530.00            | --do--         | 5,55,530.00            |  |
| <b>b)</b>   | Other Revenue Income   | 3,70,353.00            | --do--        | -                      | 3,70,353.00            | -                      | --do--         | -                      |  |
| <b>3</b>    | <b>Transfers/ Grants/ Assigned Revenues</b>                      | <b>92,79,581.00</b>    | --do--        | <b>17,61,54,361.98</b> | <b>92,79,581.00</b>    | <b>17,61,54,361.98</b> | --do--         | <b>17,61,54,361.98</b> |  |
| <b>a)</b>   | State Assigned Revenue   | -                      | --do--        | 7,50,33,596.00         | -                      | 7,50,33,596.00         | --do--         | 7,50,33,596.00         |  |
| <b>b)</b>   | State Finance Commission (SFC) Grants/Devolution                 | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>c)</b>   | Octroi Compensation  | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>d)</b>   | Other State Government Transfers                                 | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>e)</b>   | Central Finance Commission (CFC) Grant                           | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>f)</b>   | Other Central Government Transfers                               | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>g)</b>   | Others   | 92,79,581.00           | --do--        | 10,11,20,765           | 92,79,581.00           | 10,11,20,765           | --do--         | 10,11,20,765           |  |
| <b>B</b>    | <b>Capital Receipts</b>  | <b>2790,46,620.00</b>  | --do--        | <b>21,39,13,785.00</b> | <b>2790,46,620.00</b>  | <b>21,39,13,785.00</b> | --do--         | <b>21,39,13,785.00</b> |  |
| <b>1</b>    | Sale of Municipal Land   | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>2</b>    | Loans (from State Govt. or Banks etc.)                           | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |
| <b>3</b>    | State Capital Account Grant (under Central Schemes etc.)         | 1966,03,910.00         | --do--        | 16,19,44,838.00        | 1966,03,910.00         | 16,19,44,838.00        | --do--         | 16,19,44,838.00        |  |
| <b>4</b>    | Central Capital Account Grant (under Central Schemes etc.)       | 824,42,710.00          | --do--        | 5,19,68,947.00         | 824,42,710.00          | 5,19,68,947.00         | --do--         | 5,19,68,947.00         |  |
| <b>5</b>    | Other Capital Receipts   | -                      | --do--        | -                      | -                      | -                      | --do--         | -                      |  |



**V. Revenue and Capital Expenditure Information**

| S. No.   | Details  | 2017-18              |               | 2018-19             |                      | 2019-20        |                     |
|----------|--|----------------------|---------------|---------------------|----------------------|----------------|---------------------|
|          |  | 2017-18              | 2016-17       | 2018-19             | 2017-18              | 2019-20        | 2018-19             |
|          | <b>Total Expenditure (A+B)</b>   | <b>370,38,819.75</b> | Not Available | <b>246665982.27</b> | <b>370,38,819.75</b> | Not Applicable | <b>246665982.27</b> |
| <b>1</b> | <b>Revenue Expenditure</b>   | <b>268,75,818.75</b> | --do--        | <b>95016329.67</b>  | <b>268,75,818.75</b> | --do--         | <b>95016329.67</b>  |
| 1.1      | Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff) | 41,33,100.00         | --do--        | 69408614.00         | 41,33,100.00         | --do--         | 69408614.00         |
| 1.2      | Operation and Maintenance (O&M)  | 1,27,713.00          | --do--        | 20494669.67         | 1,27,713.00          | --do--         | 20494669.67         |
| 1.3      | Loan Repayment (Interest payments)   | -                    | --do--        | -                   | -                    | --do--         | -                   |
| 1.4      | Others ( any other revenue expenditure which is not salaries O&M or Interest Payment)                | 226,15,005.75        | --do--        | 5113046.00          | 226,15,005.75        | --do--         | 5113046.00          |
| 1.5      | Advances to other agency   | -                    | --do--        | -                   | -                    | --do--         | -                   |
| <b>2</b> | <b>Capital Expenditure</b>   | <b>101,63,001.00</b> | --do--        | <b>151649652.60</b> | <b>101,63,001.00</b> | --do--         | <b>61524657.00</b>  |
| 2.1      | All developmental works under Central/ State specific schemes  | 101,63,001.00        | --do--        | 61524657.00         | 101,63,001.00        | --do--         | 61524657.00         |
| 2.2      | Loan Repayment (Principal Amount)  | -                    | --do--        | -                   | -                    | --do--         | -                   |
| 2.3      | Other Capital Expenditure  | -                    | --do--        | 90124995.60         | -                    | --do--         | 90124995.60         |



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

As suggested by the C&AG, the Ministry of Finance, Government of India has introduced a "National Municipal Accounts Manual" for adoption of accrual system of accounting system of accounting of ULBs. Based on NMAM, Bihar Municipal Accounts Manual (BMAM) has been got prepared by the Government of Bihar and has been enforced from April 1, 2007. Generally ULB following cash based accounting system which is only detail of total collection and expenses as per provision of BMR 2007, the double entry system should be employed to all ULB.

- Nagar Parishad has not maintained its books of account on accrual basis.
- Status of Double Entry Accounting System:
  - 1) Name of Agency Implementing DEAS: Vinod Singhal & Co.
  - 2) Period: 2012 - 2021
  - 3) Status of Report : Inception Report has been submitted
  - 4) Preparation of Fixed Asset Register : In Process
  - 5) Preparation of Opening Balance Sheet: Not yet prepared
  - 6) Preparation of Financial Statement : Not yet prepared
  - 7) Preparation of Property Tax Register : In Process
  - 8) Details of Tally Installation: Tally Installed
  - 9) Details of Tally Serial Id. And Email Id. : 766803591:  
npbettiahcity@gmail.com

## **VII. Status of Municipal Accounts Committee; if meeting 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 may be at any meeting subsequent thereto, but no Municipal Accounts Committee has been constituted by the N.P. till the date of our audit.



**5. Audit Observations**  
**I. PART- A**

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

- a. **Leakage of own source revenue either due to wrong assessment or non- levy of property tax, mobile tower tax, rent on municipal properties, advertisement tax fees etc.**

**Audit Objective:**

Report and quantify all major own revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc;

- 1. Property Tax and other revenue receipts are not deposited by tax collectors to the cashier by 4:30 PM on the same Day.**

**Criteria:**

Collections should be deposited in to bank on the same day. (Rule-27)  
 All moneys to be brought to account. (Rule 22)

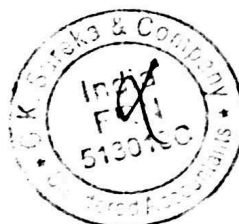
**Condition:**

Revenue collection process is not satisfactory; in case of property tax internal control is not adequate. We have observed that Property Taxes collected by tax collector were not deposited on the same day or the day after tomorrow but it is being deposited after a week/month.

1. Reconciliation of property tax collection by tax collector and amount deposited into bank is also not available.
2. Tax demand register has not been provided for verification, in such a situation we cannot ascertain the actual tax demanded/dues which can be recovered from a single tax payer. This could be a huge loss to Nagar Parishad.

Holding tax collected during the financial year 2018-19 had not been deposited in full. We found that an amount of Rs.2538412/-short deposit against total collection of Rs. 20030875/. Total amount of Rs.17492463/-deposited in current financial year.

| NAME OF WARD                   | NAME OF COLLECTOR | COLLECTION      | DEPOSIT         | CASH HOLD WITH COLLECTOR |
|--------------------------------|-------------------|-----------------|-----------------|--------------------------|
| ALL WARD                       | NOOR ALAM         | 6500558         | 5726495         | 774063                   |
|                                | ADITYA NATH GUPTA | 6800777         | 5826781         | 973996                   |
|                                | MOHAN PRASAD      | 3330735         | 2828145         | 502590                   |
|                                | RAMAN KUMAR       | 2475978         | 2349915         | 126063                   |
|                                | ABHYA KUMAR       | 922827          | 761127          | 161700                   |
|                                | JULAM SAH         | 0               | 0               | 0                        |
| <b>GRAND TOTAL HOLDING TAX</b> |                   | <b>20030875</b> | <b>17492463</b> | <b>2538412</b>           |



**Consequence/Effect/Impact:**

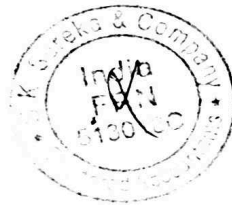
As per Rule 27 of BMAR it should be deposited on daily basis otherwise a penalty up to Rs. 5000/- may be imposed for delayed deposit.

**Cause:**

Non-compliance of BMAR by tax collectors and failure to remit collections to cashier by 4:30 PM on same day.

**Corrective Action/ Recommendation:**

Tax collectors are needs to follows the BMAR and remit the collections to cashier by 4:30 PM on same day.



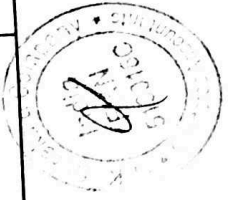
**Criteria:**

Registration Fees per tower @ Rs. 40,000/- and annual renewal fees @ Rs.10,000/- per annum to be collected. If more than 1 antenna is placed on the tower then an extra registration and renewal fees @ 60% per annum will be collected. Moreover a late fine at 1.5% would be imposed in case of delay in collection after first month of the financial year. Further after every 5 years renewal fees has to be increased by 25%. Further as per Rule 6(9) of Bihar Communication Towers and Related Structures Rules 2012, in case arrears of registration fees and/or renewal fees for any tower, the municipality reserve the right to seal the tower until the payment is received in full along with accrued interest.

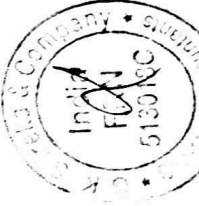
**Condition-2**

Tower tax (Registration and Renewal Fees) is not being collected on timely basis as more than Rs. 148278948/- is receivable from tower tax.

| S. No | Name of Mobile Tower Company | Name of Person Related to Tower        | Year of Installation | Outstanding on 01-04-2018 | Interest on Reg. and Renewal Fees | Penalty | Renewal Fees Current Year 2018-19 | Total Demand upto year 2018-19 | Total Collection in FY 2018-19 | Outstanding on 31-03-2019 |
|-------|------------------------------|--|----------------------|---------------------------|-----------------------------------|---------|-----------------------------------|--------------------------------|--------------------------------|---------------------------|
| 1     | Aircel                       | Abahy Kumar, Near Jora Inar, Bettiah   | 2010                 | 8,31,190                  | 4,76,190                          | 5,000   | 20,000                            | 13,32,380                      | 0                              | 13,32,380                 |
| 2     | --Do--                       | Naresh Sah, Noniyar Mohalla, Bettiah   | 2007                 | 15,58,889                 | 12,11,889                         | 5,000   | 20,000                            | 27,95,778                      | 0                              | 27,95,778                 |
| 3     | --Do--                       | Sambhu Prashad, Kotwali Chowk, Bettiah | 2006                 | 21,49,750                 | 17,68,750                         | 5,000   | 20,000                            | 39,43,500                      | 0                              | 39,43,500                 |



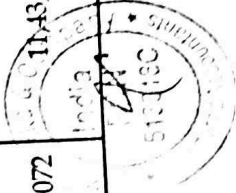
|    |                |   |           |           |           |       |        |           |   |           |
|----|----------------|---|-----------|-----------|-----------|-------|--------|-----------|---|-----------|
| 4  | --Do--         | Ghashiyarpur, Bettiah                               | 2007      | 16,32,392 | 12,85,392 | 5,000 | 20,000 | 29,42,784 | 0 | 29,42,784 |
| 5  | --Do--         | Smt. Rajjo Devi, Lal Bazar                          | 2007      | 18,02,116 | 14,21,116 | 5,000 | 20,000 | 32,48,232 | 0 | 32,48,232 |
| 6  | --Do--         | Ramrup Goswami, Sagar Pokhar                        | 2010      | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 7  | --Do--         | Sambhu Saran, Shantinagar, LIC Building             | 2007      | 18,72,003 | 14,77,003 | 5,000 | 20,000 | 33,74,006 | 0 | 33,74,006 |
| 8  | --Do--         | Shri Jagannath Prashad, Purani Gudri, Gaislal Chowk | 2008      | 14,27,867 | 10,66,867 | 5,000 | 20,000 | 25,19,734 | 0 | 25,19,734 |
| 9  | --Do--         | Mahendra Prashad, Pipal Chowk Baswaria              | 2008      | 14,88,072 | 11,43,072 | 5,000 | 20,000 | 26,56,144 | 0 | 26,56,144 |
| 10 | --Do--         | Smt. Manju Devi, BCC School, Piumi Bag              | 2008      | 14,27,867 | 10,66,867 | 5,000 | 20,000 | 25,19,734 | 0 | 25,19,734 |
| 11 | Aircel+ Stel   | Jafar Khurshid, Dargah Muhalla, Near Masjid         | Dec. 2009 | 11,39,457 | 8,12,457  | 5,000 | 20,000 | 19,76,914 | 0 | 19,76,914 |
| 12 | Aircel+ Uninor | Pradip Kumar, Chhawani                              | 2009      | 9,95,832  | 6,92,832  | 5,000 | 20,000 | 17,13,664 | 0 | 17,13,664 |
| 13 | Airtel         | Kanaklata, Indrapuri, Bettiah                       | 2007      | 16,32,391 | 12,85,391 | 5,000 | 20,000 | 29,42,782 | 0 | 29,42,782 |
| 14 | --Do--         | Ramyad Prashad, Purani Gudri, Turha Toli            | 2010      | 8,95,438  | 5,64,438  | 5,000 | 20,000 | 14,84,876 | 0 | 14,84,876 |



|    |                 |  |      |           |           |       |        |             |   |             |
|----|-----------------|--|------|-----------|-----------|-------|--------|-------------|---|-------------|
| 15 | --Do--          | Navita Kumari,<br>Shyama Hospital,<br>Kotwali Chowk                        | 2008 | 13,21,312 | 9,84,312  | 5,000 | 20,000 | 23,30,624   | 0 | 23,30,624   |
| 16 | --Do--          | Md. Faiyaz Ahmad,<br>Koila Near<br>Imambara                                | 2006 | 19,08,256 | 15,51,256 | 5,000 | 20,000 | 34,84,512   | 0 | 34,84,512   |
| 17 | --Do--          | Amit Jaiswal, Lal<br>Bazar   | 2000 | 11,63,457 | 8,12,457  | 5,000 | 20,000 | 20,00,914   | 0 | 20,00,914   |
| 18 | --Do--          | Dr. Sanjay Jaiswal,<br>Shivam Narshing<br>Home Hospital<br>Road, Gali No.2 | 2008 | 14,27,867 | 10,66,867 | 5,000 | 20,000 | 25,19,734   | 0 | 25,19,734   |
| 19 | --Do--          | Ramnaresh Singh,<br>Naurangabag,<br>Bettiah                                | 2005 | 28,07,962 | 23,92,962 | 5,000 | 20,000 | 52,25,924   | 0 | 52,25,924   |
| 20 | --Do--          | Fariyad Husain,<br>Mahawat Toli, Ward<br>No.35                             | 2006 | 22,92,992 | 18,87,992 | 5,000 | 20,000 | 42,05,984   | 0 | 42,05,984   |
| 21 | --Do--          | Shri Somnath Singh,<br>New Bus Statnd,<br>Bettiah                          | 2006 | 21,49,750 | 17,68,750 | 5,000 | 20,000 | 39,43,500   | 0 | 39,43,500   |
| 22 | Airtel + Stel   | Amardev Prashad<br>Kushwaha, Basant<br>Vihar, Bettiah                      | 2009 | 74,93,348 | 71,28,348 | 5,000 | 20,000 | 1,46,46,696 | 0 | 1,46,46,696 |
| 23 | ATC India tower | Smt. Nutal Rao, New<br>Colony, Bettiah                                     | 2010 | 9,04,420  | 5,19,420  | 5,000 | 20,000 | 14,48,840   | 0 | 14,48,840   |



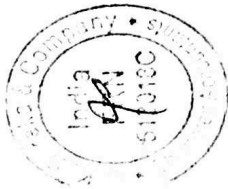
|    |                |  |      |           |           |       |        |           |   |           |
|----|----------------|--|------|-----------|-----------|-------|--------|-----------|---|-----------|
| 24 | --Do--         | DPS, Shahid Chowk,<br>Khiria Ghat Road,<br>Bettiah               | 2010 | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 25 | --Do--         | Niraj Kumar, Shahid<br>Chowk, Bettiah                            | 2010 | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 26 | --Do--         | Ratan Kumar<br>Jaiswal, Indra<br>Chowk, Bettiah                  | 2005 | 28,07,962 | 23,92,962 | 5,000 | 20,000 | 52,25,924 | 0 | 52,25,924 |
| 27 | --Do--         | Sushil Kumar<br>Jhunjhunwala, Lal<br>Bazar, Bettiah              | 2005 | 28,07,962 | 23,92,962 | 5,000 | 20,000 | 52,25,924 | 0 | 52,25,924 |
| 28 | --Do--         | Baleswar Prashad,<br>Baswaria, Main<br>Road, Naoutan,<br>Bettiah | 2009 | 12,12,348 | 8,47,348  | 5,000 | 20,000 | 20,84,696 | 0 | 20,84,696 |
| 29 | --Do--         | Vimla Dwibedi,<br>Supriya Road,<br>Bettiah                       | 2005 | 28,07,962 | 23,92,962 | 5,000 | 20,000 | 52,25,924 | 0 | 52,25,924 |
| 30 | --Do--         | Sunderkala Devi,<br>Purani Gudri Road                            | 2010 | 8,95,438  | 5,64,438  | 5,000 | 20,000 | 14,84,876 | 0 | 14,84,876 |
| 31 | Idea           | Vinod Prashad,<br>Indra Chowk,<br>Bettiah                        | 2008 | 13,27,662 | 9,90,662  | 5,000 | 20,000 | 23,43,324 | 0 | 23,43,324 |
| 32 | --Do--         | Smt. Rajjo Devi, Lal<br>Bazar                                    | 2008 | 13,27,662 | 9,90,662  | 5,000 | 20,000 | 23,43,324 | 0 | 23,43,324 |
| 33 | --Do--         | Sant Kumar Rao,<br>Navranga Bazar,<br>Piuni Bag                  | 2008 | 15,28,072 | 11,43,072 | 5,000 | 20,000 | 26,96,144 | 0 | 26,96,144 |
| 34 | Idea+ Vodafone | Dasai Ram, Purani<br>Gudri Bettiah                               | 2008 | 15,28,072 | 11,43,072 | 5,000 | 20,000 | 26,96,144 | 0 | 26,96,144 |



|    |                          |  |      |           |           |       |        |           |   |           |
|----|--------------------------|--|------|-----------|-----------|-------|--------|-----------|---|-----------|
| 35 | --Do--                   | Nano Lal Yadav,<br>Hari Vatika, Sahi<br>Pump       | 2007 | 18,72,003 | 14,77,003 | 5,000 | 20,000 | 33,74,006 | 0 | 33,74,006 |
| 36 | Reliance                 | kameshwar Pandey,<br>Cristchan Quarter,<br>Bettiah | 2006 | 20,06,509 | 16,49,509 | 5,000 | 20,000 | 36,81,018 | 0 | 36,81,018 |
| 37 | --Do--                   | Tara Mati, Purani<br>Gudri, Bettiah                | 2008 | 13,27,662 | 9,90,662  | 5,000 | 20,000 | 23,43,324 | 0 | 23,43,324 |
| 38 | --Do--                   | Mahaveer Prashad,<br>Indra Chowk Bettiah           | 2005 | 24,65,444 | 20,98,444 | 5,000 | 20,000 | 45,88,888 | 0 | 45,88,888 |
| 39 | --Do--                   | Satender<br>Jhunjhunwala, Lal<br>Bazar, Bettiah    | 2010 | 8,95,438  | 5,64,438  | 5,000 | 20,000 | 14,84,876 | 0 | 14,84,876 |
| 40 | --Do--                   | Shrikant Singh,<br>Gulab Bag Bettiah               | 2009 | 11,39,644 | 7,52,644  | 5,000 | 20,000 | 19,17,288 | 0 | 19,17,288 |
| 41 | --Do--                   | Awadh Lal Shah,<br>Supriya Road,<br>Bettiah        | 2010 | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 42 | TATA Docomo              | Shri Madan Prashad,<br>Chhawani, Bettiah           | 2009 | 11,53,457 | 8,12,457  | 5,000 | 20,000 | 19,90,914 | 0 | 19,90,914 |
| 43 | Tata Indicom             | Firoj Aalam,<br>Kisunbag                           | 2010 | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 44 | Tata Indicom             | Shri Chandrika<br>Prashad, Koiri Tola,<br>Bettiah  | 2010 | 8,31,190  | 4,76,190  | 5,000 | 20,000 | 13,32,380 | 0 | 13,32,380 |
| 45 | Tata Tel Service<br>Ltd. | Shri Krishna<br>Jhunjhunwala, Lal<br>Bazar         | 2007 | 14,18,853 | 10,57,853 | 5,000 | 20,000 | 25,01,706 | 0 | 25,01,706 |



|    |  |   |      |           |          |       |        |           |       |           |
|----|--|---|------|-----------|----------|-------|--------|-----------|-------|-----------|
| 46 | Voda Phone                                     | Vinod Tera, Indra Chowk, Mitha Toli, Bettiah  | 2010 | 8,25,286  | 5,18,286 | 5,000 | 20,000 | 13,68,572 | 0     | 13,68,572 |
| 47 | Wairless TT Service Ltd.                       | Paramjeet Malhan, Cristchan Quarter, Bettiah  | 2009 | 10,29,644 | 7,52,644 | 5,000 | 20,000 | 18,07,288 | 0     | 18,07,288 |
| 48 | --Do--   | Sant Kumar Rao, Navranga Bazar, Puni Bag      | 2009 | 10,44,722 | 7,27,722 | 5,000 | 20,000 | 17,97,444 | 0     | 17,97,444 |
| 49 | --Do--   | Ganga Prashad, Power House Chowk, Gulab Bag   | 2009 | 11,28,535 | 7,87,535 | 5,000 | 20,000 | 19,41,070 | 0     | 19,41,070 |
| 50 | --Do--   | Ganga Prashad, Power House Chowk, Gulab Bag   | 2009 | 10,44,722 | 7,27,722 | 5,000 | 20,000 | 17,97,444 | 0     | 17,97,444 |
| 51 | Wairless TT Service Ltd. + TATA Docomo+ Uninor | Shri Manoj Kumar Dubey, Basant Vihar, Bettiah | 2009 | 10,44,722 | 7,27,722 | 5,000 | 20,000 | 17,97,444 | 0     | 17,97,444 |
| 52 | Wireless TT Service Ltd.                       | Shri Mahabeer, Prashad, Indra Chowk, Bettiah  | 2009 | 10,44,722 | 7,27,722 | 5,000 | 20,000 | 17,97,444 | 0     | 17,97,444 |
| 53 | --Do--   | Smt. Lalita Devi, Baswaria, Bettiah           | 2009 | 11,28,535 | 7,87,535 | 5,000 | 20,000 | 19,41,070 | 0     | 19,41,070 |
| 54 | --Do--   | Kailash Prashad, Purani Gudri, Bettiah        | 2010 | 9,38,668  | 6,07,668 | 5,000 | 20,000 | 15,71,336 | 0     | 15,71,336 |
| 55 | Reliance Jio                                   | Kusum Devi, Charch Road, Bettiah              | 2018 | 0         | 0        | 0     | 10,000 | 10,000    | 10000 | 0         |



|               |        |  |      |                    |                    |                 |                  |                     |                 |                     |
|---------------|--------|--|------|--------------------|--------------------|-----------------|------------------|---------------------|-----------------|---------------------|
| 56            | --Do-- | Arun Kumar<br>Ojha,Supriya<br>Cinema Road,Shiv<br>Puri Bettiah | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 57            | --Do-- | Kishan Kumar ,<br>Kalibagh, Bettiah                            | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 58            | --Do-- | Shobha<br>Devi,Baswariya,<br>Bettiah                           | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 59            | --Do-- | Ashok Kumar Singh,<br>Hariwatika, Bettiah                      | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 60            | --Do-- | Samim<br>Akhatar,Basant Tola,<br>Bettiah                       | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 61            | --Do-- | Mahendra Prashad,<br>Ward 30 Baswaria,<br>Bettiah              | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 62            | --Do-- | Birja<br>Yadav,Nandpur,<br>Bettiah                             | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 63            | --Do-- | Uma Shankar,Kali<br>Bagh,Bettiah                               | 2018 | 0                  | 0                  | 0               | 10,000           | 10,000              | 10000           | 0                   |
| 64            | --Do-- | Devashish Chatarjee<br>,Bettiah                                | 2018 | 0                  | 40,000             | 0               | 10,000           | 50,000              | 50000           | 0                   |
| 65            | --Do-- | Archna Gupta<br>,Bettiah                                       | 2018 | 0                  | 40,000             | 0               | 10,000           | 50,000              | 50000           | 0                   |
| 66            | --Do-- | Muzaffar<br>Sajeed,Bettiah                                     | 2018 | 0                  | 40,000             | 0               | 10,000           | 50,000              | 50000           | 0                   |
| <b>Total:</b> |        |  |      | <b>8,30,61,474</b> | <b>6,39,87,474</b> | <b>2,70,000</b> | <b>12,00,000</b> | <b>14,85,18,948</b> | <b>2,40,000</b> | <b>14,82,78,948</b> |



**Consequence/ Effect/ Impact:**

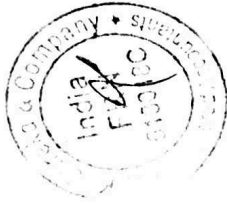
Due to no collection of TOWER Rent there is a huge revenue loss to the Nagar Parishad.

**Cause:**

This happens due to non-monitoring the working activities of concerned authorised personal on regular basis.

**Corrective Action/ Recommendation:**

There should be proper records of mobile tower rent demand/ collection/ arrear and proper mechanism for supervision and monitoring for collection.



### **3. Non Collection of Advertisement Tax:**

#### **Criteria:**

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

#### **Condition**

Nagar Parishad is not collecting any advertisement tax.

#### **Consequence/Effect/Impact:**

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

#### **Cause:**

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

#### **Corrective Action/ Recommendation:**

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

### **4. Irregularities in Shop Rent Collection:**

#### **Criteria:**

Revenues in respect of rents from properties shall be accrued based on terms of agreement. All rent should be collected on due date otherwise it should be collected with penalty and interest.

#### **Condition:**

Records of shop rent not maintained as per required norms, shop rent is not being collected on timely basis as more than Rs.2022570.60/- is receivable as shop rent.

| S. No.                     | Shop No. | Name             | Outs. Balance<br>01-04-2018 | Rent of<br>Current Year<br>2018-19 | Rent<br>Collection<br>during 2018-<br>19 | Outs. Balance<br>on 31-03-2019 |
|----------------------------|----------|------------------|-----------------------------|------------------------------------|--|--------------------------------|
| <b>Location: Bus Stand</b> |          |                  |                             |                                    |  |                                |
| 1                          | 1/J      | Rana Vijay Singh | 14,400.00                   | 3,600.00                           | 18,000.00                                | 0.00                           |
| 2                          | 2/J      | Pyare Mistri     | 24,900.00                   | 3,600.00                           |  | 6,900.00                       |



|  |      |                          |                    |                  |                    |                    |
|--|------|--------------------------|--------------------|------------------|--------------------|--------------------|
|  |      |                          |                    |                  | 21,600.00          |                    |
| 3  | 3/J  | Firoj Mistri             |                    |                  |                    |                    |
| 4  | 4/J  | Kanhai Mistri            | 14,400.00          | 3,600.00         | 14,400.00          | 3,600.00           |
| 5  | 5/J  | Naushad Ahmad            | 24,900.00          | 3,600.00         |                    | 28,500.00          |
| 6  | 6/J  | Baliram Rao              | 24,900.00          | 3,600.00         |                    | 28,500.00          |
| 7  | 7/J  | Md. Ekramuddin           | 24,900.00          | 3,600.00         | 10,800.00          | 17,700.00          |
| 8  | 8/J  | Shrawan Kumar            | 24,900.00          | 3,600.00         |                    | 28,500.00          |
| 9  | 9/J  | Sandeep Kishan           | 11,100.00          | 3,600.00         | 14,400.00          | 300.00             |
| 10   | 10/J | Lakshman Mistri          | 11,100.00          | 3,600.00         | 10,800.00          | 3,900.00           |
| 11   | 11/J | Reyaj Ahmad              | 22,200.00          | 3,600.00         | 18,000.00          | 7,800.00           |
| 12   | 12/J | Rajiv Pandey             | 25,200.00          | 3,600.00         |                    | 28,800.00          |
| 13   | 13/J | Satyanarayan Shah        | 3900               | 3,600.00         |                    | 7,500.00           |
| 14   | 14/J | Sanjay Kumar Thakur      | 18,900.00          | 3,600.00         |                    | 22,500.00          |
| 15   | 1/W  | Dhrup Prashad Gupta      | 10,800.00          | 3,600.00         |                    | 14,400.00          |
| 16   | 2/W  | Malti Sharma             | 10,200.00          | 3,600.00         |                    | 13,800.00          |
| 17   | 3/W  | Sambhu Dube              | 3,900.00           | 3,600.00         | 7,200.00           | 300.00             |
| 18   | 4/W  | Nand Kishore Verma       | 9,000.00           | 3,600.00         | 10,800.00          | 1,800.00           |
| 19   | 5/W  | Arun Kumar               | 22,200.00          | 3,600.00         |                    | 25,800.00          |
| 20   | 6/W  | Jalis Ahmad              | 22,200.00          | 3,600.00         |                    | 25,800.00          |
| 21   | 7/W  | Prawej Kha/ Shahid Jamal | 11,100.00          | 3,600.00         |                    | 14,700.00          |
| 22   | 8/W  | Alok Kumar Verma         | 11,100.00          | 3,600.00         |                    | 14,700.00          |
| 23   | 9/W  | Shri Jay Prakash Verma   | 18,900.00          | 3,600.00         |                    | 22,500.00          |
| 24   | 10/W | Kashinath Tiwari         | 19,200.00          | 3,600.00         |                    | 22,800.00          |
| 25   | 11/W | Kashinath Tiwari         | 11,100.00          | 3,600.00         | 7,200.00           | 7,500.00           |
| 26   | 12/W | Chand Mia                | 25,200.00          | 3,600.00         |                    | 28,800.00          |
|  |      |                          | 13,500.00          | 3,600.00         |                    | 17,100.00          |
| <b>Total:-</b>                             |      |                          | <b>4,34,100.00</b> | <b>93,600.00</b> | <b>1,33,200.00</b> | <b>3,94,500.00</b> |
| <b>Location: Palika Bazar, Power House</b> |      |                          |                    |                  |                    |                    |
| 27   | 1    | Md. Harun                | 17,002.00          | 2,400.00         | 7,362.00           | 12,040.00          |
| 28   | 2    | Akhtar Hushain           | 26,100.00          | 2,400.00         | 28,500.00          | 0.00               |
| 29   | 3    | Upendra Mistri           | 2,520.00           | 2,400.00         | 4,920.00           | 0.00               |
| 30   | 4    | Smt. Maya Devi           | 13,800.00          | 2,400.00         |                    | 16,200.00          |
| 31   | 5    | Alok Kumar               | 17,788.00          | 2,400.00         |                    | 20,188.00          |
| 32   | 6    | Shiv Kumar/Banti Kumar   | 4,400.00           | 2,400.00         |                    | 6,800.00           |
| 33   | 7    | Shri Raman Kumar         | 10,600.00          | 2,400.00         |                    | 13,000.00          |
| 34   | 8    | Vishwanath Singh         | 5,800.00           | 2,400.00         | 6,796.00           | 1,404.00           |
| 35   | 9    | Madan Mistri             | 15,400.00          | 2,400.00         |                    | 17,800.00          |



|                               |    |                            |                    |                  |                    |                    |
|-------------------------------|----|----------------------------|--------------------|------------------|--------------------|--------------------|
| 36                            | 10 | Raj Kumar                  | 2400               | 2,400.00         |                    | 4,800.00           |
| 37                            | 11 | Babu Lal Prashad           | 3,400.00           | 2,400.00         | 2,400.00           | 3,400.00           |
| 38                            | 12 | Sunil Kumar/ Vinod Chouhan | 2,400.00           | 2,400.00         |                    | 4,800.00           |
| 39                            | 13 | Hari Narayan Gupta         | 2,796.00           | 2,796.00         | 2,400.00           | 3,192.00           |
| 40                            | 14 | Suresh Prashad             | 28,192.00          | 3,192.00         | 15,801.00          | 15,583.00          |
| 41                            | 15 | Bagar Mahto                | 18,029.00          | 3,192.00         | 21,221.00          | 0.00               |
| 42                            | 16 | Hari Narayan Prashad       | 19,374.00          | 3,192.00         |                    | 22,566.00          |
| 43                            | 17 | Ram Chandra Prashad        | 26,421.00          | 3,192.00         |                    | 29,613.00          |
| 44                            | 18 | Shankar Prashad            | 27,465.00          | 3,192.00         |                    | 30,657.00          |
| 45                            | 19 | Chotelal Shah              | 5,802.00           | 3,192.00         | 8,640.00           | 354.00             |
| 46                            | 20 | Bhikhari Sharma            | 20,157.00          | 3,192.00         | 12,502.00          | 10,847.00          |
| 47                            | 21 | Sanjay Kumar Shah          | 13,893.00          | 3,192.00         | 3,192.00           | 13,893.00          |
| 48                            | 22 | Kapildev Shah              | 12,618.00          | 3,192.00         | 15,810.00          | 0.00               |
| 49                            | 23 | Kripa Mistri               | 10,239.00          | 3,192.00         | 9,310.00           | 4,121.00           |
| 50                            | 24 | Vinod Prashad              | 5,784.00           | 3,192.00         | 8,976.00           | 0.00               |
| 51                            | 25 | Vrendra Prashad            | 26,421.00          | 3,192.00         |                    | 29,613.00          |
| 52                            | 26 | Raju Kumar                 | 4934               | 3,192.00         | 8,126.00           | 0.00               |
| 53                            | 27 | Hiralal Mahto              | 5,320.00           | 3,192.00         |                    | 8,512.00           |
| 54                            | 28 | Niraj Kumar                | 4,522.00           | 3,192.00         | 3,192.00           | 4,522.00           |
| 55                            | 29 | Surendra Kumar             | 25,270.00          | 3,192.00         |                    | 28,462.00          |
| 56                            | 30 | Ajay Kumar Shah            | 19,684.00          | 3,192.00         |                    | 22,876.00          |
| 57                            | 31 | Om Prashash                | 6,242.00           | 3,192.00         | 9,434.00           | 0.00               |
| 58                            | 32 | Ranvijay Singh             | 5,320.00           | 3,192.00         |                    | 8,512.00           |
| 59                            | 33 | Dipak Mahto                | 7,367.00           | 3,192.00         | 10,559.00          | 0.00               |
| 60                            | 34 | Aanand Kishore             | 35,112.00          | 3,192.00         |                    | 38,304.00          |
| <b>Total:-</b>                |    |                            | <b>4,52,572.00</b> | <b>98,628.00</b> | <b>1,79,141.00</b> | <b>3,72,059.00</b> |
| <b>Attention: Alok Bharti</b> |    |                            |                    |                  |                    |                    |
| 1                             | 1  | Umesh Sharma               | 19,371.00          | 2,880.00         |                    | 22,251.00          |
| 2                             | 2  | Mohan Sharma               | 18,498.00          | 2,880.00         |                    | 21,378.00          |
| 3                             | 3  | Kapildev Sharma            | 18,469.00          | 2,880.00         |                    | 21,349.00          |
| 4                             | 4  | Harinarayan Sharma         | 18,498.00          | 2,880.00         |                    | 21,378.00          |
| 5                             | 5  | MN Ashir Imam              | 19,228.00          | 2,880.00         |                    | 22,108.00          |
| 6                             | 6  | Manish Kumar               | 19,401.00          | 2,880.00         |                    | 22,281.00          |
| 7                             | 7  | Pramod Kumar               | 18,340.00          | 2,880.00         |                    | 21,220.00          |



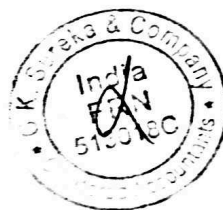
|    |    |                  |             |           |      |             |
|----|----|------------------|-------------|-----------|------|-------------|
| 68 | 8  | Manoj Kumar      | 18,440.00   | 2,880.00  |      | 21,320.00   |
| 69 | 9  | Prajapati Sharma | 19,470.00   | 2,880.00  |      | 22,350.00   |
| 70 | 10 | Raj Kumar Sharma | 24,470.00   | 2,880.00  |      | 27,350.00   |
| 71 | 11 | Nuruddin Ansari  | 19,441.00   | 2,880.00  |      | 22,321.00   |
| 72 | 12 | Bharat Sharma    | 19,499.00   | 2,880.00  |      | 22,379.00   |
| 73 | 13 | Kalawati Devi    | 24,659.00   | 2,880.00  |      | 27,539.00   |
| 74 | 14 | Chandrika Sharma | 23,498.00   | 2,880.00  |      | 26,378.00   |
| 75 | 15 | Ehshan Khatun    | 24,106.00   | 2,880.00  |      | 26,986.00   |
| 76 | 16 | Reshma Devi      | 24,470.00   | 2,880.00  |      | 27,350.00   |
| 77 | 17 | Nurul Imam       | 24,221.00   | 2,880.00  |      | 27,101.00   |
| 78 | 18 | Sanjay Sharma    | 22,190.00   | 2,880.00  |      | 25,070.00   |
| 79 | 19 | Mu. Radhika Devi | 23,113.00   | 2,880.00  |      | 25,993.00   |
| 80 | 20 | Manju Devi       | 20,418.00   | 2,880.00  |      | 23,298.00   |
| 81 | 21 | Ashraf Imam      | 24,210.00   | 2,880.00  |      | 27,090.00   |
| 82 | 22 | Afij Abdulla     | 18,320.00   | 2,880.00  |      | 21,200.00   |
| 83 | 23 | Bablu Sharma     | 18,498.00   | 2,880.00  |      | 21,378.00   |
| 84 | 24 | Anjani Kumar     | 19,470.00   | 2,880.00  |      | 22,350.00   |
|    |    |                  | 5,00,298.00 | 69,120.00 | 0.00 | 5,69,418.00 |

**Location : Jabakhana**

|    |   |                    |                  |                  |             |                  |
|----|---|--------------------|------------------|------------------|-------------|------------------|
| 85 | 1 | Bihari Shah        | 1792             | 1,536.00         |             | 3,328.00         |
| 86 | 2 | Manoj Kumar        | 3,712.00         | 1,536.00         |             | 5,248.00         |
| 87 | 3 | Md. Ali            | 5,504.00         | 1,536.00         |             | 7,040.00         |
| 88 | 4 | Anand Kumar        | 2176             | 1,536.00         |             | 3,712.00         |
| 89 | 5 | Ramesh Chandra Dey | 4,736.00         | 1,536.00         |             | 6,272.00         |
| 90 | 6 | Manoj Kumar        | 5,376.00         | 1,536.00         |             | 6,912.00         |
| 91 | 7 | Dev Mahto          | 5,632.00         | 1,536.00         |             | 7,168.00         |
| 92 | 8 | Ghanshyam Babu     | 1792             | 1,536.00         |             | 3,328.00         |
|    |   | <b>Total:-</b>     | <b>30,720.00</b> | <b>12,288.00</b> | <b>0.00</b> | <b>43,008.00</b> |

**Location: Station Chowk**

|     |   |                            |          |          |           |          |
|-----|---|----------------------------|----------|----------|-----------|----------|
| 93  | 1 | Nikhil Chandra Dev Nath    | -        | 6,984.00 | 6,984.00  | 0.00     |
| 94  | 2 | Atul Mohan Poddar          | 6,975.00 | 3,492.00 | 3,066.00  | 7,401.00 |
| 95  | 3 | Kedar Prashad Yadav        | 4,656.00 | 8,148.00 | 12,804.00 | 0.00     |
| 96  | 4 | Rajendra Prashad Yadav     | 3,201.00 | 8,148.00 | 9,312.00  | 2,037.00 |
| 97  | 5 | Yogendra Prashad Chourasia | -        | 3,492.00 | 3,492.00  | 0.00     |
| 98  | 6 | Kameshwar Mishra           | 1,513.00 | 3,492.00 | 5,005.00  | 0.00     |
| 99  | 7 | Hira Prashad               | 9,603.00 | 3,492.00 | 8,090.00  | 5,005.00 |
| 100 | 8 | Sambhu Prashad             | 5,754.00 | 3,492.00 | 3,849.00  | 5,397.00 |
| 101 | 9 | Bisundev Prashad           | 4,074.00 | 3,492.00 | 6,402.00  | 1,164.00 |



|                        |      |                          |           |           |           |           |
|------------------------|------|--------------------------|-----------|-----------|-----------|-----------|
| 102                    | 10   | Rameshwar Prashad        | 10,731.00 | 2,628.00  | 1,533.00  | 11,826.00 |
| 103                    | 11   | Ramshevak Prashad        | 4,365.00  | 3,492.00  | 2,910.00  | 4,947.00  |
| 104                    | 12   | Raj Kumar Singh          | 2,628.00  | 2,628.00  |           | 5,256.00  |
| 105                    | 13   | Ganesh Mishra            | 3,942.00  | 2,628.00  | 5,256.00  | 1,314.00  |
| 106                    | 14   | Vijay Kumar              | 5,706.00  | 3,492.00  | 7,434.00  | 1,764.00  |
| 107                    | 15   | Tulsi Thakur             | 1,927.00  | 2,628.00  | 3,333.00  | 1,222.00  |
| 108                    | 16   | Baiju Lal                | 5,474.00  | 2,904.00  |           | 8,378.00  |
| Total:-                |      |                          | 70,549.00 | 64,632.00 | 79,470.00 | 55,711.00 |
| Location: Gandhi Bazar |      |                          |           |           |           |           |
| 109                    | A/1  | Mahaveer Prasad          | 403.20    | 1,612.80  | 2,016.00  | 0.00      |
| 110                    | A/2  | Mohan Lal                | 5,241.60  | 1,612.80  |           | 6,854.40  |
| 111                    | A/3  | Abdhesh Parsad           | 39,110.40 | 1,612.80  |           | 40,723.20 |
| 112                    | A/4  | Arun Kumar               | 0.00      | 1,612.80  | 1,612.80  | 0.00      |
| 113                    | A/5  | Anzar Hussain            | 8,064.00  | 1,612.80  | 8,870.40  | 806.40    |
| 114                    | A/6  | Brijamohan Parsad        | 806.40    | 1,612.80  | 806.40    | 1,612.80  |
| 115                    | A/7  | Ambika Parsad            | 1,612.80  | 1,612.80  | 2,419.00  | 806.60    |
| 116                    | A/8  | Satya Narayan Parsad     | 806.40    | 806.40    |           | 1,612.80  |
| 117                    | A/9  | Sunil Kumar              | 30,240.00 | 1,152.00  |           | 31,392.00 |
| 118                    | A/10 | Kanhaiya Lal Sharma      | 1,152.00  | 1,152.00  | 1,152.00  | 1,152.00  |
| 119                    | A/11 | Dilip Kumar              | 9,792.00  | 1,152.00  |           | 10,944.00 |
| 120                    | A/12 | Saraswati Devi           | 16,320.00 | 1,152.00  |           | 17,472.00 |
| 121                    | A/13 | Gayatri Devi             | 1,152.00  | 1,152.00  |           | 2,304.00  |
| 122                    | A/14 | Lal Parsad               | 16,992.00 | 1,152.00  |           | 18,144.00 |
| 123                    | A/15 | Rajendra Bhagat          | 14,016.00 | 1,152.00  | 14,880.00 | 288.00    |
| 124                    | A/16 | Markande Mishra          | 26,784.00 | 1,152.00  |           | 27,936.00 |
| 125                    | A/17 | Sheikh Samsul Hoda       | 5,760.00  | 1,152.00  | 6,336.00  | 576.00    |
| 126                    | A/18 | Dhamendra Parsad         | 2,592.00  | 1,152.00  |           | 3,744.00  |
| 127                    | A/19 | Geeta Devi               | 8,352.00  | 1,152.00  |           | 9,504.00  |
| 128                    | A/20 | Ashok Kumar              | 1,152.00  | 1,152.00  | 2,304.00  | 0.00      |
| 129                    | A/21 | Shambhu Parsad           | 12,384.00 | 1,152.00  |           | 13,536.00 |
| 130                    | A/22 | Shiv Sagar Parsad        | 16,128.00 | 1,152.00  |           | 17,280.00 |
| 131                    | A/18 | Jagnarayan Parsad        | 0.00      | 806.40    |           | 806.40    |
| 132                    | B/1  | Surendra Parsad          | 1,814.40  | 1,814.40  |           | 3,628.80  |
| 133                    | B/2  | Vanshi Sah               | 9,525.60  | 1,814.40  |           | 11,340.00 |
| 134                    | B/3  | Ram Kumar Parsad         | 5,443.20  | 1,814.40  |           | 7,257.60  |
| 135                    | B/4  | Rudra Dev Parsad         | 0.00      | 1,814.40  | 907.20    | 907.20    |
| 136                    | B/5  | Kishori Lal Jaiswal      | 57,153.60 | 1,814.40  |           | 58,968.00 |
| 137                    | B/6  | Baidhnath Parsad Varnkal | 5,896.80  | 1,814.40  |           | 7,711.20  |
| 138                    | B/7  | Baidhnath Parsad Wastav  | 5,896.80  | 1,814.40  |           | 7,711.20  |
| 139                    | C/1  | Ghan Shyam Parsad        | 6,264.00  | 864.00    |           | 7,128.00  |



|                |         |                            |                    |                  |                  |                    |
|----------------|---------|----------------------------|--------------------|------------------|------------------|--------------------|
| 140            | C/2     | Suraji Devi                |                    |                  |                  |                    |
| 141            | C/3     | Mahaveer Prasad Gupta      | 6,264.00           | 864.00           |                  | 7,128.00           |
| 142            | C/4     | Girja Nandan Mishra        | 4,320.00           | 864.00           |                  | 5,184.00           |
| 143            | C/5     | Bajjnath Parsad            | 2,592.00           | 864.00           |                  | 3,456.00           |
| 144            | C/6     | Khirllich Sah              | 20,952.00          | 864.00           |                  | 21,816.00          |
| 145            | C/7     | Gulbadan Devi              | 20,736.00          | 864.00           |                  | 21,600.00          |
| 146            | C/8     | Vikarama Sah               | 864.00             | 864.00           |                  | 1,728.00           |
| 147            | D/1     | Madan Parsad Chandan Kumar | 11,448.00          | 864.00           |                  | 12,312.00          |
| 148            | D/2     | Nurain kha                 | 0.00               | 720.00           |                  | 720.00             |
| 149            | D/3     | Sohan Parsad               | 7,920.00           | 720.00           |                  | 8,640.00           |
| 150            | D/4     | Ramdat Parsad              | 5,220.00           | 720.00           | 5,580.00         | 360.00             |
| 151            | D/5     | Vinod Kumar                | 19,740.00          | 720.00           |                  | 20,460.00          |
| 152            | D/6     | Purushotam Parsad          | 6,660.00           | 720.00           |                  | 7,380.00           |
| 153            | D/7     | Rameshwar Parsad Jaisawal  | 1,440.00           | 720.00           |                  | 2,160.00           |
| 154            | D/8     | Jagarnath Parsad Shiva     | 4,500.00           | 720.00           |                  | 5,220.00           |
| 155            | E/1     | Vijay Kumar                | 252.00             | 1,008.00         | 1,008.00         | 252.00             |
| 156            | E/2     | Jagarnath Parsad           | 3,600.00           | 576.00           |                  | 4,176.00           |
| 157            | E/3     | Amar Lal                   | 0.00               | 576.00           | 576.00           | 0.00               |
| 158            | E/4     | Shankar Parsad Warnval     | 576.00             | 576.00           |                  | 1,152.00           |
| 159            | E/5     | Satya Dev Parsad Gupta     | 1,728.00           | 576.00           |                  | 2,304.00           |
| 160            | E/6     | Bhagwan Parsad             | 1,728.00           | 576.00           |                  | 2,304.00           |
| 161            | E/7     | Mangal Sah                 | 3,456.00           | 108.00           |                  | 3,564.00           |
| 162            | E/8     | Sanjay Kumar Gupta         | 4,176.00           | 576.00           |                  | 4,752.00           |
| 163            | E/9     | Sanjay Kumar Gupta         | 17,808.00          | 804.00           |                  | 18,612.00          |
| 164            | E/10    | Barjesh Kumar Gupta        | 1,728.00           | 576.00           |                  | 2,304.00           |
| 165            | E/11    | Panna Lal Sharma           | 576.00             | 576.00           |                  | 1,152.00           |
| 166            | E/12    | Jawahar Parsad Gupta       | 7,056.00           | 576.00           | 7,488.00         | 144.00             |
| 167            | E/13    | Krishna Devi               | 8,064.00           | 576.00           |                  | 8,640.00           |
| 168            | E/14    | Dileep kumar               | 0.00               | 576.00           |                  | 576.00             |
| 169            | E/16    | Birjmohan parsad           | 2,880.00           | 576.00           |                  | 3,456.00           |
| 170            | E/17    | Vinod kumar jaiswal        | 1,872.00           | 576.00           |                  | 2,448.00           |
| 171            | E/18    | Murari Lal                 | 576.00             | 576.00           | 576.00           | 576.00             |
| 172            | E/19    | Banarshi Parsad            | 144.00             | 576.00           |                  | 720.00             |
| 173            | E/20    | Nagendra Parsad            | 576.00             | 576.00           | 576.00           | 576.00             |
| 174            | E/21    | Parem Chandra Parsad       | 6,336.00           | 576.00           |                  | 6,912.00           |
| 175            | E SPL   | Moti Lal                   | 144.00             | 576.00           | 720.00           | 0.00               |
| 176            | F/1     | Ramesh Kumar               | 5,328.00           | 576.00           |                  | 5,904.00           |
| 177            | F/2     | Surendra Parsad            | 11,289.60          | 1,872.00         |                  | 13,161.60          |
| 178            | F/3 SPL | Md Ushman                  | 1,344.00           | 1,344.00         | 2,016.00         | 672.00             |
| 179            | G/1     | Shyam Sundar Vastav        | 470.00             | 1,872.00         | 1,881.60         | 460.40             |
| 180            | G/2     | Chandra Rawaut             | 3,960.00           | 360.00           |                  | 4,320.00           |
| 181            | H/1     | Shyam Parbha Devi          | 2,250.00           | 360.00           |                  | 2,610.00           |
| 182            | H/2     | Madan Lal                  | 3,496.00           | 372.00           |                  | 3,868.00           |
| 182            | H/2     | Champa Devi                | 9,166.00           | 372.00           |                  | 9,538.00           |
| <b>Total:-</b> |         |                            | <b>5,24,090.80</b> | <b>73,099.20</b> | <b>61,725.40</b> | <b>5,35,464.60</b> |



| Location: Gandhi Bazar (Old Shop) |   |                    |              |             |             |              |
|-----------------------------------|---|--------------------|--------------|-------------|-------------|--------------|
| 183                               | 1 | Ram Kishun Ram     | 5,925.00     | 300.00      | 6,075.00    | 150.00       |
| 184                               | 2 | Gulam Ram          | 0.00         | 300.00      |             | 300.00       |
| 185                               | 3 | Manguru Lal        | 1,275.00     | 300.00      |             | 1,575.00     |
| 186                               | 4 | Madar Miya         | 300.00       | 300.00      |             | 600.00       |
| 187                               | 5 | Dinanath Parsad    | 5,050.00     | 300.00      |             | 5,350.00     |
| 188                               | 6 | Nathu Lal          | 300.00       | 300.00      | 300.00      | 300.00       |
| 189                               | 7 | Satyug Lal         | 5,075.00     | 300.00      |             | 5,375.00     |
| 190                               | 8 | Panna Lal          | 5,075.00     | 300.00      | 900.00      | 4,475.00     |
| 191                               | 9 | Kamal Lal          | 8,325.00     | 300.00      |             | 8,625.00     |
| Total:-                           |   |                    | 31,325.00    | 2,700.00    | 7,275.00    | 26,750.00    |
| Location: Sewa Babu Chowk         |   |                    |              |             |             |              |
| 192                               | 1 | Baidhnath Parsad   | 0.00         | 8,952.00    | 4,476.00    | 4,476.00     |
| 193                               | 2 | Jawahar Parsad     | 0.00         | 8,952.00    | 4,476.00    | 4,476.00     |
| 194                               | 3 | Vipin Parsad Gupta | 0.00         | 8,952.00    | 4,476.00    | 4,476.00     |
| 195                               | 4 | Rajeev Kumar Gupta | 0.00         | 8,952.00    | 4,476.00    | 4,476.00     |
| 196                               | 5 | Raj Kumar Jain     | 0.00         | 7,140.00    | 3,570.00    | 3,570.00     |
| 197                               | 6 | Vinod Kumar Gupta  | 0.00         | 5,388.00    | 2,694.00    | 2,694.00     |
| 198                               | 7 | Parbhu Parsad      | 0.00         | 8,952.00    | 7,460.00    | 1,492.00     |
| Total:-                           |   |                    | 0.00         | 57,288.00   | 31,628.00   | 25,660.00    |
| Grand Total:-                     |   |                    | 20,43,654.80 | 4,71,355.20 | 4,92,439.40 | 20,22,570.60 |

\*Note: Shop Rent Collection made during the Year 2018-19 Rs.492439.40 ,while deposited into Bank only Rs.358084.00

**Consequence/Effect/Impact:**

Due to no collection of rent there is a huge revenue loss to the Nagar Parishad.

**Cause:**

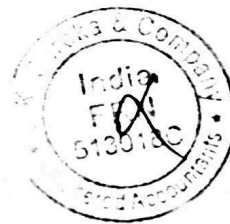
This is happens due to failure of designated staff and non-monitoring of authorised officials on timely basis.

**Corrective Action/ Recommendation:**

There should be proper collection and monitoring mechanism for shop rent.

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

➤ During our test check no irregularities observed.



Field survey of 20 high value properties has been conducted by us and our report thereon is:

**REPORT ON FIELD SURVEY OF 20 HIGH VALUE PROPERTIES OF N.P. BETTIAH**

| SL.NO | NAME                        | FATHERS NAMES              | WARD NO. | TYPE OF CONSTRUCTION | TYPE OF USES | TYPE OF ROAD | CARPET AREA | ANNUAL VALUE | ANNUAL TAX | REMARKS OF AUDITOR |
|-------|-----------------------------|----------------------------|----------|----------------------|--------------|--------------|-------------|--------------|------------|--------------------|
| 1     | DR. NASSER ALI              | LATE. MUMTAJ ALI           | 6        | RCC                  | Commercial   | B            | 6,000       | 8,42,055.00  | 75,784.95  | No Variance        |
| 2     | SANJAY KUMAR RAI            | LATE. JITENDRA RAI         | 23       | RCC                  | Resi/Comm    | B            | 6,630       | 3,81,520.00  | 34,336.80  | No Variance        |
| 3     | PRAKASH KUMAR               | SHAMBHU PRASAD             | 23       | RCC                  | Commercial   | C            | 3,332       | 2,81,432.00  | 25,328.88  | No Variance        |
| 4     | AVIRAL NILESH               | DR. ANIL MORANI            | 23       | RCC                  | Commercial   | B            | 3,478       | 3,35,180.00  | 30,166.20  | No Variance        |
| 5     | ANUPMA RAI                  | SANJAY KUMAR RAI           | 35       | RCC                  | Commercial   | B            | 3,000       | 3,24,000.00  | 29,160.00  | No Variance        |
| 6     | M/S SARAL COMODITY PVT.LTD. | --                         | 36       | RCC                  | Commercial   | B            | 2,880       | 7,25,760.00  | 65,318.40  | No Variance        |
| 7     | VIJAY PRASAD                | LATE. VISWANATH PRASAD     | 36       | RCC                  | Commercial   | B            | 3,754       | 5,16,240.00  | 46,461.60  | No Variance        |
| 8     | ALOK RANJAN                 | LATE. AMANISIVAM           | 35       | RCC                  | Commercial   | B            | 6,000       | 7,05,000.00  | 63,450.00  | No Variance        |
| 9     | KALAWATI DEVI               | VENKTESHWAR RAM            | 22       | RCC                  | Commercial   | B            | 1,496       | 2,42,352.00  | 21,811.68  | No Variance        |
| 10    | SANT JOSEF BHAWAN           | -                          | 22       | RCC                  | Resi/Comm    | B            | 15,000      | 7,20,000.00  | 64,800.00  | No Variance        |
| 11    | SANT TERESA PRIMARY SCHOOL  | -                          | 22       | RCC                  | Resi/Comm    | B            | 12,400      | 3,64,752.00  | 2,827.68   | No Variance        |
| 12    | MADAN LAL GOYANKA           | -                          | 33       | RCC                  | Commercial   | B            | 2,400       | 2,59,200.00  | 23,328.00  | No Variance        |
| 13    | VIDHUBHUSHAN CHATARJEE      | LATE. BHOLE NATH CHATARJEE | 23       | RCC                  | Commercial   | B            | 12,230      | 8,90,938.00  | 80,184.42  | No Variance        |
| 14    | NAVITA TIWARI               | DR. PRAMOD TIWARI          | 17       | RCC                  | Resi/Comm    | B            | 9,130       | 3,55,253.00  | 31,972.77  | No Variance        |
| 15    | KUNDAN KUMAR                | RAMCHANDIRKA SHARMA        | 36       | RCC                  | Commercial   | B            | 2,775       | 3,45,600.00  | 31,104.00  | No Variance        |
| 16    | SANJAY KUMAR JHUNJUNWAL     | HARI PRASAD JHUNJUNWAL     | 35       | RCC                  | Commercial   | B            | 5,562       | 6,17,280.00  | 55,555.20  | No Variance        |
| 17    | JATASHANKAR SHARMA          | LATE. BHART SHARMA         | 6        | RCC                  | Resi/Comm    | B            | 2,400       | 3,34,500.00  | 30,105.00  | No Variance        |
| 18    | ASHOK SHARMA                | LATE. SANKAR PRASAD        | 26       | RCC                  | Commercial   | B            | 3,436       | 3,49,416.00  | 31,447.44  | No Variance        |
| 19    | JAGDISH PRASAD              | LATE. MOHANLAL             | 36       | RCC                  | Commercial   | B            | 10,000      | 54,000.00    | 4,860.00   | No Variance        |
| 20    | NURUL ISHLAM                | MD. ISHA KHAN              | 5        | RCC                  | Commercial   | C            | 34,830      | 32,000.00    | 2,880.00   | No Variance        |



## 5. PART-B

All audit objections/ irregularities which have no monetary implication, but significant violation of Act, Rules & directives of UD & HD. Mention the reference Act & Rules wherein remedial measures is required. In this part auditor should report in respect of -

### a. Non- maintenance of books of accounts , subsidiary registers

| S.No. | Particulars                    | Status                  |
|-------|--------------------------------|-------------------------|
| 1.    | Ledger Book                    | Not Maintained          |
| 2.    | Grant Register                 | Not Maintained          |
| 3.    | Payroll Register               | Not properly maintained |
| 4.    | Log Book                       | Not Provided            |
| 5.    | Demand and Collection Register | Not Provided            |
| 6.    | Assessment Register            | Not Provided            |

### Recommendation:

*We recommend to the Nagar Parishad to Prepare and update the required books and registers*

### b. Irregularity in procurement process

- No major irregularity observed.

### c. Non-compliance of directives by UD & HD , GOB

We observed several non-compliances of directives of UD & HD, GOB such as:

- i. Non collection of various taxes required to be collected.
- ii. Non maintenance of prescribed books of accounts
- iii. Non submission of UC and other reports on timely basis etc.

### Recommendation:

*We recommend to the Nagar Parishad to Prepare and update the required books and registers.*

### d. Non Compliance of Act & Rules



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

- i. Property tax on lands and buildings.
- ii. Surcharge on transfer of lands and buildings,
- iii. Tax on deficit in parking spaces in any non-residential building,
- iv. Water tax,
- v. Fire tax,
- vi. Tax on advertisements, other than advertisements published in newspapers,
- vii. Surcharge on entertainment tax
- viii. Surcharge on electricity consumption within the municipal area,
- ix. Tax on congregations,
- x. Tax on pilgrims and tourists, and
- xi. Toll -
  - a) on roads, bridges, ferries and navigable channel and
  - b) on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles, within the meaning of the Motor Vehicles Act, 1988, plying on a public street.
- xii. Tax on profession

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

***New Assessment has not been done since long and holding tax is being collected at old rates.***

**Recommendation:**

*We recommend to the Nagar Parishad to comply with the accrual system of accounting using double entry system*

**e. Lack of internal Control measures**

- 1) There are lack of internal control w.r.t collection of Internal Revenue.
- 2) Demand collection Register has not been prepared hence it is not possible to ascertain total arrear of taxes
- 3) Taxes collected by tax collector are not deposited on daily basis we observed that it is being deposited after significant interval which is not proper. As per Rule 27 of BMAR it should be deposited on daily basis otherwise a penalty up to Rs. 5000/- per day may be imposed for delayed deposit.



- 4) Reassessment of holding tax has not been done since long and holding tax is being collected at old rates.
- 5) Due collection of revenue on old rates there is significant loss the N.P. Quantification of loss is not possible at this point of time.
- 6) Advertisement Tax is not being levied by the N.P as a result there is a loss to the N.P of advertisement tax amount.
- 7) Tower tax dues are not collected on time basis.
- 8) We do not observe any lack of internal control on deduction and deposit of various taxes. The Municipality is regular in deduction and depositing the statutory dues.

**Recommendation:**

*We recommend to the Nagar Parishad to comply with the above mentioned internal controls weakness for fair presentation of financial position.*

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

- The municipality is not regular in depositing statutory dues including tax deducted at source, service tax, VAT/GST, works contract tax, cess payable to the government etc. We observed that all such taxes deducted during the financial year 2018-19 has been deposited in full to the concerned departments. Details of statutory deductions and deposits are as under-

| 2018-19                         |                 |                |                |                                    |
|---------------------------------|-----------------|----------------|----------------|------------------------------------|
| Details of Statutory Deductions |                 |                |                |                                    |
| Sl. No.                         | Name            | Deductions     | Deposit        | Closing Balance (As on 31.03.2019) |
| 1                               | Income tax      | 1249620        | 1165264        | 84356                              |
| 2                               | GST             | 523575         | 233495         | 290080                             |
| 3                               | Royalty         | 269126         | 230042         | 39084                              |
| 4                               | Labour cess     | 794521         | 742442         | 52079                              |
| 5                               | Sales tax (VAT) | 2552844        | 2552844        | 0                                  |
|                                 | <b>TOTAL</b>    | <b>5389686</b> | <b>4924087</b> | <b>465599</b>                      |

**Recommendation:**

*We recommend to the Nagar Parishad to comply with the above mentioned internal controls weakness for fair presentation of financial position.*

**g. Deficiency in Pay-roll System**

- The pay-roll system does not contain leave details of employee. PF contribution and pension fund contribution of employees are deducted but municipal contribution is not being paid. PF account has not been opened



with PF department all the deductions of PF contribution and pension fund contribution are being deposited in a separate account opened by the municipality.

**Recommendation:**

*We recommend to the Nagar Parishad to comply the said provisions.*

**h. Utilization of Grant and report on missing Utilization Certificates**

- Grant Register has not been prepared hence it is difficult to ascertain unutilized grant at any particular time.

**Nagar Parishad Bettiah**

**2018-19**

**Grant Received and their Utilisation Details**

| Sl. No. | FUND                | Bill No. | Date       | Sanction Letter No./Date | Amount   | U.C Amount | Remarks<br>U.C Status |
|---------|---------------------|----------|------------|--------------------------|----------|------------|-----------------------|
| 1       | STAMP DUTY          | 01/18-19 | 23.06.208  | 1413/19.04.2018          | 42868874 | 0          | Not Submitted         |
| 2       | E.O SALARY          | 02/18-19 | 25.06.2018 | 07/22.05.2018            | 700000   | 685000     | 20.02.2019            |
| 3       | CITY MANAGER SALARY | 03/18-19 | 29.06.2018 | 08/24.05.2018            | 197220   | 0          | Not Submitted         |
| 4       | 5TH FINANCE         | 04/18-19 | 20.07.2018 | 21/10.07.2018            | 27607898 | 0          | Not Submitted         |
| 5       | 5TH FINANCE         | 05/18-19 | 20.07.2018 | 21/10.07.2018            | 27607899 | 0          | Not Submitted         |
| 6       | STAMP DUTY          | 06/18-19 | 23.07.2018 | 809/28.02.2017           | 32164722 | 0          | Not Submitted         |
| 7       | 5TH FINANCE         | 07/18-19 | 01.08.2018 | 15/03.07.2018            | 26995225 | 0          | Not Submitted         |
| 8       | 5TH FINANCE         | 08/18-19 | 01.08.2018 | 15/03.07.2018            | 26995225 | 0          | Not Submitted         |
| 9       | CIVIC AMENITIES     | 09/18-19 | 08.11.2018 | 39/20.08.2018            | 12698400 | 0          | Not Submitted         |
| 10      | PROFESSIONAL TAX    | 10/18-19 | 08.11.2018 | 77/24.10.2018            | 4854515  | 0          | Not Submitted         |
| 11      | 14TH FINANCE        | 11/18-19 | 08.11.2018 | 82/31.10.2018            | 13037826 | 0          | Not Submitted         |
| 12      | 14TH FINANCE        | 12/18-19 | 08.11.2018 | 82/31.10.2018            | 13037825 | 0          | Not Submitted         |
| 13      | E.O SALARY          | 13/18-19 | 16.01.2019 | 112/14.01.2019           | 800000   | 0          | Not Submitted         |
| 14      | 14TH FINANCE        | 14/18-19 | 31.01.2019 | 120/25.01.2019           | 12946648 | 0          | Not Submitted         |
| 15      | 14TH FINANCE        | 15/18-19 | 31.01.2019 | 120/25.01.2019           | 12946648 | 0          | Not Submitted         |
| 16      | NALI GALI YOJNA     | 16/18-19 | 01.03.2019 | 131/22.02.2019           | 14635628 | 0          | Not Submitted         |
| 17      | NALI GALI YOJNA     | 17/18-19 | 01.03.2019 | 131/22.02.2019           | 21038716 | 0          | Not Submitted         |
| 18      | NALI GALI YOJNA     | 18/18-19 | 01.03.2019 | 131/22.02.2019           | 914727   | 0          | Not Submitted         |



**Recommendation:**

We recommend to the Nagar Parishad to provide the grant register for assist in preparation of utilization certificate.

**i. Physical verification of inventory/Stores**

Store Register has not been prepared and physical verification of inventory/stores has also not been done.

**Recommendation:**

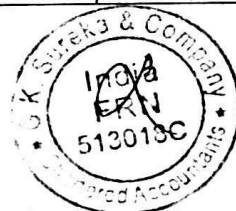
We recommend to the Nagar Parishad to prepare the store/inventory register.

**j. Advances, their adjustment & recovery****Advance Payment****Criteria:**

The employees of the Municipality to whom official advances are provided for incurring expenditure on behalf of the Municipality shall prepare a Payment Order for the expenditure incurred as soon as the purpose for which the advance was provided is accomplished.

Details of Advances and their adjustments are as follows :

| Nagar Parishad Bettiah |                                |            |        |             |                          |           |
|------------------------|--------------------------------|------------|--------|-------------|--------------------------|-----------|
| 2018-19                |                                |            |        |             |                          |           |
| Advance Details        |                                |            |        |             |                          |           |
| Sl. No.                | Name                           | Date       | Amount | Adjusted    | Balance as on 31.03.2019 | Fund      |
| 1                      | MANJAY KUMAR                   | 05.05.2018 | 40000  | Un adjusted | 40000                    | GEN. FUND |
| 2                      | DURGA MAHILA SWABLAMBAN SAMITI | 14.05.2018 | 200000 | Un adjusted | 200000                   | NULM      |
| 3                      | SANJEEV KUMAR                  | 14.05.2018 | 67512  | Un adjusted | 67512                    | GEN. FUND |
| 4                      | SANJEEV KUMAR                  | 14.05.2018 | 30000  | Un adjusted | 30000                    | GEN. FUND |
| 5                      | JULUM SAH                      | 07.09.2018 | 15000  | Un adjusted | 15000                    | GEN. FUND |
| 6                      | LALAN KUMAR                    | 22.10.2018 | 40000  | Un adjusted | 40000                    | GEN. FUND |
| 7                      | JULUM SAH                      | 22.10.2018 | 20000  | Un adjusted | 20000                    | GEN. FUND |
| 8                      | LALAN KUMAR                    | 31.10.2018 | 40000  | Un adjusted | 40000                    | GEN. FUND |
| 9                      | JULUM SAH                      | 31.10.2018 | 30000  | Un adjusted | 30000                    | GEN. FUND |
| 10                     | JULUM SAH                      | 05.11.2018 | 20000  | Un adjusted | 20000                    | GEN. FUND |
| 11                     | LALAN KUMAR                    | 05.11.2018 | 40000  | Un adjusted | 40000                    | GEN. FUND |
| 12                     | LALAN KUMAR                    | 16.11.2018 | 40000  | Un adjusted | 40000                    | GEN. FUND |
| 13                     | LALAN KUMAR                    | 27.11.2018 | 45000  | Un adjusted | 45000                    | GEN. FUND |
| 14                     | LALAN KUMAR                    | 05.12.2018 | 15000  | Un adjusted | 15000                    | GEN. FUND |
| 15                     | LALAN KUMAR                    | 16.12.2018 | 10000  | Un adjusted | 10000                    | GEN. FUND |
| 16                     | RAMAN KUMAR                    | 05.01.2019 | 30000  | Un adjusted | 30000                    | GEN. FUND |
| 17                     | JULUM SAH                      | 21.01.2019 | 20000  | Un adjusted | 20000                    | GEN. FUND |



|    |              |            |               |             |               |           |
|----|--------------|------------|---------------|-------------|---------------|-----------|
| 18 | RAMAN KUMAR  | 25.01.2019 | 30000         | Un adjusted | 30000         | GEN. FUND |
| 19 | JULUM SAH    | 09.03.2019 | 20000         | Un adjusted | 20000         | GEN. FUND |
| 20 | JULUM SAH    | 31.03.2019 | 50000         | Un adjusted | 50000         | GEN. FUND |
|    | <b>TOTAL</b> |            | <b>802512</b> |             | <b>802512</b> |           |

**k. Any other matters as may be prescribed in due course.**

Staff strength of accounts department needs to be increased.

**PART- C**

a. Auditor should report in a separate section for non-compliance of rules/directives of UD&HD, GOB; Auditor should see the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.

➤ We observed several compliances and non-compliances of directives of UD & HD, GOB such as:

Chapter-IX: Financial Management of Municipalities

Keeping in view the classification of municipal areas under section 7, the receipts and expenditures of the Municipality has not been kept under the heads of accounts, including those for water-supply, drainage and sewerage, solid waste management, road development and maintenance, slum services, commercial projects and other account heads as specified and the general account head, in such manner, and in such Form, as prescribed, so as to facilitate the imposition of user charges and preparation of any subsidy report under this Act.

Chapter-X: Application of Municipal Fund

Records for Power to incur expenditure within specified limits of the Municipality has not been provided to us.

The state fund grants received during the year were not specifically mentioned the purpose of their utilisation, the funds received as grant during the year were utilised for various purposes.



### Chapter-XI: Budget Estimates

No irregularities observed in preparation and presentation of budget estimate for the FY 2018-19.

### Chapter XII: Accounts and Audit

Books and Accounts of the Nagar Parishad has not been maintained as per Municipal Accounting Manual and not placed to auditor appointed by UDHD. However the Nagar Parishad is maintaining only cash book and their subsidiary books.

### Chapter-XIII: Municipal Property

We were not provided with the Fixed Assets Register for the FY 2018-19 for verification.

### Chapter-XIV: Borrowings

No borrowings availed by Nagar Parishad.

### Chapter-XV: Municipal Revenue

Revenue collection process is not satisfactory; in case of property tax internal control is not adequate. We have observed that Property Taxes collected by tax collector were not deposited on the same day or the day after tomorrow but it is being deposited after a week/month.

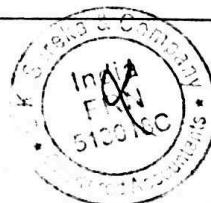
1. Reconciliation of property tax collection by tax collector and amount deposited into bank is also not available.
  2. Tax demand register has not been provided for verification, in such a situation we cannot ascertain the actual tax demanded/dues which can be recovered from a single tax payer. This could be a huge loss to Nagar Parishad.
- Holding tax collected during the financial year 2018-19 had not been deposited in full. We found that an amount of Rs.2538412/-short deposit against total collection of Rs. 20030875/.



|  |   |
|--|---|
|  | <p>➤ Tower tax (Registration and Renewal Fees) is not being collected on time. Rs. 148278948/- is receivable from tower tax.</p> <p>➤ Records of shop rent not maintained as per required norms, shop rent is not being collected on time. Rs. 2022570.60/- is receivable as shop rent.</p> <p>Nagar Parishad is not collecting any advertisement tax.</p>  |
| <p>b. Auditor should Report in a separate chapter on implementation of SAS of Property Tax in the ULB; internal auditor should witness some assessment procedures to check any in-consistencies in assessment. At least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not) must be surveyed and checked in each quarter and reported variations, if any, in PTRs and Actuals as per internal audits;</p>  | <p><i>Field survey of 20 high value properties has been conducted by us and our report as annexed in Part-A Point-3 of this report.</i></p>   |
| <p>c. Auditor should Report on compliance of Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR</p> <p>a) Rule 22: All moneys to be brought to account</p> <p>b) Rule: 27: Collections to be deposited into Bank on the same day</p> <p>c) Rule 69: Grant Related Compliance</p> <p>d) Rule 120-121: Monthly Receipt &amp; Payment Account and Trial Balance</p> <p>Rule 130: Audit to be completed &amp; reported within 6 month</p> | <p>➤ As suggested by the C&amp;AG, the Ministry of Finance, Government of India has introduced a "National Municipal Accounts Manual" for adoption of accrual system of accounting system of accounting of ULBs. Based on NMAM, Bihar Municipal Accounts Manual (BMAM) has been got prepared by the Government of Bihar and has been enforced from April 1, 2007. Generally ULB following cash based accounting system which is only detail of total collection and expenses as per provision of BMR 2007, the double entry system should be employed to all ULB.</p> <ul style="list-style-type: none"> <li>• Till date Double Entry Accounting System is not operational in the Nagar Parishad.</li> <li>• Internal control for collections of revenue from internal sources is not adequate such as :</li> </ul> |



|  |   |
|--|---|
|  | <p>i. Demand register is not maintained.</p> <p>ii. All the collections are not deposited in bank account on same day.</p> <p>iii. Monthly Receipt &amp; Payment Account and Trial Balance has not been prepared.</p> <p>Audit of accounts is not completed and report has not been submitted within 6 month.</p>   |
| d. Report on compliance of financial guidelines of schemes of MOHUA and UD & HD, GoB.  | Separate details of schemes of MOHUA (Ministry of Housing and Urban Affair) and UD&HD (Urban Development and Housing Department) not provided to us for Report on compliance of financial guidelines.   |
| e. Auditor should Report and quantify all major own revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc; | <p>➤ Revenue collection process is not satisfactory; in case of property tax internal control is not adequate. We have observed that Property Taxes collected by tax collector were not deposited on the same day or the day after tomorrow but it is being deposited after a week/month.</p> <p>1. Reconciliation of property tax collection by tax collector and amount deposited into bank is also not available.</p> <p>Tax demand register has not been provided for verification, in such a situation we cannot ascertain the actual tax demanded/dues which can be recovered from a single tax payer. This could be a huge loss to Nagar Parishad.</p> |
| f. Auditor should Report on adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments above Rs.10,000 and above.   | No irregularities observed on test check basis.   |
| g. Auditor should Report on Procurement made including through E-Tendering and E-Auction indicating exceptions , if any and whether a register is kept for all Procurements  | No irregularities observed on test check basis.   |



|  |   |
|--|---|
| with value above Rs. 15,000/-  |   |
| <p>h. Auditor should Report on presence or absence of a system of issuance of utilisation certificate for the different schemes for any utilisation made during the reporting period; Where there is no system for issuance of U/Cs, the Internal Audit report shall prepare Utilisation Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&amp;HD website.</p> | <p>Not any Utilisation certificate has been issued during the reporting period.</p> <p><u>Details of Grants received and their utilizations</u> has provided above in the point N.o- H of Part-B.</p>   |
| <p>i. Auditor should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.</p>  | <p><u>Instances of losses, failures or inefficiencies</u></p> <ul style="list-style-type: none"> <li>➤ In case of property tax internal control is not adequate. We have observed that Property Taxes collected by tax collector were not deposited on the same day or the day after tomorrow but it is being deposited after a week/month.</li> <li>➤ Reconciliation of property tax collection by tax collector and amount deposited into bank is also not available.</li> <li>➤ Tax demand register has not been provided for verification, in such a situation we cannot ascertain the actual tax demanded/dues which can be recovered from a single tax payer. This could be a huge loss to Nagar Parishad.</li> <li>➤ Nagar Parishad is not collecting any advertisement tax.</li> </ul> <p>Recommendations and/or measures which can be taken to avoid their recurrence in future.</p> <p>Proper monitoring of all transactions and implementation of Bihar Municipal Accounting Manual by authorised personals are recommended.</p> |
| <p>j. Internal Auditor will report on each payment, that the payment terms &amp; conditions of tenders and rate offers</p>   | <p>➤ No such irregularities observed on test check basis.</p>   |



| <p>are according to procurement law and policies.</p>   |  |            |   |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
|---|--|------------|---|--------|--------|---|--------------|---------|------------------------------------|---|-----------|-----------|-----------------------------------|---|-----------|------------|-----------------------------------|---|-------------------|----|---|
| <p>k. Auditor will report on that the fixed deposit and other funds should be in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.</p>   | <p>No such FD.s held by Nagar Parishad.</p>  |            |   |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| <p>l. Internal Auditor will identify major areas of ULBs own revenue loss and auditor will access the loss and Prepare a statement of loss.</p>   | <p style="text-align: center;">Details:</p> <table border="1" data-bbox="804 510 1501 965"> <thead> <tr> <th>S. No.</th> <th>Particulars</th> <th>Amount</th> <th>Reason</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Property Tax</td> <td>2538412</td> <td>Short Deposit against collections.</td> </tr> <tr> <td>2</td> <td>Tower Tax</td> <td>148278948</td> <td>Non-Recovery/Delay in collection.</td> </tr> <tr> <td>3</td> <td>Shop Rent</td> <td>2022570.60</td> <td>Non-Recovery/Delay in collection.</td> </tr> <tr> <td>4</td> <td>Advertisement Tax</td> <td>--</td> <td>Nagar Parishad is not collecting any advertisement tax.</td> </tr> </tbody> </table> | S. No.     | Particulars   | Amount | Reason | 1 | Property Tax | 2538412 | Short Deposit against collections. | 2 | Tower Tax | 148278948 | Non-Recovery/Delay in collection. | 3 | Shop Rent | 2022570.60 | Non-Recovery/Delay in collection. | 4 | Advertisement Tax | -- | Nagar Parishad is not collecting any advertisement tax. |
| S. No.  | Particulars  | Amount     | Reason  |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| 1   | Property Tax   | 2538412    | Short Deposit against collections.                      |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| 2   | Tower Tax  | 148278948  | Non-Recovery/Delay in collection.                       |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| 3   | Shop Rent  | 2022570.60 | Non-Recovery/Delay in collection.                       |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| 4   | Advertisement Tax  | --         | Nagar Parishad is not collecting any advertisement tax. |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| <p>m. Auditor will report on that all kind of tax deductions i.e. Commercial tax, Income tax, provident fund etc. Should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.</p> | <p>No irregularities observed in deduction and depositing the various taxes other than Provident fund.</p>   |            |   |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |
| <p>n. Internal Auditor will ensure that all the C&amp;AG audit &amp; Internal audit Paras has been complied by the ULBs, if not complied the Internal Auditor shall help the ULBs staffs to prepare the compliance report.</p>                            | <p>Details of C&amp;AG audit and Internal audit paras has given in above Para 3.</p>   |            |   |        |        |   |              |         |                                    |   |           |           |                                   |   |           |            |                                   |   |                   |    |   |



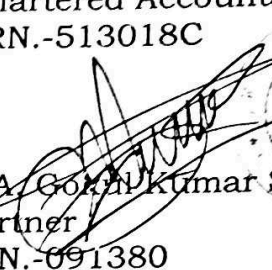
**General Observations: Auditor should report the deficiencies noticed during their audit and recommend ULB Management to improve internal systems.**

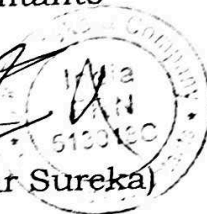
- Manpower of Nagar Parishad is not adequate and equipped with required knowledge.

Place : Patna

Date :

For G.K.Sureka & Co.  
Chartered Accountants  
FRN.-513018C

  
(CA/ G.K. Sureka)  
Partner  
M.N.-091380

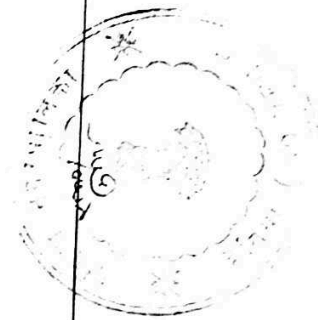


UDIN:- 20091380AAAA DK4823  
Date: 24-06-2020

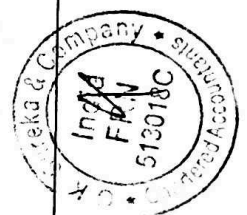
**Discussion Note for Internal Audit observation of FY 2018-19**

Discussion has been made with the audit manager of the internal audit Firm M/s G.K. Sureka & Co. on the Internal Audit observations of the financial year 2017-18 and we kept in mind and follow their recommendations and suggestions on the areas of process and control weakness in best manner. Some of the serious issues have been given below:

| <b><u>S. No</u></b> | <b><u>Audit Observations</u></b>   | <b><u>Reply of Management</u></b>   |
|---------------------|--|---|
| 1.                  | Compliance of paras of AG Audit Report is pending till now, please provide exact status of the same.   | Working on the compliance of outstanding paras of AG Report.  |
| 2.                  | Copy of Internal audit report of FY 2016-17 has not been available to us for verification and to know status of compliance of outstanding audit paras.   | Will be provided soon.  |
| 3.                  | Bank Reconciliation statement has not been prepared on regular intervals. i.e. Monthly/Quarterly,<br><br>Account and Scheme wise Bank reconciliation not prepared and corresponding Book Balance and Pass balance not provided of respective accounts. | Preparation of Bank Reconciliation Statement is in progress. It will be provided as soon as possible. |
| 4.                  | ULB has not maintained subsidiary cash book.<br><br>We recommend to the ULB to maintain scheme wise subsidiary cashbook.   | Preparation of subsidiary book is in progress.  |



|    |  |  |
|----|--|--|
|    |  | concerned department. Implementation of DEAS is in progress, and pending for approval.   |
| 6. | Constitution of "Municipal Accounts Committee" is pending yet.   | We are working on the constitution of Municipal Accounts Committee.  |
| 7. | <p>a. Reconciliation of property tax collection by tax collector and amount deposited into bank is also not available.</p> <p>b. Tax demand register has not been provided for verification, in such a situation we cannot ascertain the actual tax demanded/dues which can be recovered from a single tax payer. This could be a huge loss to ULB.</p> <p>c. Holding Tax collected during the FY 2018-19 had not been deposited in full, we found short deposit of Rs. 25,38,412/- against total collection of Rs. 2,00,30,875/-</p> <p>d. Property Tax should be deposited on daily basis otherwise a penalty up to Rs. 5000/- may be imposed for delayed deposit.</p> | <p>a) Noted for further compliance.</p> <p>b) Noted for further compliance.</p> <p>c) Short deposit of Rs. 25,38,412/- has been deposited in bank.</p> <p>d) Noted for further compliance.</p> |
| 8. | Tower tax (Registration and Renewal Fees) is not being collected on timely basis as more than Rs. 14,82,78,948/- is receivable from tower tax.   | Notice will be issue to the concerned person, as and when stay order of High Court laps/removed.   |
| 9. | ULB is not collecting any advertisement tax.   | We are working on it.  |



Maintenance of Demand Register for shop rent is in progress and it will be provided from next time. Notice to be issued to the concerned shop tenant.

We are working on the preparation of Subsidiary books and Register, few of them is prepared.  
Details as bellow.

DEAS team has been appointed by the concerned department for this and they are working on this.

We are working on it. Taxes and fines will be charged/ collected as soon as possible.

Uncollected shop rent for the year 2018-19 was Rs. 20,22,571/-

11. Non- maintenance of books of accounts , subsidiary registers

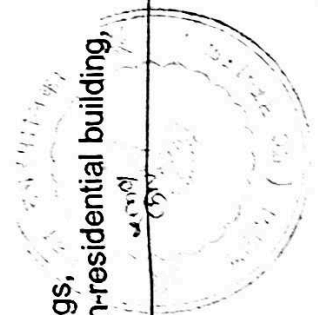
| S.No. | Particulars                    | Status                  |
|-------|--------------------------------|-------------------------|
| 1.    | Ledger Book                    | Not Maintained          |
| 2.    | Grant Register                 | Not Maintained          |
| 3.    | Payroll Register               | Not properly maintained |
| 4.    | Log Book                       | Not Provided            |
| 5.    | Demand and Collection Register | Not Provided            |
| 6.    | Assessment Register            | Not Provided            |

12. ULB is not preparing its books of accounts using the accrual system of accounting.

13. We observed that only above mentioned tax/Fee has been collected during the year other taxes have not been collected.

i.e.

- a. Surcharge on transfer of lands and buildings,
- b. Tax on deficit in parking spaces in any non-residential building,
- c. Water tax,

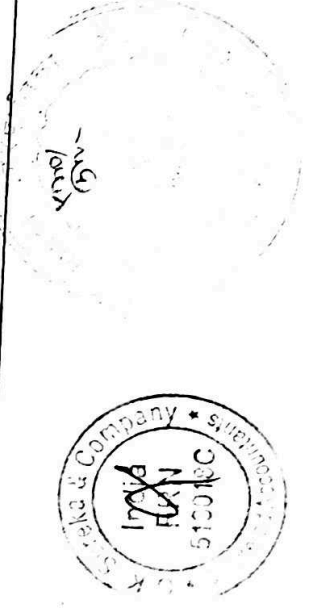


|   |   |
|---|---|
| <p>e. Tax on advertisements, other than advertisements published in newspapers,<br/> f. Surcharge on entertainment tax<br/> g. Surcharge on electricity consumption within the municipal area,<br/> h. Tax on congregations,<br/> i. Tax on pilgrims and tourists, and<br/> j. Toll -on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles, within the meaning of the Motor Vehicles Act, 1988, plying on a public street.</p> <p>New Assessment of property tax has not been done since long and holding tax is being collected at old rates.</p> |   |
| <p>14.</p>  | <p>Please provide details of all directives issued by UD &amp; HD, GoB during the audit period.</p>   |
| <p>15.</p>  | <p>The municipality is not regular in depositing statutory dues including tax deducted at source, service tax, VAT/GST, works contract tax, cess payable to the government etc.</p>   |
| <p>16.</p>  | <p><b>Deficiency in Pay-roll System</b></p> <ol style="list-style-type: none"> <li>1) The pay-roll system does not contain leave details of employee.</li> <li>2) Contribution of permanent employees and employer towards ESI has not being made.</li> <li>3) PF account has not been opened with PF department of all the permanent employees.</li> </ol> |

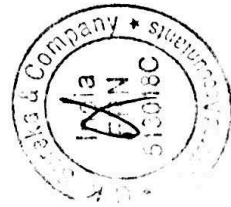
It will provided from next time.

It will be followed from next time.

We are implementing recommendation which has given by Internal Auditor.



|  |   |
|--|---|
| <p>unutilized grant at any particular time.</p> <p>We recommend to the ULB to provide the grant register for assist in preparation of utilization certificate.</p>   | <p>Preparation of Grant Register is in progress.</p> <p>Utilization Certificate of respective grant will be prepared and submitted to the concerned department as soon as such grant utilized. Help of Internal Auditor will be taken, if required.</p> |
| <p>18. Store Register has not been prepared and physical verification of inventory/stores has also not been done.</p>  | <p>Store register is prepared but not maintained. We are working on this.</p>   |
| <p>19. Advance Register is not being prepared hence it is difficult to monitor for advances given and adjustment thereof. However, the list of employees who taken advances for expenditure and their outstanding balance on March 2019 has been provided.</p> | <p>It will be followed from next time.</p>  |
| <p>20. Staff strength of accounts department needs to be increased.</p>  | <p>Yes, I will this matter meeting of committee.</p>  |



*Handwritten signature and date: 15/03/18*

|     |   |   |
|-----|---|---|
| 21. | Separate details of schemes of MOHUA (Ministry of Housing and Urban Affair) and UD&HD (Urban Development and Housing Department) not provided to us for Report on compliance of financial guidelines. | It will be provided from next time.                                 |
| 22. | Internal control measure has not been consider by concerned ULB for its operation and transaction.  | We are working on the recommendations made by the Internal Auditor. |
| 23. | List of directive issued by UD&HD, GOB has not been provided to us for verification of same regarding compliances.  | It will be provided from next time.                                 |

Date:  
Place:



Executive Officer  
Nagar Parishad Bettiah  
For Nagar Parishad Bettiah  
(Executive Officer)