

**INTERNAL AUDIT REPORT
OF ULB
(MANER NAGAR PANCHAYAT)**

**FOR THE PERIOD
01/04/2020 TO 31/03/2021
(FOR THE F.Y. 2020-21)**

CONDUCTED BY

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

From 09.03.2022 TO 16.04.2022

Report Issued on 22.04.2022

1. Executive Summary

1. INTRODUCTION:

↓ Name of the Municipality	Maner Nagar Panchayat
↓ Period covered under current audit	Annual for the FY_2020-21
↓ Name of the Chairman of the ULB for the period under Audit.	Smt. Mira Devi
↓ Name of Executive Officer for the period under Audit.	Sri Devanand

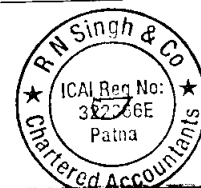
2. Results and Findings

↓ Strengths observed during the audit engagement:

1. Subsidiary cashbooks have been maintained properly.
2. Main cashbook has been maintained properly.
3. Office infrastructure is sufficient for operation.
4. Response from officer & Clerk are satisfactory.
5. All Transactions have supporting documents.

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

1. Royalty and Labour cess of ₹ 1242602/- and ₹ 849306/- respectively have been deducted but it has not been deposited till the time of audit. As per Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB.
2. Fuel is purchased from Tiwari service station of ₹ 689777/- without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment is made for fuel without reconciliation with vehicle log book.
3. In tender file of Binod Kumar Singh, we observed that Pre-inspection is not found. Further, details of water transmission to 296 houses (as per agreement) is not attached. Moreover, Acceptance order of Tender is not found in the tender file. As per details, it seems that bricks, soil, etc. has been used, but no pictures are found with regard to these materials and is continue during the current period.
4. Mobile Tower Tax has not been collected by the ULB which leads to huge revenue loss. As per details provided to us there are total 09 Mobile Towers registered with this ULB up to 31.03.2021 and ₹ 8,87,360 has not been collected till the date of audit from these tower operators as Tower Tax.
5. Demand register is not maintained or up to date by the ULB. We are unable to quantify the total



outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc. Further, holding tax defaulters are not classified as demand register is not maintained by the ULB. It leads to a huge revenue loss to the ULB.

6. Advertisement Tax has not been levied by the Maner Nagar Panchayat during this period. It leads to revenue loss to the ULB.

7. Professional tax is not deducted by the ULB. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.

8. Login Details of GST and TDS has not been provided.

8. There is payment of Interest and Late filing Fees of GST ₹ 420.00/- and ₹ 1600.00/- during the year.

9. GST Return had not been filed in April 2020.

10. There are also Penalty or Fine in filing GST which had been adjusted, details of these have not been provided.

8. Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.

9. Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register, Fixed Asset Register, Inventory/ Store Register, Demand Register, Daily Collection Register Advertisement Taxes/Fees, Sairat etc.

10. Cashbook is not maintained on real-time basis and Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on daily basis.

11. There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.

12. UC of **₹8,87,360 lakhs** of various schemes are pending for submission to the Urban Development & housing Department until 31.03.2021.

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

14. Procurement Register has not been maintained for all procurements above Rs.15000.

15. Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or 2 months later, which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.

16. Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been



provided to us during the course of audit.

17. Vehicle Log Book has not been maintained by ULB. Due to this, it is not possible to track running of vehicles of the ULB.
18. Municipal Accounts Committee has not been constituted by the Maner Nagar Panchayat. It should be constituted in the first Board Meeting of the ULB every year.
19. There is no system of Pay-Roll implemented at the ULB. So, we are unable to comment on the same.
20. No separate grant register is being maintained by the ULB. So, it is difficult to find out the amount of unutilized amount of grant at a point of time.
21. Register of suits by/against ULB has not been maintained by the ULB.
22. Skilled, Semi-Skilled and Unskilled Labourer has not been segregated and aggregated payment of ₹ 2220539/- has been paid to them for the year ending 31.03.2021.
23. TDS had not been deducted from salary payment to EO. Salary –Rs.40000/-pm.
24. There is Short Deduction of ₹ 5516.13 and Interest on Late Payment of ₹ 4499.75 during the year ended 31.03.2021.
25. Demand of Rs. 12760.00/- has been created for the F.Y. 2020-21 and Rs.286090/-for the previous Financial years by Income tax dept. has not been settled yet.
26. Property Holding Tax is collected based on List of Houses/Properties, which are prepared on 2012-13. Till now this List is used to Collect taxes and has not amended yet.
27. Attendance Register is not Verified on Monthly Basis by the Respective officer.
28. Monthly Receipt and Payment has not been maintained.

3. Opinion

As per Our Opinion the following improvements are required.

- ULB is not working properly, though internal control is poor.
- Revenue collection of the ULB is very poor it has scope to increase to much higher level. All cash collection from sources of revenue are not deposited in the bank on same day. It should be deposited on time as specified in Bihar Municipal Act.
- There should be proper segregation of duties to perform day-to-day work in efficient manner.
- We find that rules and regulation are there but ULB is not following them properly.
- Most of the Books of Accounts as prescribed by BMAR are not maintained by the ULB.
- There are serious lapses in deduction and deposit of statutory dues, such as Royalty, Labour Cess etc.



- Taxes should be remitted to the Govt. account as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the concerned department.
- Procurement Register should have to be maintained so that we can quantify the amount incurred to Procure the Assets during the period.
- Vehicle Log Book should have to be maintained so that we can segregate the km. covered for the office purpose and non-office purpose.
- There should be required to update the list of houses/properties for collection of Property Holding Tax.

4. Audit Recommendations:

The Recommendation of Audit Team on the Observed weakness.

SL No	We Recommend the followings:-
1.	ULB should comply the internal audit observations as soon as possible after getting information about audit observations and should also prepare compliance report of the same & submit it to the department.
2.	ULB should prepare receipt and payments accounts on monthly basis due to which it becomes very easy to find out how much fund has been received by the ULB.
3.	ULB have to deposit the deducted amount as specified in statutory law within prescribe time.
4.	As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014. Tax Collected has to be deposited on same day or latest before noon on the following working day.
5.	ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act. Manual and Rules.
6.	ULB should collect mobile tower tax, advertisement tax, shop rent etc. as quick as possible and on regular basis.
7.	ULB should prepare UC in prescribed format of various schemes as soon as possible and submit the same to UD & HD Dept. on regular interval as per prescribed guidelines.
8.	ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis.
9.	ULB should maintain Daily Collection Register separately for each head of its own revenue sources for appropriate internal control and also for appropriate disclosures of books of accounts.
10.	ULB should develop and prepare Pay-roll system of Permanent & Contractual employees.
11.	ULB should assess the Holding & Property tax every year & do survey for assessment of the same.
12.	Nagar Panchayat Maner must have to maintain advance register otherwise it would be very difficult to find out details regarding how much advance has been given to any particular person and how much recovery of same has been made from them.



5. Comments from Management:

As per discussion with Management, they have ensured that they are looking into the matter and proper action will be taken for all the irregularities coming out from audit.

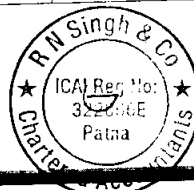
Detailed discussions on this are given in *Discussion Note* as attached below.

6. Acknowledgement: -

We thanks to Mr. Devanand (Executive Officer) for her support during the period of our audit. We are also thankful to accountant and other staffs of the Nagar Panchayat for their co-operation during the period of audit.

7. Management Discussion with Risk Assessment: MANER NAGAR PANCHAYAT FOR THE YEAR ENDED 31.03.2021 (ANNUALLY)

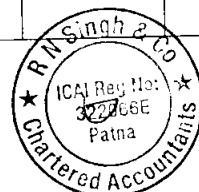
Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO)Comments	Ref. Page
1.	Royalty ₹4.81,217/- and Labour cess ₹3,53,226/- have been deducted since F.Y. 2018-19 and 2019-20 and Royalty ₹1242602/- and Labour Cess ₹849306/- have been deducted during year ended 31.03.2021 but it has not been deposited till the date of Audit. As per Building and Other Construction Workers Welfare Cess Act. It is a statutory irregularity. Therefore, Penalty may be levied on ULB. As per Building and Other Construction Workers Welfare Cess Act, If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two percent, for every month or part of the month comprised in the period from the date on which such payment is due till such amount is actually paid. Further, Unpaid royalty interest in F.Y. 2018-19 is 9.96% and in F.Y. 2019-20, rate of URI is 9.54%.	High	Yes	Yes	Yes	Royalty and labour cess will be deposited soon as it is under process.	
2.	Royalty had not been deducted on in Nal Jal Yojna Scheme No.	High	Yes	Yes	Yes	There is no work done related for	



	2/2019-20 on payment on 04.09.2020 to Ajay Kumar on 2 nd installment amount of ₹ 1060094.00. and Scheme No. 1/2020-21 of Nal Jal Yojna on payment on 21.05.2020 to Avinash Kumar Dhiraj on installment amount of ₹ 475121.00.					deduction of Royalty.	
2.	Fuel is purchased from Tiwari service station without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment of ₹6,89,777/- is made for fuel without reconciliation with vehicle log book.	High	Yes	Yes	Yes	Tendering is not applicable in this.	
3.	In tender file of Binod Kumar Singh, we observed that Pre-inspection report is not found. Further, details of water transmission to 439 houses (as per agreement) are not attached. Moreover, As per details, it seems that bricks, soil, etc. has been used, but no pictures are found with regard to these materials and is continue during the current period.	High	No	No	Yes	It is not done in separately house. It is done from 1 st house to end of house in Contract.	
4.	Mobile Tower Tax has not been collected by the ULB which leads to huge revenue loss. As per details provided to us there are total 09 Mobile Towers registered with this ULB up to 31.03.2021 and ₹8,87,360 has not been collected till the date of audit from these tower operators as Tower Tax.	High	No	No	Yes	Notice will be sent .	
5.	Demand register is not maintained or up to date by the ULB. We are unable to quantify the total outstanding demand of Property Tax. Tower Tax, Advertisement Tax. Rent on Municipal Properties etc. Further, Holding tax defaulters are not classified as demand register is not maintained by the ULB. It leads to a huge revenue loss to the	High	No	No	Yes	It will be prepared from next financial year. Survey is going on for the due amount of Property Tax. Rent on Municipal Property, Etc.	



	ULB.						
6.	Advertisement Tax has not been levied by the Maner Nagar Panchayat during this period. It leads to revenue loss to the ULB.	High	No	No	Yes	Advertisement tax does not deduct in this ULB.	
7.	Professional tax is not deducted by the ULB on the salary payments of more than ₹15,000. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.	High	No	Yes	Yes	ULB will be registered under the bihar professional tax act.	
8.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction. Payment of ₹90,000 is made to Vehicle Owner in the current audit period.	High	No	Yes	Yes	Vehicle is hired as per district rate applicable.	
9.	Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register. Fixed Asset Register, File movement register, Inventory/ Store Register. Demand Register, Daily Collection Register, Advertisement Taxes/Fees, Sairat etc.	High	No	Yes	Yes	It will be prepared from next FY.	
10.	Cashbook is not maintained on day-to-day basis, which is not as per Bihar Municipal Accounting Manual. It should be prepared on daily basis i.e. transaction wise. Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on daily basis.	Medium	No	No	Yes	Will be maintained in proper basis but not on daily basis.	
11.	There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.	Medium	No	No	Yes	Bank had returned the cheque and it will be paid in next month.	
12.	Financial guidelines of schemes of MOHUA and UD & HD, GOB have not been compiled by the ULB. UC of ₹ 1185.67 lakhs of various schemes are pending for submission	Medium	No	No	Yes	It will be complied as soon as possible.	



	to the Urban Development & housing Department till the end of financial year 2020-21.						
13.	UC of ₹923 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the end of 4 th quarter of financial year 2019-20. Submission details of these during the F.Y. 2020-21 has not been provided.	Medium	No	No	Yes	Preparation is going on.	
13.	Details of Directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.	Medium	No	No	Yes	It will be not be done yet.	
14.	Procurement Register has not been maintained for all procurements above Rs.15,000. Further, Guidelines issued by UD&HD regarding procurements were also not provided to us during the course of audit.	Medium	No	No	Yes	It will be maintained in next F.Y.	
15.	Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or 2 Month later which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.	Medium	No	No	Yes	It will not be deposited on daily basis due to covid - 19.	
16.	Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been provided to us during the course of audit.	Medium	No	No	Yes	Previous AG (F.Y. 2017-18) has been sent. And (F.Y.2018-19) and (F.Y.2019-20) is in process.	
17.	Vehicle Log Book has not been maintained by ULB. Due to this, it is not possible to track running of vehicles of the ULB.	Medium	No	No	Yes	Vehicles are given on rent basis and rent income is taken from them only all the log book maintained by them.	
18.	Municipal Accounts Committee has not been constituted by the Maner	Low	No	No	Yes	Discussed in next board meeting.	



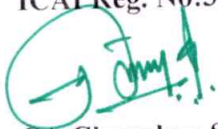
	Nagar Panchayat. It should be constituted in the first Board Meeting of the ULB every year.						
20.	No separate grant register is being maintained by the ULB. So, it is difficult to find out the amount of unutilized amount of grant at a point of time.	Low	No	No	Yes	It will be maintained from next financial year 20-21.	
21.	Register of suits by/against ULB has not been maintained by the ULB.	Low	No	No	Yes	It will be maintained in next FY.	
22.	Tibrewal Chand & Co (Rourkela, Odisha) has started doing double entry accounting system but it is in process & incomplete. it is not in auditable position. Year wise Status of DEAS are as follows; FY- 2014-15: Transaction Entry Completed but not finalized. FY- 2015-16: In Process. FY- 2016-17: In Process. FY- 2017-18: Transaction Entry Completed but not finalized. FY- 2018-19: Transaction Entry Completed but not finalized. FY- 2019-20: Transaction Entry Completed but not finalized.	Low	No	No	Yes	It will be completed as soon as possible.	
23.	Self-Assessment System (SAS) of Property Tax has been implemented in Maner Nagar Panchayat but we have found that assessee is very less aware of that. ULB should conduct time-to-time awareness programme to make people aware of SAS.	Low	No	No	Yes	It is conducted in every financial year.	
24.	ULB is not in practice of preparing Monthly Receipt and Payment.	Low	No	No	Yes	It is prepared in tally as Income and Expenditure.	
25.	ULB is not in practice of preparing of Annual F.S.	Low	No	No	Yes	It is prepared in tally but no depreciation and adjustment entry is passed	
26.	Property Holding Tax is collected based on List of Houses/Properties, which are prepared on 2012-13. Till now this List is used to Collect taxes and has not amended yet.	High	Yes	Yes	Yes	Survey is going on, and it will be complied from next year.	
27.	Demand of Rs.286090/- has been created for the previous Financial years by Income Tax Dept. has not been settled yet.	High	Yes	Yes	Yes	Settlement will be done soon.	



28.	Statutory deduction on salary (such as TDS and Professional Tax) payment to Executive officer <u>has not been made.</u>	Low	No	No	Yes	It is deposited in final payment at the time of return filing.
29.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes	It is prepared in Excel.
30.	ULB has not co-operated in providing the login details TDS so we are unable to find the Short deduction and short payment of TDS and late fees thereon.	Medium	No	No	Yes	Password had forgotten will provide in next F.Y.
31.	GST had not been filed in April 2020.	Medium	Yes	Yes	Yes	Executive officer had joined in April and GST Registration and other process took time , hence not filed.
32.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes	It is prepared in Excel.
33.	Property Tax Due have not collected yet (Annexure attached)	High	Yes	Yes	Yes	Notices has been sent.

For R. N. SINGH & CO.

Chartered Accountant
ICAI Reg. No:322066E



CA Chanakya Shree
Partner

M. No: -079322

UDIN: 22079322APHJCM7696

Date: 18-08-2022



-SD-
Executive Officer
Nagar Panchayat Maner
Date:
Place: Maner

2. Auditee Profile

1. Introduction

The Internal Audit of (Maner Nagar Panchayat) covering the Period from 1st April, 2020 to 31st March, 2021 was conducted by following person under guidance of TL CA Ashok Kumar Pandey and MAE CA Birendra Kumar Singh:

(1) Anuj Kr. Paswan

2. Administration

The Present body of the ULB has taken charge on 23.04.2021 The incumbency in the key Administrative and Executive Positions was as under:

Smt. Mira Devi. Chairman from 21st June 2017 to till date.

Smt. Pooja Mala. Executive Officer from 18th January 2019 to 19.04.2021

Sri Devanand, Executive Officer from 23.04.2021 to till date.

3. Review of outstanding audit paras:

Status of Audit Observations is as under:

Sl. No.	Particulars of Audit and date of report	Total no. of audit Paras	Total no. of audit Paras where necessary improvement/ corrective measure is required	Total no. of audit Paras where recovery of cash is proposed	Total no. of audit Paras where recovery has been made	Total amount of Recovery	Total no. of outstanding para where no action has been taken	No. and Date of Compliance Report
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Compliance reports of AG Audit and Internal Audit of previous financial years have not been provided to us during the course of Audit. Management's comment regarding this has been provided in the "Management discussion with risk assessment" para.



4. Finance

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

Year	2018-19	2019-20	2020-21
Final/Revised Budget	34,90,06,000.00	36,66,93,000.00	376518000.00
Actual Expenditure	7,87,11,610.89	7,20,44,584.92	144410257.66
Savings(+)/ Excess(-)	27,02,94,389.11	29,46,48,415.08	232107742.34

II. Volume of transactions: -

Period	Budgeted 2020-21	Previous Year (For one Year) 2019-20	Current Year 2020-21
Opening balance	92505382.00	17,83,71,362.44	223783712.02
Receipts	332450000.00	11,74,56,934.50	173255954.90
Total	424955382.00	29,58,28,296.94	397039666.92
Net expenditure	376518000.00	72044584.92	144410257.66
Closing balance	48437382.00	223783712.02	252629409.26

III. Bank Reconciliation: -

Details of Closing Balance: as on 31-03-2021

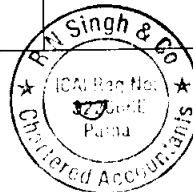
Sl. No.	Name of scheme/item	Bank name/Account no.	Balance as per cashbook	Balance as per passbook	Difference	BRS prepared/not prepared (Annex-A)
1	SJSRY	PNB 2122	29991.70	30013.04	21.34	PREAPRED
2	14TH FINANCE	PNB 1228	586.04	586.04	0.00	PREAPRED
3	INTERNAL SOURCE	BOB 1191	65936.00	818071.45	752135.45	PREAPRED
4	NULM	CORP. 9300	2654081.12	2787041.12	132960.00	PREAPRED
5	INTERNAL SOURCE	BOI 6600	5318029.58	5004576.79	-313452.79	PREAPRED
6	SBM	CORP. 9637	501709.00	501709	0.00	PREAPRED
7	SBM	ICICI 382	4482759.00	4482759	0.00	PREAPRED
8	HFA	CORP. 4767	117676963.84	117676963.8	0.00	PREAPRED
9	KABIR ANTYOSTI	BOI 9170	4548.30	4548.3	0.00	PREAPRED
10	SBI	SBI-4341	6075926.00	6075926	0.00	PREAPRED
11	TREASURY		115818878.68			
TOTAL			252629409.26			



TREASURY					
Sl. No.	Name of scheme	Treasury	As per cash book	As per PLA	Diff.
1	JAL JEEVAN HARIYALI	TREASURY	93876.00	not provided	-
2	14TH FINANCE	TREASURY	2353155.20	not provided	-
3	NAGRIK SUVIDHA	TREASURY	7160590.00	not provided	-
4	CITY MANAGER	TREASURY	230895.00	not provided	-
5	5TH FINANCE	TREASURY	14429035.42	not provided	-
6	STAMP DUTY	TREASURY	4229851.26	not provided	-
7	WARD PARSHAD	TREASURY	24000.00	not provided	-
8	ELECTRICITY GRANT	TREASURY	0.00	not provided	-
9	CM NAL JAL	TREASURY	21066614.10	not provided	-
10	CM NALI GALI	TREASURY	350464.40	not provided	-
11	STATE PLAN	TREASURY	404446.00	not provided	-
12	E.O. SALARY	TREASURY	55884.00	not provided	-
13	PROFESSIONAL TAX	TREASURY	138656.00	not provided	-
14	WATER CRISIS	TREASURY	1584198.00	not provided	-
15	15 TH FINANCE	TREASURY	63697213.30	not provided	-
TOTAL			115818878.68		

IV. Revenue & Capital Receipts Information: -

INCOME DETAILS (AMOUNTS TO BE PROVIDED IN RUPEES)							
SL. NO	DETAILS	2018-19		2019-20		2020-21	
		2018-19 Annual	2017-18 Annual	2019-20 Annual	2018-19 Annual	2020-21 Annual	2019-20 Annual
	TOTAL RECEIPTS (A+B)	158426570.51	79393828.12	117456934.50	158426570.51	173255954.90	117456934.50
A.	Revenue Receipts (1+2+3)	23524565.51	4,44,82,756.12	16629843	23524565.51	36150163.00	16629843
1	Own Revenue Receipts (a+b)	11187042.26	72,39,898.00	5378919	11187042.26	6832785.00	5378919
a)	Tax revenue (levied and collected by municipal body)	647061.00	26,03,382.00	3408074	647061.00	5656019.00	3408074
i)	Property tax	647061.00	11,52,750.00	969694	647061.00	910887.00	969694
ii)	Other tax (levied and collected by municipal body)	0.00	14,50,632.00	2438380	0.00	4745132.00	2438380
b)	Non-tax revenue (levied and collected by municipal body)	10539981.26	46,36,516.00	1970845	10539981.26	1176766.00	1970845



i)	Fees and fines	208780.00	4,03,400.00	2,11,435.00	208780.00	982254.00	2,11,435.00
ii)	User charges	6748541.26	1,22,616.00	77,700.00	6748541.26	0.00	77,700.00
iii)	Other non-tax revenue (levied and collected by municipal body)	3582660.00	41,10,500.00	1681710	3582660.00	194512.00	1681710
2	Other Revenue Receipts	796814.00	10,91,973.00	4033038	796814.00	4600091.00	4033038
a)	Income from interest/investments	311414.00	10,91,973.00	3272355.44	311414.00	3893364.00	3272355.44
b)	Other Revenue Income	485400.00	0.00	7,60,682.56	485400.00	706727.00	7,60,682.56
3	Transfers/ Grants/ Assigned Revenues	11540709.25	3,61,50,885.12	7217886	11540709.25	24717287.00	7217886
a)	State Assigned Revenue	0.00		480000	0.00	0.00	480000
b)	State Finance Commission (SFC) Grants/ Devolution	3970413.00	14,49,540.00	5047490	3970413.00	0.00	5047490
c)	Octree compensation	0.00		0	0.00	0.00	0
d)	Other State Govt. Transfer	1493231.00		0	1493231.00	24597287.00	0
e)	Central Finance Commission (CFC) Grant	5930062.00	3,47,01,344.00	1690396.00	5930062.00	0.00	1690396.00
f)	Other Central Govt. Transfer	147003.25		0	147003.25	0.00	0
g)	Others	0.00	1.12	0.00	0.00	120000.00	0.00
B.	Capital Receipts	134902005.00	3,49,11,072.00	100827091.5	134902005.00	137105791.90	100827091.5
1	Sale of municipal land	0.00		0	0.00	0.00	0
2	Loans (from State Govt. Or Banks etc)	0.00		0	0.00	0.00	0
3	State Capital Account Grant (under State Schemes etc.)	114189928.00	3,43,98,460.00	42578676.5	114189928.00	33867468.90	42578676.5
4	Central Capital Account Grant (under Central Schemes etc.)	20397524.00	1,85,019.00	58248415	20397524.00	103236323.00	58248415
5	Other Capital Receipts	314533.00	3,27,593.00	0	314533.00	2000.00	0



V. Revenue and Capital Expenditure Information: -

Expenditure Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19	2017-18	2019-20	2018-19	2020-21	2019-20
	Total Expenditure (1+2)	7,87,11,610.89	7,72,71,909.30	72044584.92	7,87,11,610.89	144410257.66	72044584.92
1	Revenue Expenditure	4,29,11,065.89	7,72,71,909.30	15651385.42	4,29,11,065.89	62459351.76	15651385.42
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	1,15,33,143.00	1,04,26,193.00	10830494.00	1,15,33,143.00	15188177.76	10830494.00
1.2	Operation and Maintenance (O&M)	19,19,473.00	21,37,549.00	4728516.5	19,19,473.00	27501897.00	4728516.5
1.3	Loan repayment (Interest payments)	17,083.51	645.00	0.00	17,083.51	0.00	0.00
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	2,94,41,366.38	7897346.30	5932174.92	2,94,41,366.38	19769277.00	5932174.92
2.	Capital Expenditure	3,58,00,545.00	56810176.00	50553399.5	3,58,00,545.00	81950905.00	50553399.5
2.1	All developmental works under Central/State specific schemes	3,06,18,685.00	3,97,13,279.00	49610804.5	3,06,18,685.00	81432479.90	49610804.5
2.2	Loan Repayments (Principal Amount)	0.00	0.00	0.00	0.00	0.00	0.00
2.3	Other Capital expenditure	51,81,860.00	1,70,96,897.00	942595.00	51,81,860.00	518426.00	942595.00

Note: - As per above reporting format, details of expenditure have not been accounted in concerned ULB premises and same has not been reported in previous financial year internal audit report 2016-17, so we are unable to enclose the same in our report.



VI. Status of implementation of Double Entry Accounting System.

Tibrewal Chand & Co (Rourkela, Odisha) has started doing double entry accounting system but it is in process & incomplete, it is not in auditable position.

- Year wise Status of DEAS are as follows;

FY- 2014-15: Completed
FY- 2015-16: Completed
FY- 2016-17: Completed
FY- 2017-18: Completed
FY- 2018-19: Completed
FY- 2019-20: Completed
FY- 2020-21: In Progress

- Interval of accounting entry passed in tally: Daily Basis
- Preparation of Fixed Asset Register: In Process.
- Opening Balance Sheet: Prepared.
- Annual Financial Statement: In Process.
- Tally License Id:-NPMANER@gmail.com
- Tally Serial No.: 716646978
- Installed In: Maner Nagar Panchayat

VII. Status of Municipal Accounts Committee; if meeting is held

As per section 98 of Bihar Municipal Act .2007 it is necessary for the Municipality to constitute a Municipal Accounts Committee at its first meeting in each year or as soon as may be at any meeting subsequent thereto, but no Municipal Accounts Committee has been constituted by the Nagar Panchayat till the date of our audit.

3. Summary Audit Observations

“PART – A” (Monetary Implication):

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

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

(i) Mobile Tower Collection: -

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



Criteria – Tower Tax is taxes on Communication Tower & related structure as defined in BIHAR COMMUNICATION TOWERS AND RELATED STRUCTURES RULES, 2012. As per the rule, all operators are required to register with their concerned ULBs and pay registration fee & renewal charges on annual basis for communication tower erected within municipal area. Currently the registration fee for Nagar Panchayat is Rs. 30,000/- per tower and annual renewal fee is Rs. 8,000/- per annum per tower.

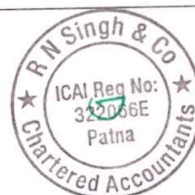
Condition –As per details provided to us there are total 9 (Nine) Mobile Towers registered with this ULB up to 31.03.2020 and Rs.7,52,000/- has not been collected till the date of audit from these tower operators as Tower Tax.

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

Cause – We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval, the ULB has not proper mechanisms for supervision and monitoring of the Tower Rent due to which result in Revenue leakage.

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

S I. N o	Company Name	Date of establish ment	No. of To wer	Registrat ion Fee (₹)	Renewal Fee (₹)	Total (₹)	Collection (₹)	Dues Balance (₹)
1	Reliance Jio	19/11/14	1	30,000.00	56,000.00	86,000.00	30,000.00	56,000.00
2	Aditya Birla tel. LTD	2009-10	1	30,000.00	96,000.00	1,26,000.00	30,000.00	96,000.00
3	Bharti infratel LTD	2005-6	1	30,000.00	1,28,000.00	1,58,000.00	30,000.00	1,28,000.00
4	Idea cellular infra structure service Ltd.	2014	1	30,000.00	64,000.00	94,000.00	30,000.00	64,000.00
5	CNIL Tower Aircel	2007	1	30,000.00	1,12,000.00	1,42,000.00	30,000.00	1,12,000.00
6	Transmission tower	2008-9	1	70,000.00	1,28,000.00	1,98,000.00	0.00	1,98,000.00
7	G.T.L. Uninor	2013	1	30,000.00	56,000.00	86,000.00	30,000.00	56,000.00
8	Reliance communicatio n	2013	1	30,000.00	72,000.00	102,000.00	0.00	102,000.00
9	ATC India	2019-20	1	30,000.00	8,000.00	46,000.00	38,000.00	8000
	Total			3,10,000		8,32,000	2,18,000	8,20,000.00
Amount Received 2018-19								30,000.00
Amount Received 2019-20								38,000.00



Total	7,52,000.00
Add: Interest (7,52,000*1.5%p.m.*12)	135360.00
Total Dues (As on 31.03.2021)	8,87,360.00

(ii) **Advertisement Tax: -**

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

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

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

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

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

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

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

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

Condition - Tax Amount is not deposited timely into Bank. In some cases, collected amount has been retained by the Tax Collectors for a period of 1 month from the date of collection of taxes.

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

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

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



Details of Some of the cases where Property Tax collected by tax inspector is not deposited on the same date:

Book no.	Receipt no.	Amount	Receipt date	Deposit date
39	3872 - 3900	43471	Jan-20	02/07/2020
42	4101-4111	7501	Feb-20	02/07/2020
41	4017-4070	40552	Jan-20	02/07/2020
40	3914-3981	23240	Jan-20	02/07/2020
42	4112-4152	25480	Mar-20	06/07/2020
40	3982-4000	17335	Jan.-Feb.-20	18/08/2020
44	4305-4324	4089	Jun-20	29/07/2020
42	4153-4175	10374	Jun-20	29/07/2020
42	4175-4200	22765	Jul-20	18-08-2020
44	4325-4370	40192	Jul-20	18-08-2020
44	4371-4400	15879	Aug-20	29-09-2020
45	4401-4429	13069	Jul-20	18-08-2020
45	4430-4500	30931	Aug-20	29-09-2020
47	4601-4633	18316	Aug-20	29-09-2020
47	4634-4700	24812	Sep-20	31-10-2020
48	4701-4706	3826	Aug-20	29-09-2020
48	4707-4800	37123	Sep-20	31-10-2020
49	4801-4810	4522	Sep-20	31-10-2020
49	4811-4863	24037	Oct-20	14-12-2020
49	4864-4900	16212	Nov-20	07-01-2021
51	5001-5055	30322	Oct-20	14-12-2020
51	5056-5091	23642	Nov-20	07-01-2021
51	5092-5100	3424	Dec-20	30-01-2021
53	5201-5244	28117	Dec-21	30-01-2021
54	5301-5340	28126	Dec-20	30-01-2021
53	5245-5296	34566	Jan-21	02-03-2021
53	5297-5300	1065	Feb-21	26-03-2021
54	5341-5400	31592	Jan-21	02-03-2021
56	5501-5577	62745	Feb-21	26-03-2021
56	5578-5600	8749	Mar-21	06-04-2021
57	5601-5700	46932	Feb-21	26-03-2021
59	5801-5806	2991	Feb-21	26-03-2021
59	5807-5893	51405	Mar-21	17-05-2021
60	5901-5969	42748	Mar-21	17-05-2021
74	7332-7363	30105	Feb-22	15-02-2022
74	7364-7400	36238	Jan-21	11-03-2021

(iv) Holding & Property Tax Collection: -

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

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



Condition – Demand and Arrear register of holding tax are not prepared by Maner Nagar Panchayat.

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

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

Corrective Action / Recommendation – There should be day to day monitoring on Collection of Taxes and also Prepared Demand & Arrear of holding tax Collection Register.

(v) **Market/Shop Rent Collection:** –

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

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

Condition– ULB has no any own shop in their Nagar Panchayat.

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

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

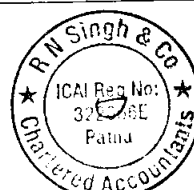
Corrective Action / Recommendation– There should be proper monitoring and further steps are required to be taken for collection of Shop Rent by concerned ULB.

b. **Excess payment against bill, lack of prudence in payment against voucher, inefficiency in controls resulting loss to ULB's:**

➤ No such cases found where any excess payments were made against any bill during the course of audit.

Details of some cases checked during the course of audit;

Date	Particulars	Amount	Cheque No.
09.06.2020	Advertisement Expenses	400000	059737
28.03.2020	Misc. Admin. Expenses	38744	045820
19.10.2020	Repair & Maintainance of Vehicle	46592.00	060149
12.11.2020	Petrol Diesel & Gas	54544.00	060183



c. Report on findings of field survey of Property Tax of minimum 20 high value properties:

Report on field survey of 20 high value

Sl. No	Owner Property Name	Holding No.	Ward No.	Type of construction	Taxable area	Rate/sqft	Annual rent	Annual Property Tax@9%	Housing/Commercial
1	Sonu Kumar	47	11	R.C.C	1950	10	19500	1755	Other
2	Jiwanad Singh	166	11	R.C.C	1829	22	40238	3621	Commercial
3	Amrendra Singh	168	11	R.C.C	1590	22	34980	3148	Commercial
4	Chandra Shekhar Singh	169	11	R.C.C	1590	22	34980	3148	Commercial
5	Nirmal Kumar Singh	297	13	R.C.C	1940	22	42680	3841	Other
6	Shasank Dhar Sharma	83	15	R.C.C	3038	32	97216	8749.44	Commercial
7	Malti Devi	126	15	R.C.C	3884	22	85448	7690	Other
8	Paras Nath Singh	137	15	R.C.C	2103	32	67296	6056.64	Commercial
9	Rana Ranvijay Singh	153	15	R.C.C	3612	32	115584	10402	Commercial
10	Bank of Baroda	221	15	R.C.C	2660	32	85120	7661	Commercial
11	Nilam Devi	59	14		9966	22	219252	19733	Commercial
12	Akhileswar Singh	207	14	R.C.C	2156	22	47432	4269	Other
13	Shyam Bihari Prasad	16,17,132,133	07	R.C.C	3734	32	119488	10754	Commercial
14	Ramnath Mistri	64	11	R.C.C	6037	11	66407	5977	Other
15	Gaytri Devi	452	07	R.C.C	7307	22	160754	14467.86	Commercial
16	Ganesh Prasad	445	07	R.C.C	2951	11	32461	2921.49	Commercial
17	Chhote Lal Shaw	450/451	07	R.C.C	3035	7	21245	1912	Housing
18	Vijay Shankar	324	05	R.C.C	4420	32	141440	12730	Commercial
19	Mudrika Singh	454/455	07	R.C.C	2577	32	82464	7422	Commercial
20	Arjun Kr Verma	23	07	R.C.C	1831	22	40282	3626	Other



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

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

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

“PART-B” (Non-Monetary Implication):

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

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

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

Sl. No.	Particulars	Status
1	Daily Collection Register	Not Maintained
2	File Movement Register	Not Maintained
3	Grant Register	Not Maintained
4	Advance Register	Not Maintained
5	Pay-Roll Register	Not Maintained
6	Vehicle Log Book	Not Maintained
7	Stock Register	Not Maintained
8	Fixed Assets Register	Not Maintained
9	Demand & Collection Register of Property Tax, Mobile Tower Tax, Shop Rent etc.	Not Maintained

(b) Irregularity in procurement process: -

There are serious lapses in procurement process:

- (i) Fuel is purchased without proper tender, acceptance order, work order, etc.
- (ii) Payment of E.O. Vehicle is made without agreement of the terms and conditions between the vehicle owner and the ULB.

(c) Non-compliance of directives by UD &HD, Government of Bihar: -

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



(d) Non-compliance of Act & Rules: -

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

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

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

(e) Lack of internal control measures: -

1. During the course of our Audit, we have observed various discrepancies in the Cash Book, which are enumerated below: -
 - Main Cash Book as well as Subsidiary Cash Book has not been closed/authorised by Executive Officer on daily basis.
 - Cashbook is not maintained on day-to-day basis which is not proper as per Bihar Municipal Accounting Manual. It should be prepared & closed on daily basis.
2. After analyzing operating control, it was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.
3. During verification of property tax collection receipt and tax deposit receipt we have found that property tax collected by the tax collector is not deposited to the ULB on the same date.
4. Advance and Recovery register is not maintained by Maner Nagar Panchayat.

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

There is lack of Internal Control on deduction and deposit of various taxes Such as Professional tax, Royalty, Labour Cess. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.



Royalty and Labour cess have been deducted since F.Y. 2018-19 but it has not been deposited on time.

Period	Statutory liability	Amount (₹)
2018-19 to 2019-20	Royalty	₹4,81,217/-
2018-19 to 2019-20	Labour Cess	353226/-

Further, ULB is not in practice to deduct and deposit Professional tax from the salary payments above ₹15000 per month.

Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.

(g) Deficiency in pay-roll system: -

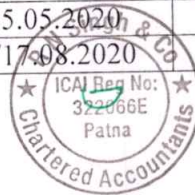
There is no system of Pay-Roll implemented at the ULB. So, we are unable to comment on the same.

(h) Utilizations of grant and report on missing Utilization certificates:

As per details provided by Maner Nagar Panchayat Some UCs of Previous FY's & up to 2nd Quarter of FY 2020-21 was not prepared & submitted to the Urban Development & Housing Department till the date of audit. We have given direction & helped Maner Nagar Panchayat for the preparation of UC's, they have started to prepare UC's.

The detail of Pending UC: -

Sl. No.	Name of Scheme	Financial Year	Letter No.	UC Pending Amount	UC Not Submitted
1.	5 th Finance	2019-20	57/13.08.2019	164.09	Not Submitted
2.	5 th Finance	2019-20	53/13.08.2019	169.83	Not Submitted
3.	City Manager Salary	2019-20	116/13.11.2019	4.48	Not Submitted
4.	14 th finance	2019-20	128-38/27.11.2019	121.58	Not Submitted
5.	J.J.H	2019-20	173/10.01.2020	8.89	Not Submitted
6.	Nagrik Suvidha	2019-20	108/05.11.2019	2.50	Not Submitted
7.	Ward Parishad	2019-20	144/16.12.2019	3.36	Not Submitted
8.	Water Crisis	2020-21	79/16.09.2019	15.84	Not Submitted
9.	E.O. Salary	2020-21	91/16.07.2020	6.00	Not Submitted
10.	5 th Finance	2020-21	36/13.05.2020	52.75	Not Submitted
11.	City Manager Salary	2020-21	47/22.05.2020	1.20	Not Submitted
12.	15 th Finance	2020-21	50/25.05.2020	110.71	Not Submitted
13.	15 th Finance	2020-21	50/25.05.2020	110.71	Not Submitted
14.	City Manager	2020-21	108/17.08.2020	2.40	Not Submitted



	Salary				
15.	5 th Finance	2020-21	23/06.10.2020	52.75	Not Submitted
16.	5 th Finance	2020-21	23/06.10.2020	52.75	Not Submitted
17.	15 th Finance	2020-21	147/13.11.2020	110.07	Not Submitted
18.	E.O. Salary	2020-21		6.00	Not Submitted
19.	15 th Finance	2020-21	146/13.11.2020	110.07	Not Submitted
20.	Ward Parshad	2020-21	155/21.12.2020	3.36	Not Submitted
21.	City Manager Salary	2020-21	137/27.10.2020	1.20	Not Submitted
22.	15 th Finance	2020-21	351/15.08.2021	221.96	Not Submitted
23.	15 th Finance	2020-21	352/15.08.2021	221.96	Not Submitted
24.	City Manager Salary	2020-21	14/29.04.2020	4.80	Not Submitted
25.	E.O. Salary	2020-21	24/19.05.2021	3.00	Not Submitted
26.	5 th SFC	2020-21	38/11.06.2021	89.35	Not Submitted
27.	5 th SFC	2020-21	74/22.09.2021	89.35	Not Submitted
28.	State Plan	2021-22	97/05.10.2021	22.34	Not Submitted
29.	State Plan	2021-22		9.48	Not Submitted
30.	5 th SFC	2021-22	114/08.11.2021	89.90	Not Submitted
31.	5 th SFC	2021-22	117/08.11.2021	89.90	Not Submitted
32.	6 th SFC	2021-22	147/30.12.2021	89.65	Not Submitted
33.	6 th SFC	2021-22	147/30.12.2021	89.65	Not Submitted
34.	15 th Health Sector	2021-22	136/23.12.2021	40.47	Not Submitted
35.	15 th Health Sector	2021-22	137/23.12.2021	40.47	Not Submitted

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

(i) Physical verification of inventory/stores: -

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

(j) Advances, their adjustment & recovery: -

Advance Register has not been maintained by the concerned ULB and in the absence of above register; it is difficult to check or comments on adjustment and recovery of advances.

Further, no any advance related payment has been found in the Cashbook.

(k) Comment on management of Fixed and other Assets: -

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



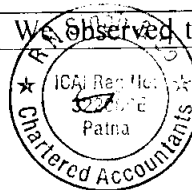
(l) **Report on compliance of financial guidelines of schemes of MOHUA and UD & HD, GOB: -**

Financial guidelines of schemes of MOHUA and UD & HD, GOB have not been compiled by the ULB:

Such as UC of Rs. 1185.67 lakhs of various schemes are pending for submission to the Urban Development & housing Department till end of the financial year 2020-21. However, we are trying our best to help the ULB to get all the UCs prepared and submitted in due course. Such discrepancies have been reported in the Discussion Note.

(m) **Any other matter as may be prescribed in due course: - Nil.**
“PART – C” (Others)

Sl. No	Particular	Remarks/ Observation																									
(a)	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above ₹ 10,000/-.	There is a lack of documentation in payments on or above ₹10,000 (i) Fuel is purchased without proper tender, acceptance order, work order, etc. (ii) Payment of E.O. Vehicle is made without agreement of the terms and conditions between the vehicle owner and the ULB.																									
(b)	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above ₹ 15,000/-.	Procurement is made through GEM Portal. Further, Procurement register has not been maintained by the ULB with value above ₹15,000 so it is difficult to verify the procurements made during the quarter. We have checked some procurements from the cash book and cheque issue register, such as: <table border="1"> <thead> <tr> <th>Date</th> <th>Particular</th> <th>₹</th> <th>Party</th> <th>Cheque No.</th> </tr> </thead> <tbody> <tr> <td>10.06.20</td> <td>Computer</td> <td>48403</td> <td>FRZS</td> <td>059744</td> </tr> <tr> <td>10.06.20</td> <td>Computer</td> <td>48403</td> <td>FRZS</td> <td>059745</td> </tr> <tr> <td>16.09.2020</td> <td>Battery Purchased</td> <td>15200/-</td> <td>Shree Krishna Agency</td> <td>060133</td> </tr> <tr> <td>17.10.2020</td> <td>Motor Pump Purchased</td> <td>32000.00/-</td> <td>Sarvendra Kumar</td> <td>060147</td> </tr> </tbody> </table>	Date	Particular	₹	Party	Cheque No.	10.06.20	Computer	48403	FRZS	059744	10.06.20	Computer	48403	FRZS	059745	16.09.2020	Battery Purchased	15200/-	Shree Krishna Agency	060133	17.10.2020	Motor Pump Purchased	32000.00/-	Sarvendra Kumar	060147
Date	Particular	₹	Party	Cheque No.																							
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16.09.2020	Battery Purchased	15200/-	Shree Krishna Agency	060133																							
17.10.2020	Motor Pump Purchased	32000.00/-	Sarvendra Kumar	060147																							
(c)	Verify instances of losses, failures or inefficiencies and recommendations and/or measures, which can be taken to avoid their recurrence in future.	We have verified such instances and found some irregularities. Details of irregularity have been annexed in Executive Summary in Observation Para, and recommendations have also been annexed in Recommendation in Executive Summary.																									
(d)	Whether tax deductions i.e. Commercial	We observed that statutory compliance has not been																									



	tax, Income tax, provident fund etc. has been deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.	accomplished by ULB regarding deduction, deposit and return also. Details of major statutory irregularities are: <ul style="list-style-type: none"> • Labour cess has not been deposited appropriately. • Royalty has not been deposited to the govt. account. • Professional tax is not deducted and deposited by the ULB. Penalty and Interest may be levied on ULB as per Statutory Laws.
(c)	Whether all the C&AG audit & Internal audit Paras has been compiled by the ULBs	No, Internal audit paras till FY 2018-19 & C&AG previous years audit reports has not been compiled by the ULB. As Compliance report of the same has not been prepared by the ULB till the date of audit we are unable to check the exact status of compliance of the same.
(f)	Any Other deficiencies noticed during the audit to improve internal control systems	It was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB. preparation of books and records on time etc.



4. Detail Audit Observations

RISK ASSESSMENT

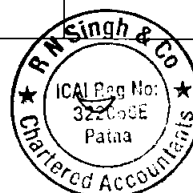
Name of the ULB		MANER NAGAR PANCHAYAT					
Sr. No.	Observations	Risk Rating	Design Gap	System gap	Operating Gap	Mgt. Comment	Auditor Recommendation
DEMAND GENERATION:							
1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	HIGH	No	No	Yes	It will be taken care in future.	Demand register was not maintained. It is necessary to maintain demand register for correct assessment of demand.
2.	Collusion with Citizen regarding Assessment.	MEDIUM	No	No	No	-	No Such cases found.
3.	Non-Updating Various Register like hand book,DCB register, Assessment registered.	MEDIUM	Yes	Yes	Yes	It is in printing process. It will be maintained in future.	Hand Book & DCB register are not up to date. Assessment Register has not been maintained.
4.	Others	-	-	-	-	-	-
RECEIPTS AND BANKING:							
1.	Error in collections, loss of receipts and perpetrated frauds	HIGH	Yes	Yes	Yes	It will be taken care in future.	Due to non-maintenance of Demand Register, collection is also not done on



							timely basis. Also the collected amount is not deposited into the bank on the same day. It may leads to revenue loss.
2.	Non-updating various register like hand book, DCB register, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date. It should be updated on daily basis.
3.	Collusion with the citizen and the ULBs staff to make wrong assessments of income	HIGH	No	No	No	-	No Such cases found.
4.	Others	-	-	-	-	-	-

REVENUE EXPENDITURE:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	Its payment is done as per the office order.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party



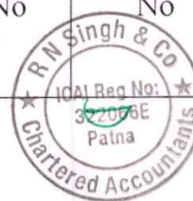
							transaction.
4.	Perpetrated fraud (Like payment more than one time on same bill)	HIGH	No	No	No	-	No Such cases found.
5.	Non-updating various register like Bill register with payment fig., etc.	MEDIUM	No	No	No	-	No Such cases found.
6.	Others	-	-	-	-	-	-

ESTABLISHMENT EXPENDITURE:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	-	No Such cases found.
4.	Collusion with employee	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same or ghost employee)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like salary register, PF register, Service book/record, advance register, etc.	HIGH	Yes	Yes	Yes	It will be taken care in future.	These registers are not updated on daily basis.
7.	Others	-	-	-	-	-	-

CAPITAL EXPENDITURE:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	-	No Such cases found.



4.	Collusion with contractor	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same contractor).	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like work register, MB, bill register, Fixed Assets register, Service book/record, advance register, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	These registers are not updated on timely basis. It should be updated on real time basis.
7.	Others	-	-	-	-	-	-

PROCUREMENT AND INVENTORY:

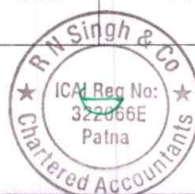
1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication/Procedural error	HIGH	No	Yes	Yes	Due to non-availability of nearby petrol pumps, tender and work order is not issued. And also Tendering is not applicable in this.	Fuel is purchased from Tiwari service station without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment is made for



							fuel without reconciliati on with vehicle log book.
4.	Collusion with contractor	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same contractor)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like store register, issue register, bill register with payment fig.,advance register, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	These registers are not maintained. Only payment files are maintained. There should be separate register for the same.
7.	Others	-	-	-	-	-	-

GRANT AND LOANS AND UTILISATION THEREOF:

1.	Non utilization of grant or grant unspent.	MEDIUM	No	No	No	-	No Such cases found.
2.	Not furnishing of UC	HIGH	No	No	Yes	With the help of internal auditor we have started preparing it.	Some of the UC's has not been furnished to UD & HD.
3.	Non fulfillment of condition part thereto	MEDIUM	No	No	No	-	No Such cases found.
4.	Perpetrated fraud (Like payment more than one time same contractor)	HIGH	No	No	No	-	No Such cases found.
5.	Non-updating various register like grant	MEDIUM	Yes	Yes	Yes	It will be taken care in	These registers are



	register, work register, bill register with payment fig., advance register, etc.					future.	not maintained. Only Contractor files are maintained.
6.	Others	-	-	-	-	-	-

FIXED DEPOSITS AND INVESTMENTS:

1.	Not deposited at appropriate time (loss of revenue)	HIGH	Yes	Yes	Yes	Unspent amount does not exist that can be deposited.	No tradition of Fixed Deposit & Investments in MANER NAGAR PANCHAY AT.
2.	Loss of Investment certificate	HIGH	Yes	Yes	Yes	Unspent amount does not exist that can be invested.	No such investment were made by the ULB.
3.	Non fulfillment of condition part thereto	MEDIUM	Yes	Yes	Yes	-	No Such cases found.
4.	Collusion with bank officials to invest at lower rate	HIGH	Yes	Yes	Yes	-	No Such cases found.
5.	Deposit into Current account	MEDIUM	Yes	Yes	Yes	-	No Such cases found.
6.	Non-updating various register like investment register, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Investment Register, Bank Book are not updated on daily basis by the ULB.
7.	Others	-	-	-	-	-	-

LOANS AND ADVANCES:

1.	Unauthorized release of advance	HIGH	No	No	No	-	No Such cases found.
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2.	Release of advance beyond authority	HIGH	No	No	No	-	No Such cases found.
3.	Non-adjustment of loan or advance during the year	MEDIUM	No	No	No	-	No Such cases found.
4.	Collusion with employee/party to release advance/loan beyond authority	HIGH	No	No	No	-	No Such cases found.
5.	Advance/loan not account for	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like Loan & advance, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Loans & Advances Register, Bank Book has not been maintained by the ULB.
7.	Others	-	-	-	-	-	-

List of Important Registers

	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	CAG OBSERVATIONS STATUS	NOT AVAILABLE				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Associates Risk	MGT. Comment	Status (Resolved/ or not)	
1.	Cash Book	General Cash Book is maintained by the ULB & Subsidiary Cash Book has been maintained by the ULB but it is not	Due to non-authorisation of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud	It will be taken care in future.	Not Resolved	



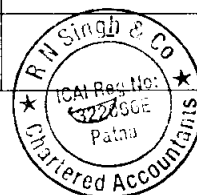
		authorized by the executive officer on daily basis.	defalcation.		
2.	Ledger	Ledger is being prepared by DEAS team in tally not by ULB.	Due to this segregation of head wise balance is difficult.	It will be taken care in future.	Not Resolved
3.	Journal	Journal Register has not been maintained.	Due to this amount receivable & payable is not ascertainable.	It will be taken care in future.	Not Resolved
4.	Register for Journal/ Magazines/Newspapers	Not-Maintained	This may leads to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	Register for Temporary Advances	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
6.	Register of Money Orders/Bank Draft Received	Maintained	-	-	-
7.	Cheque Issue Register	Maintained	-	-	-
8.	Register of Remittances made into bank	Maintained	-	-	-
9.	Bank Passbook	Maintained	-	-	-
10.	Register of Bank drafts Dispatched	Maintained	-	-	-
11.	Bill Register	Not-Maintained separately, bills are attached in their respective files only.	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
12.	Establishment Register	Maintained	-	-	-
13.	Stock Register	Not Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
14.	Capital Goods/Consumable articles, non-consumable articles and	Not-Maintained	It may leads to misplacement of Capital Goods/Consumable articles & non-consumable article.	It will be taken care in future.	Not Resolved



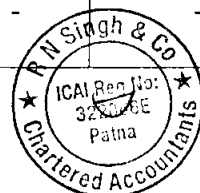
15.	Statutory Deduction Register	Statutory deduction registers are not maintained by the ULB.	Due to non-booking of statutory deduction, there is chances of delay in their payments & filing of returns.	It will be taken care in future.	Not Resolved
16.	Fixed Assets Register	Not-Maintained	It may leads to misplacement of fixed assets.	It is in printing process.	Not Resolved
17.	Grant Register	Not Maintained	It leads to difficulty in tracking of grants.	It will be taken care in future.	Not Resolved
18.	Scheme Register	Maintained	-	-	-
19.	Monthly accounts of Receipts/Payments	Not-Maintained	Due to this segregation of head wise balance is difficult.	Being Prepared by DEAS team.	Not Resolved
20.	Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
21.	Dispatch Register	Maintained	-	-	-
22.	File Register	Not-Maintained	It may leads to misplacement of files.	It will be taken care in future.	Not Resolved
23.	Any other (Name of the register)	-	-	-	-

Cash and Bank

Name of the ULB		MANER NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
CAG OBSERVATIONS STATUS		NOT AVAILABLE				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Check whether there is no any undue delay in	No Such cases Found.	-	-	-	-



	presentation of cheque/DD received, to bank,					
2.	Whether cheque/ draft issue/ receipt/ dishonored register have been maintained as per prescribed form (As Per BMAM) & entry are made on properly, accurately & timely basis.	Only Cheque issue register maintained.	-	Due to non-maintenance of cheque receipt & dishonored register preparation of bank reconciliation statement is very difficult.	It will be taken care in future.	Not Resolved
3.	Whether banking transactions (receipts & Payments) are matched with cash book, Cheque issue register, collection register, etc., Verify the same with Bank statement & BRS,	Yes	-	-	-	-
4.	Whether cheque issue register are matched with cash book.	Yes	-	-	-	-
5.	Whether proper steps has been taken for dishonored cheque, it was realized in cash or not,	Yes	-	-	-	-
6.	Whether Bank Reconciliation has been made for each account, verify the status of BRS, (attached BRS as annexure)	Prepared.	-			
7.	Check whether no any fraud payment or payment to other person has been made,	No such cases found.	-	-	-	-
8.	Whether bank statement for all account have been promptly received from bank.	Yes	-	-	-	-
9.	Number of Bank account maintained	9	-	-	-	-



10.	Original copy of cancelled receipt is attached with duplicate copy with "CANCELLED" marked on it.	No such cases found.	-	-	-	-
11.	Liability for stale cheques account review is done and necessary reversal entries are passed	No such cases found.	-	-	-	-
12.	Any other	-	-	-	-	-

Public Works

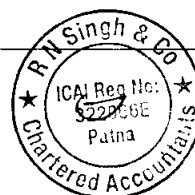
Name of the ULB		MANER NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
CAG OBSERVATIONS STATUS		NOT AVAILABLE				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB,	Yes	-	-	-	-
2.	Whether bill has been signed by proper in charge,	Yes	-	-	-	-
3.	Whether the bill has been checked by the accountant with the MB (also compare the qty.), estimate, agreement, previous bill (in case of running agreement)	Yes	-	-	-	-



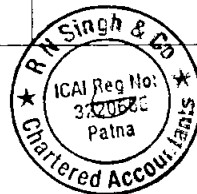
4.	Verify whether any payment made for removing /dismantling material which have scrap value must be indicated in the bill,	No such cases found.	-	-	-	-
5.	Whether measuring has done by the engineer concerned,	Yes	-	-	-	-
6.	Whether expenditure on construction of work was debited to WIP & verified with MB maintained,	Yes	-	-	-	-
7.	Whether master roll(machine numbered & authorized) has been maintained for details of store, specifying:	Not Maintained	-	It may leads to fraud & Defalcation.	It will be prepared in future.	Not Resolved
	Date of Issue,	No	-	-	-	Not Resolved
	Name of subordinate,	No	-	-	-	Not Resolved
	Name of work,	No	-	-	-	Not Resolved
	Number of labour,	No	-	-	-	Not Resolved
	Period of engagement,	No	-	-	-	Not Resolved
	Details of payment(date, Amount, Cheque no, etc.)	No	-	-	-	Not Resolved
8.	Whether the same has been periodically verified.	No	-	-	-	Not Resolved
9.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-

Cash Book

Name of the ULB	MANER NAGAR PANCHAYAT
RISK RATING:	MEDIUM
CAG OBSERVATIONS STATUS	NOT AVAILABLE

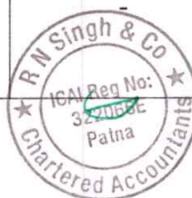


PERIOD: 01/04/20 to 31/03/21						
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether Opening Balance & Closing Balance was worked out or not,	Updated on Monthly basis but not authorized.	-	Due to non- authorisation of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Whether posting of receipt & payment side of cash book are properly maintained & it was matched with proper evidence like Receipt Voucher, Cheque issue Register, Bank Statement, etc.,	Yes	-	-	-	-
3.	Whether posting in on daily basis,	No	-	-	-	-
4.	Whether there is any clerical error (casting or/and posting error, etc) or not,	No	-	-	-	-
5.	Whether any delay in deposit of amount of collection by cashier,	In most of the cases any amount collected is deposited about a week delay.	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
6.	Conduct physical verification of cash and report heavy cash balance if any	No discrepancies found in this regard.	Not Resolved	Not Resolved	Not Resolved	Not Resolved
7.	Any Other	No	-	-	-	-



Collection

	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	Name of Tax Collector	Mukesh Kumar				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether collection procedure are as per guidelines/direction of ULB,	Yes	-	-	-	-
2.	Whether collections are made on the basis of Demand & Collection Register,	Demand & Collection register has not been maintained.	-	It may leads revenue loss to the ULB.	It will be prepared in future.	Not Resolved
3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt vouchers are properly vouched so that no any variation in posting the same,	Yes	-	-	-	-
4.	Whether collections are bifurcated in different heads as required,	Yes	-	-	-	-
5.	Whether a separate bank account has been maintained for each circle, (for PMC only)	-	-	-	-	-
6.	Whether all collections are made in proper "Receipt Voucher	Yes	-	-	-	-



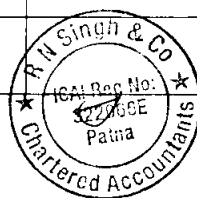
	Book” having same serial number which was actually issued to TC,					
7.	Whether all collections made during the day are account for & banked on next working day or there is any teaming & lading,	In most of the cases any amount collected is deposited about a week delay	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
8.	Whether no any collection are directly expended without prior approval,	No	-	-	-	-
9.	Whether collections are made by all the holding fall under the same TC or Civics Centre,	Yes	-	-	-	-
10.	Whether government share of collections (like Education cess & health cess) are properly & timely deposited in its own account, (if applicable)	No Such cases found.	-	-	-	-
11.	Whether there is any short/non collection or short deposit or not deposit,	No Such cases found.	-	-	-	-
12.	Whether penalty(@2% P.M/ 1.5%) has been duly charged on late payment,	No Such cases found.	-	-	-	-
13.	Whether daily collections are entered into hand book, collection register maintained by TC & it should be properly entered in demand & collection register,	Daily Collection register has Not been Maintained.	-	It leads to interest revenue loss to the ULB	It will be taken care in future.	Not Resolved
14.	Whether collection by way of cheque are properly banked & credited into account,	Yes	-	-	-	-



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

Demand

Name of the ULB		Maner Nagar Panchayat				
RISK RATING:		MEDIUM				
Name of Tax Collector		SANJAY VERMA				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Ensure whether closing balance of previous year is accurately brought forward,	Demand Register Not Maintained	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved
2.	Whether determination of demand is on manual or computerized way, & it would be as per updated rules, regulation, guidelines & other required details for proper calculation,	Demand Register Not Maintained	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved
3.	Whether data for calculation is correct & properly verified by appropriate authority/ Internal Auditor by way of physical survey,	Yes	-	-	-	-
4.	Whether revision of valuation of holding	Last Updated in 2018.	-	-	-	-



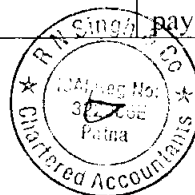
	properly made after specified period					
5.	Whether any refund/remission granted are admissible under the law and that have been duly sanctioned,	No Such cases found.	-	-	-	-
6.	Ensure whether there is any clerical error in calculation,	No Such cases found.	-	-	-	-
7.	Whether demand register in prescribed format is maintained or not,	Demand Register Not Maintained	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved
8.	Whether persons involve in calculation/ collection have knowledge of their responsibility,	Yes	-	-	-	-
9.	Whether there is proper distribution of responsibility for calculation, recovery & updation of register for demand, so that no single person have control on two or process at the same time,	Due to lack of Manpower all these work has been controlled single handedly.	-	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
10.	Whether there is any under/no assessment,	No	-	-	-	-
11.	Whether there is appropriate measures(As Per section 155 & 158 of BMA, 2007) are adopted for recovery of Government/bid dues,	No Such cases found.	-	-	-	-
12.	Whether notice for demand has been made in prescribed format (As Per BMAR) & as per rules & regulations,	No Such cases found.	-	-	-	-
13.	Whether penalty(@2% P.M/ 1.5%) has been	No Such cases found.	-	-	-	-



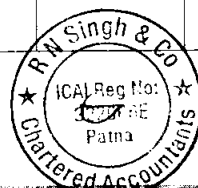
	charged on late payment,					
14.	Whether Demand, Collection & Balance Register has been prepared on daily basis for all receipts or not, & it would be authorized by proper authority or not,	Not Maintained in prescribed format & also not updated.	-	-	-	-
15.	Whether there are adequate safeguard on data has been operated or not,	No	-	-	-	-
16.	Whether self-assessment property tax return for payment of property tax has been filed by the assesses in the prescribed format,	Yes	-	-	-	-
17.	Whether there is any collusion with customer/holding w.r.t., assessment, payment, etc.	No Such cases found.	-	-	-	-
18.	Any Other	No	-	-	-	-

Establishment

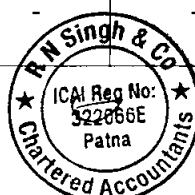
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether establishment expenditure is sanction by authorized person & it has been within sanctioned limit,	Yes	-	-	-	-
2.	Whether service log book has been maintained & up to date or not,	Not Maintained	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved



3.	Audit whether apart from comparing the pay & allowance drawn by each employee in the pay bill with the corresponding entries in the pay column of the service book and checking the acquaints roll of employee who have been paid in cash,	Service book not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
4.	Whether each employee has unique identification number & it has be referred in all matter in relation to service book Whether payment made to employee has been verified with attendance register/logbook,	Yes	-	-	-	-
5.	Whether service book for calculation of payable has been authorized by the proper person,	Service Book not maintained.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
6.	Whether account depart has prepared the advice & instructed the bank for the payment as per advice,	Yes	-	-	-	-
7.	Whether undistributed amount of pay & allowance as shown in cash book matched with balance of undistributed salary balance,	Undistributed salary amount not maintained in cashbook.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
8.	Whether undistributed amount of pay & allowance are not for more than 3 months as cash in hand,	No Such cases found.	-	-	-	-
9.	Whether disbursement of pay & allowance are duly recorded in books & accepted by employee specifying separate hade with date of receive (In case of arrear),	No Such cases found.	-	-	-	-
10.	Whether the bill prepared according to sanctioned scale,	Yes	-	-	-	-
11.	Whether no any payment is made to Employee whose service retired in any manner,	No Such cases found.	-	-	-	-
12.	Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment,	Pay-In-Slip not prepared.	-	It becomes difficult to trace last payment.	It will be taken care in future.	Not Resolved



				It may leads to over/less payments.		
13.	Whether all statutory deduction or adjustment has been made before payment,	Yes	-			
14.	To check compliance of rules in regard to establishment matters viz., travel, daily allowance, leave, advances (House building and vehicle advance etc.) and settlement thereof.	No Such cases found.	-	-	-	-
15.	To check salary bills.	Salary Bills not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
16.	Position of outstanding advances paid to employees	No Such cases found.	-	-	-	-
17.	To check deduction of provident fund and ESI has been made as per rules	Yes	-	-	-	-
18.	Whether PF slips are issued to the employees on yearly basis and to see whether all statutory returns for PF are submitted to the concerned authorities.	Yes	-	-	-	-
19.	To check whether salary bill is prepared in such a manner that it gives breakup of the amount of bill and all adjustments such as deduction of PF, TDS and other advances and loans etc.	Not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
20.	Check Retirement benefit to employee	No Such cases found.	-	-	-	-
21.	Personnel Appointments and to see whether all records are updated from time to time.	No Such cases found.	-	-	-	-
22.	Dismissal and Resignation/ Termination	No Such cases found.	-	-	-	-
23.	Temporary workers	No Such cases found.	-	-	-	-
24.	Overtime	No Such cases found.	-	-	-	-
25.	Attendance Register To check number of persons mentioned in	Yes	-	-	-	-



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

Grant

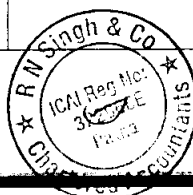
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Maintenance/Updation register regarding details of funds received and expenditure.	Grant register not prepared.	-	It leads to difficulty in tracking the unutilized grant at a point of time.	It will be prepared in future.	Not resolved.
2.	Any diversion/re-appropriation of funds not covered under the provision of BMA, 2007 should be pointed out for remedial action.	No Such cases found.	-	-	-	-
3.	To check whether utilization certificate is for actual utilization of funds received .	Yes	-	-	-	-
4.	It should also be checked that utilization certificate is issued as per prescribed time frame given in the Manual and issue of UCs is not delayed.	We have found some cases where UCs is not prepared on time. However we have guided to prepare it.		It may leads to mis-utilization of fund.	With the guidance of internal auditor, we have started preparing UC's. It	In Process



					will be submitted to department very soon.	
5.	Internal Auditor should also check whether expenditure incurred on each activity does not exceed the budget.	No Such cases found.	-	-	-	-

Payment of bills of contractors

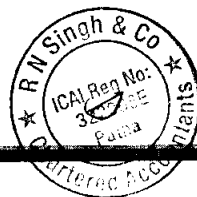
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Original bill duly signed by contractors is submitted.	Yes	-	-	-	-
2.	Contractor has put his initials in all cuttings and corrections in the bill.	No Such cases found.	-	-	-	-
3.	All Supporting documents are attached with the bills.	Yes	-	-	-	-
4.	The rates, security deposit, and deductions are as per terms and conditions specified in the agreement	Yes	-	-	-	-
5.	The variations in quantities and completion period etc. have been authorized by the competent authority	Yes	-	-	-	-
6.	Job completion certificate has been processed by the dealing assistant.	Yes	-	-	-	-
7.	Bills passed for payment are as per rules and T & C of	Yes	-	-	-	-



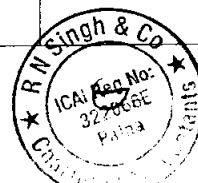
	Tender.					
8.	All terms and conditions of the contract are fulfilled before passing the bills.	Yes	-	-	-	-
9.	Every final bill is checked in detail with measurement books.	Yes	-	-	-	-
10.	Cash/Bank Vouchers to be checked for authorization etc.	Yes	-	-	-	-
11.	Overall review of the books of accounts.	Yes	-	-	-	-
12.	Position of outstanding advances paid to suppliers/contractors.	No Such cases found.	-	-	-	-

Receipt Voucher

	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether "Receipt Vouchers" are in the prescribed format & having machined serial number & there is no any manuscript form,	Yes	-	-	-	-
2.	Check;		-	-	-	-
3.	What is the date of printing,	Checked	-	-	-	-
4.	What quantity of serial number was printed out,	Checked	-	-	-	-
5.	What is the date of dispatched, quantity of receipt vouchers & their serial number;	Checked	-	-	-	-



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



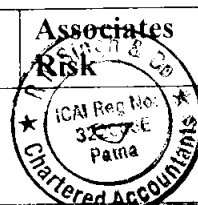
	custody of authorized person,					
13.	Verify that any cancelled vouchers have in both original & carbon copy,	Yes	-	-	-	-
14.	Verify whether reversible carbon has been used during receipt.	Yes	-	-	-	-

Other Revenue:

1.	Advertisement Tax	No System Developed for collection of advertisement tax.	-	It will affect municipal fund.	System will be developed very soon.	Not Resolved
2.	Tower Tax	Not Collected On time.		It will affect municipal fund.	Notice will be send to concerned tower operator.	In Process
3.	Professional Tax	No professional tax collected.	-	-	-	-
4.	Assigned Revenue (As details annexed)	No Such cases found.	-	-	-	-
5.	Rental Charges (As details annexed)	No any municipal properties given on rent during this period.	-	It will affect municipal fund.	System will be developed very soon.	Not Resolved
6.	Fee & uses Charges (As details annexed)	Collected.		-	-	-
7.	Other Revenue Items	-	-	-	-	-

Revenue Expenses

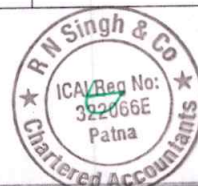
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved



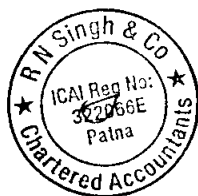
						(or not)
1.	Whether payment is on the basis of Sanction / work order letter & incurred by authorized person.	Fuel is purchased from Tiwari service station without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment is made for fuel without reconciliation with vehicle log book. Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.	₹6,89,777	It leads to fraud and related party transactions.	It will be taken care in future.	-
2.	Whether payment is made through prescribed format.	Vouchers Prepared Manually.	-	There may be chances of Fraud & Defalcation.	It will be taken care in future.	Not Resolved
3.	Whether payment is made without any undue delay or whether any cheque issued are promptly issued to the respective person.	Yes	-	-	-	-
4.	Whether there is bifurcation of responsibility towards	Yes	-	-	-	-



	person making payment & person preparing MB, receipt of goods , maintenance of payment file, etc.					
5.	Whether updation of accounts/books are on proper & timely basis,	Yes	-	-	-	-
6.	Whether authorized person verify & sign the document involve,	Yes	-	-	-	-
7.	Whether data base for the same has been properly maintained & safeguard measures are taken,	No database has been maintained by the ULB.	-	Important information may be lost or stolen.	DBMS not maintained.	Not Resolved.
8.	Whether exact amount (no any over payment) are paid and verified by supporting document, & no any collusion with party,	Yes	-	-	-	-
9.	Whether register for settlement of service bill has been maintained and up to date,	Yes	-	-	-	-
10.	Whether payment made to the same to whom it might be payable and no any second claim in this regard,	Yes	-	-	-	-
11.	Whether payment has been	Yes	-	-	-	-
12.	Whether the expenditure are made with a period & amount as sanctioned,	Yes	-	-	-	-
13.	Whether there is undue rush of expenditure at the end of financial year,	No	-	-	-	-



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

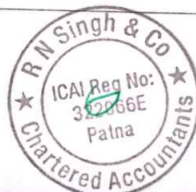


Statutory Requirement

Name of the ULB		MANER NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether deduction of TDS on payment has been made as per law,	Yes	-	-	-	-
2.	Whether TDS deducted are timely deposited into bank with same amount,	Yes	-	-	-	-
3.	Whether regulatory requirement for submission of Return has been followed,	Yes	-	-	-	-
4.	Whether any deduction is made in any act, must be deposited as per their respective act,	Yes	-	-	-	-
5.	Verify whether in case of "through rate" contract, there is no any payment for material, etc. by the ULB	No Such cases found.	-	-	-	-
6.	Any demand is outstanding from regulatory authority for non-compliance.	No Such cases found.	-	-	-	-

Tender Details (Work Order Wise)

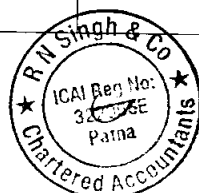
Name of the ULB		MANER NAGAR PANCHAYAT	
RISK RATING:		MEDIUM	
Work order No.		01/2019-20 to 16/2019-20	
		PERIOD: 01/04/20 to 31/03/21	



Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts.	Yes	-	-	-	-
2.	To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents.	Yes	-	-	-	-
3.	The important guidelines relating to earnest money, delivery schedule, payment terms, performance warranty/guarantee, inspection, arbitration, liquidated damages/penalty for delayed supplies, purchase on risk and cost were incorporated in the tender documents for safeguarding the interest of corporation.	Pre-inspection report not found. (Contractor Name- Binod Kumar Singh)	-	It may lead to modified information and over payment.	It will be asked to be prepared.	-
4.	The purchase proposal was approved by the competent authority. as per delegation of powers	Yes	-	-	-	-
5.	Indent for purchase indicates the details of quantity required, last purchase rate, period for which stores are needed and name of consignee.	Not in prescribed format.	-	There may be chances of fraud & defalcation.	It will be taken care in future.	Not Resolved.
6.	Approval of mode of procurement	Yes	-	-	-	-
7.	The tender documents are prepared properly and description of items to be procured, quantity and estimated value	Yes	-	-	-	-



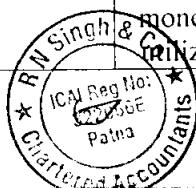
	should be indicated.					
8.	To check whether the direction was followed for notification /advertising and opening of bids at notified date, time and place in the presence of bidders.	Yes	-	-	-	-
9.	Award of contract and its execution is as per procedure and guidelines issued by the Govt. of India in view of conditions agreed with the Development partners (DFID, World Bank, & European Union etc.)	Yes	-	-	-	-
10.	To check whether bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available.	Yes	-	-	-	-
11.	To check whether contract was awarded to the lowest evaluated responsive bidders who fulfilled qualification requirements, specified in the tender's documents.	Yes	-	-	-	-
12.	In case of negotiations of prices, it should be checked whether the negotiation was made with L1 bidder and all the relevant records thereof were available.	Yes	-	-	-	-
13.	To check whether articles were received/work was completed in time as per delivery schedule.	Yes	-	-	-	-



14.	The stores/goods are properly recorded in the Stock Registers /Asset Register.	Yes	-	-	-	-
15.	Whether any complaint was received regarding procurement and payment and existence of mechanism for redressal of Complaints	Yes	-	-	-	-

Vehicle Log Book

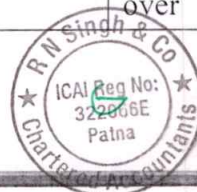
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether logbook has maintained or not & up to date with proper details like journeys, work undertaken, covering route, visited place, kilometer, etc.,	No	-	Information about vehicle cannot be traced properly.	It will be prepared.	No
2.	Whether logbook of journey is maintained in detail & signed by the officials using them,	No	-	Information about vehicle cannot be traced properly.	It will be taken care of.	No
3.	Whether it should be used for official purpose, otherwise charges are recoverable,	Used only for official purpose.	-	-	-	-
4.	Whether details of fuel for the same has been maintained in log book,	No	-	Unnecessary fuel may be purchased by the associated persons.	It will be taken care of.	No
5.	Whether full details of repairs have been	No	-	Unnecessary money may be utilized on the	It will be taken care of.	No



	maintained & it have been through authorized center,			name of repairs.		
6.	Whether authorized person have proper check over logbook.	No log book has been maintained to be authorized.	-	Information about vehicle cannot be traced properly.	It will be prepared.	No

Fixed Assets

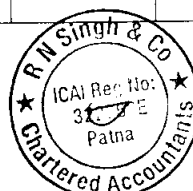
	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Status on Maintenance of Fixed Assets Register	Not Maintained	-	It may leads to misplacement of assets.	It is in printing process.	Not Resolved
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Yes	-	-	-	-
4.	all fixed assets are acquired only after obtaining approval of the concerned authority	Yes	-	-	-	-
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	Due to non-availability of FA register. Physical Verification is not done.	-	It may leads to misplacement of assets.	Being Prepared by DEAS Team.	Not Resolved
6.	Depreciation is provided on each class of fixed	No Depreciation is	-	It leads to over	Levied once fixed asset	Not Resolved



	assets at the prescribed rates	provided.		valuation of fixed assets.	register maintained.	
7.	Asset Replacement Register is properly maintained asset class-wise	No such cases found.	-	-	-	-

Others

	Name of the ULB	MANER NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	All permanent changes made in the assessment of buildings and lands have been recorded in this register with reference to the monthly lists, Register of Revision Petitions, Register of Appeal Petitions, and Register of Writes-off.	No such register provided.	-	It leads to false information about the assessment of buildings and land.	-	-
2.	Demands of current year and previous year have been reconciled with reference to the above details	No	-	-	-	-
	Register of Suits					
1.	All suits filed by the municipality for recovery of any sum due are entered.	Register of Suits filed by ULB has not been maintained by the ULB.	-	To trace status of cases is very difficult.	It will be taken care in future.	Not Resolved.
2.	All suits filed against the municipality are entered	Register of Suits filed against ULB has not been maintained by the ULB.	-	To trace status of cases is very difficult.	It will be taken care in future.	Not Resolved.



3.	Sanction from the Council obtained for filing/defending the suit	No Such cases found	-	-	-	-
4.	All details like the Assessment Number, amount involved, Name of Court and Suit Number etc. are clearly entered	No Such cases found	-	-	-	-
5.	Execution Petitions are filed for recovery of sums, in cases the suits are disposed in favour of municipality.	No Such cases found	-	-	-	-

General Observations: -

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Stock register, annual accounts, assets register were not maintained. Effective steps may be taken to improve the maintenance of accounts and increasing of its own sources of revenues.

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



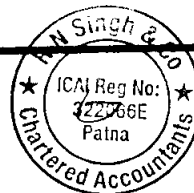
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CA Chanakya Shree
Partner
Mem No: 079322

**7. Management Discussion with Risk Assessment:
MANER NAGAR PANCHAYAT
FOR THE YEAR ENDED 31.03.2021 (ANNUALLY)**

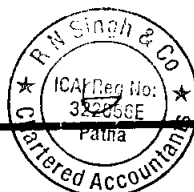
Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO)Comments	Ref. Page
1.	Royalty ₹4,81,217/- and Labour cess ₹3,53,226/- have been deducted since F.Y. 2018-19 and 2019-20 and Royalty ₹1242602/- and Labour Cess ₹849306/- have been deducted during year ended 31.03.2021 but it has not been deposited till the date of Audit. As per Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB. As per Building and Other Construction Workers Welfare Cess Act, If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two percent, for every month or part of the month comprised in the period from the date on which such payment is due till such amount is actually paid. Further, Unpaid royalty interest in F.Y. 2018-19 is 9.96% and in F.Y. 2019-20, rate of URI is 9.54%.	High	Yes	Yes	Yes	Royalty and labour cess will be deposited soon as it is under process.	
2.	Royalty had not been deducted on in Nal Jal Yojna Scheme No. 2/2019-20 on payment on 04.09.2020 to Ajay Kumar on 2 nd installment amount of ₹ 1060094.00. and Scheme No. 1/2020-21 of Nal Jal Yojna on payment on 21.05.2020 to Avinash Kumar Dhiraj on installment amount of ₹ 475121.00.	High	Yes	Yes	Yes	There is no work done related for deduction of Royalty.	

16/4/2022



2.	Fuel is purchased from Tiwari service station without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment of ₹6,89,777/- is made for fuel without reconciliation with vehicle log book.	High	Yes	Yes	Yes	Tendering is not applicable in this.
3.	In tender file of Binod Kumar Singh, we observed that Pre-inspection report is not found. Further, details of water transmission to 439 houses (as per agreement) are not attached. Moreover, As per details, it seems that bricks, soil, etc. has been used, but no pictures are found with regard to these materials and is continue during the current period.	High	No	No	Yes	It is not done in separately house. It is done from 1 st house to end of house in Contract.
4.	Mobile Tower Tax has not been collected by the ULB which leads to huge revenue loss. As per details provided to us there are total 09 Mobile Towers registered with this ULB up to 31.03.2021 and ₹8,87,360 has not been collected till the date of audit from these tower operators as Tower Tax.	High	No	No	Yes	Notice will be sent .
5.	Demand register is not maintained or up to date by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc. Further, Holding tax defaulters are not classified as demand register is not maintained by the ULB. It leads to a huge revenue loss to the ULB.	High	No	No	Yes	It will be prepared from next financial year. Survey is going on for the due amount of Property Tax, Rent on Municipal Property, Etc.

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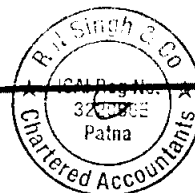
6.	Advertisement Tax has not been levied by the Maner Nagar Panchayat during this period. It leads to revenue loss to the ULB.	High	No	No	Yes	Advertisement tax does not deduct in this ULB.
7.	Professional tax is not deducted by the ULB on the salary payments of more than ₹15,000. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.	High	No	Yes	Yes	ULB will be registered under the bihar professional tax act.
8.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction. Payment of ₹90,000 is made to Vehicle Owner in the current audit period.	High	No	Yes	Yes	Vehicle is hired as per district rate applicable.
9.	Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register, Fixed Asset Register, File movement register, Inventory/ Store Register, Demand Register, Daily Collection Register, Advertisement Taxes/Fees, Sairat etc.	High	No	Yes	Yes	It will be prepared from next FY.
10.	Cashbook is not maintained on day-to-day basis, which is not as per Bihar Municipal Accounting Manual. It should be prepared on daily basis i.e. transaction wise. Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on daily basis.	Medium	No	No	Yes	Will be maintained in proper basis but not on daily basis.
11.	There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.	Medium	No	No	Yes	Bank had returned the cheque and it will paid in next of month.
12.	Financial guidelines of schemes of MOHUA and UD & HD,	Medium	No	No	Yes	It will be complied as soon as possible.

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12/11/2022

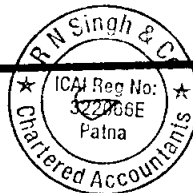
	<p>GOB have not been compiled by the ULB.</p> <p>UC of ₹ 1185.67 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the end of financial year 2020-21.</p>					
13	<p>UC of ₹923 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the end of 4th quarter of financial year 2019-20. Submission details of these during the F.Y. 2020-21 has not been provided.</p>	Medium	No	No	Yes	Preparation is going on.
13.	<p>Details of Directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.</p>	Medium	No	No	Yes	It will be not be done yet.
14.	<p>Procurement Register has not been maintained for all procurements above Rs.15,000. Further, Guidelines issued by UD&HD regarding procurements were also not provided to us during the course of audit.</p>	Medium	No	No	Yes	It will be maintained in next F.Y.
15.	<p>Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or 2 Month later which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.</p>	Medium	No	No	Yes	It will not be deposited on daily basis due to covid -19.
16.	<p>Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been provided to us during the course</p>	Medium	No	No	Yes	Previous AG (F.Y 2017-18) has been sent. And (F.Y2018-19) and (F.Y2019-20) is in process.



	of audit.					
17.	Vehicle Log Book has not been maintained by ULB. Due to this, it is not possible to track running of vehicles of the ULB.	Medium	No	No	Yes	Vehicles are given on rent basis and rent income is taken from them only all the log book maintained by them.
18.	Municipal Accounts Committee has not been constituted by the Maner Nagar Panchayat. It should be constituted in the first Board Meeting of the ULB every year.	Low	No	No	Yes	Discussed in next board meeting.
20.	No separate grant register is being maintained by the ULB. So, it is difficult to find out the amount of unutilized amount of grant at a point of time.	Low	No	No	Yes	It will be maintained from next financial year 20-21.
21.	Register of suits by/against ULB has not been maintained by the ULB.	Low	No	No	Yes	It will be maintained in next FY.
22.	Tibrewal Chand & Co (Rourkela, Odisha) has started doing double entry accounting system but it is in process & incomplete, it is not in auditable position. Year wise Status of DEAS are as follows; FY- 2014-15: Transaction Entry Completed but not finalized. FY- 2015-16: In Process. FY- 2016-17: In Process. FY- 2017-18: Transaction Entry Completed but not finalized. FY- 2018-19: Transaction Entry Completed but not finalized. FY- 2019-20: Transaction Entry Completed but not finalized.	Low	No	No	Yes	It will be completed as soon as possible.
23.	Self-Assessment System (SAS) of Property Tax has been implemented in Maner Nagar Panchayat but we have found that assessee is very less aware of that. ULB should conduct time-to-time awareness programme	Low	No	No	Yes	It is conducted in every financial year.

PKS

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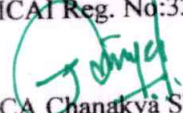
	to make people aware of SAS.						
24.	ULB is not in practice of preparing Monthly Receipt and Payment.	Low	No	No	Yes	It is prepared in tally as Income and Expenditure.	
25.	ULB is not in practice of preparing of Annual F.S.	Low	No	No	Yes	It is prepared in tally but no depreciation and adjustment entry is passed	
26.	Property Holding Tax is collected based on List of Houses/Properties, which are prepared on 2012-13. Till now this List is used to Collect taxes and has not amended yet.	High	Yes	Yes	Yes	Survey is going on, and it will be complied from next year.	
27.	Demand of Rs.286090/- has been created for the previous Financial years by Income Tax Dept. has not been settled yet.	High	Yes	Yes	Yes	Settlement will be done soon.	
28.	Statutory deduction on salary (such as TDS and Professional Tax) payment to Executive officer <u>has not been made.</u>	Low	No	No	Yes	It is deposited in final payment at the time of return filing.	
29.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes	It is prepared in Excel.	
30.	ULB has not co-operated in providing the login details TDS so we are unable to find the Short deduction and short payment of TDS and late fees thereon.	Medium	No	No	Yes	Password had forgotten will provide in next F.Y.	
31.	GST had not been filed in April 2020.	Medium	Yes	Yes	Yes	Executive officer had joined in April and GST Registration and other process took time , hence not filed.	
32.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes	It is prepared in Excel.	
33.	Property Tax Due have not collected yet (Annexure attached)	High	Yes	Yes	Yes	Notices has been sent.	

For R. N. SINGH & CO.

Chartered Accountant



ICAI Reg. No:322066E


CA Chanakya Shree
Partner
M. No: -079322



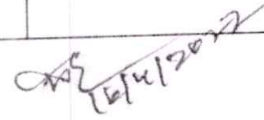
Executive Officer
Nagar Panchayat Maner
Date:

Place:

7. Management Discussion with Risk Assessment:

Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO)Comments	Ref. Page
1.	Royalty ₹2,56,991 and Labour cess ₹2,47,876 have been deducted since F.Y. 2018-19 but it has not been deposited on time. As per Income Tax Act 1961 and Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB. As per Building and Other Construction Workers Welfare Cess Act, If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employee shall be liable to pay interest on the amount to be paid at the rate of	High	Yes	Yes	Yes	Royalty and labour cess will be deposited on regular basis.	





GAR PANCHAYAT MANER

GRANTS ALLOTTED DURING THE FINANCIAL YEAR 2019-20 TO 2021-22

The detail of Pending UC :-

Sl. No.	Name of Scheme	Financial Year	Date of Allotment	Letter No.	Grant Allocated	Grant Utilize	Grant Unutilize	UC Submitted Amount	UC Submitted Date	UC not Submitted Amount	UC Pending
1	14 th Finance	2019-20	11.07.2019	38/11.07.2019	60.79	60.79	0	0		60.79	Not Submitted
2	14 th Finance	2019-20	11.07.2019	38/11.07.2019	60.79	60.79	0	0		60.79	Not Submitted
3	5 th Finance	2019-20	13.08.2019	57/13.08.2019	164.09	0	164.09	0		164.09	Not Submitted
4	5 th Finance	2019-20	13.08.2019	53/13.08.2019	169.83	0	169.83	0		169.83	Not Submitted
5	City Manager Salary	2019-20	13.11.2019	116/13.11.2019	4.48	4.48	0	4.48	09.12.2021	0	Submitted
6	14 th Finance	2019-20	27.11.2019	128-	121.58	121.58	0	121.58	09.12.2021	0	Submitted
7	J.J.H	2019-20	10.01.2020	173/10.01.2020	8.89	7.95	0.94	7.95	09.12.2021	0.94	Submitted
8	Nagrak Suvidha	2019-20	05.11.2019	108/05.11.2019	2.5	2.5	0	2.5		0	Not Submitted
9	Nagrak Suvidha	2019-20	19.12.2020	156/19.12.2020	39.37		39.37			0	Not Submitted
10	Ward Parishad	2019-20	16.12.2019	144/16.12.2019	3.36	3.36	0	3.36	09.12.2021	0	Submitted
11	Water Crisis	2020-21	16.09.2019	79/16.09.2019	15.84		15.84			0	Not Submitted
12	E.O. Salary	2020-21	16.07.2020	91/16.07.2020	6	6	0	6	09.12.2021	0	Submitted
13	5 th Finance	2020-21	13.05.2020	36/13.05.2020	52.75		52.75			0	Not Submitted
14	City Manager Salary	2020-21	22.05.2020	47/22.05.2020	1.2		1.2			0	Not Submitted
15	15 th Finance	2020-21	25.05.2020	50/25.05.2020	110.71		110.71			0	Not Submitted
16	15 th Finance	2020-21	25.05.2020	50/25.05.2020	110.71		110.71			0	Not Submitted

1ST QTR	2ND QTR	3RD QTR	4TH QTR
756.15	763.35	1185.67	1185.67



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7	City Manager Salary	2020-21	17.08.2020	108/17.08.2020	2.4			2.4	0	2.4	Not Submitted
8	5 th SFC	2020-21	06.10.2020	23/06.10.2020	52.75			52.75	0	52.75	Not Submitted
9	5 th SFC	2020-21	06.10.2020	23/06.10.2020	52.75			52.75	0	52.75	Not Submitted
0	5 th SFC	2020-21	10.11.2020	.../10.11.2020	52.75			52.75	0	52.75	Not Submitted
1	15 th Finance	2020-21	13.11.2020	147/13.11.2020	110.07			110.07	0	110.07	Not Submitted
2	E.O. Salary	2020-21	05.04.2020	31/05.04.2020	6			6	0	6	Not Submitted
3	15 th Finance	2020-21	13.11.2020	146/13.11.2020	110.07			110.07	0	110.07	Not Submitted
4	Ward Parshad	2020-21	21.12.2020	155/21.12.2020	3.36			3.36	0	3.36	Not Submitted
5	City Manager Salary	2020-21	27.10.2020	137/27.10.2020	1.2			1.2	0	1.2	Not Submitted
6	15 th Finance	2020-21	15.08.2020	351/15.08.2021	221.96			221.96	0	221.96	Not Submitted
7	15 th Finance	2020-21	15.08.2020	352/15.08.2021	221.96			221.96	0	221.96	Not Submitted
8	City Manager Salary	2021-22	24.09.2020	14/29.04.2020	4.8			4.8	0	4.8	Not Submitted
9	E.O. Salary	2021-22	19.05.2020	24/19.05.2021	3		3	0	09.12.2021	0	Submitted
10	5 th SFC	2021-22	11.06.2020	38/11.06.2021	89.35			89.35	0	89.35	Not Submitted
11	5 th SFC	2021-22	22.09.2020	74/22.09.2021	89.35			89.35	0	89.35	Not Submitted
12	State Plan	2021-22	05.10.2020	97/05.10.2021	22.34			22.34	0	22.34	Not Submitted
13	State Plan	2021-22			9.48			9.48	0	9.48	Not Submitted
14	5 th SFC	2021-22	08.11.2020	114/08.11.2021	89.9			89.9	0	89.9	Not Submitted

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5	5 th SFC	2021-22	08.11.2021	117/08.11.2021	89.9			89.9	0	89.9	Not Submitted
6	6 th SFC	2021-22	30.12.2021	147/30.12.2021	89.65			89.65	0	89.65	Not Submitted
7	6 th SFC	2021-22	30.12.2021	147/30.12.2021	89.65			89.65	0	89.65	Not Submitted
8	15 th Health Sector	2021-22	23.12.2021	136/23.12.2021	40.47			40.47	0	40.47	Not Submitted
9	15 th Health Sector	2021-22	23.12.2021	137/23.12.2021	40.47			40.47	0	40.47	Not Submitted
TOTAL					2426.52	267.95	146.37	2158.57	146.37	2280.15	Not Submitted

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NAGAR PANCHAYAT MANER

DETAILS OF TOWER TAX COLLECTED AND DUES FOR THE YEAR ENDED 31.03.2021

Sl. No	Company Name	Date of establishment	No. of Tower	Registration Fee (₹)	Renewal Fee (₹)	Total (₹)	Collection (₹)	Dues Balance (₹)
1	Reliance Jio	19-11-2014	1	30,000.00	56,000.00	86,000.00	30,000.00	56,000.00
2	Aditya Birla tel. LTD	2009-10	1	30,000.00	96,000.00	1,26,000.00	30,000.00	96,000.00
3	Bharti infratel LTD	2005-6	1	30,000.00	1,28,000.00	1,58,000.00	30,000.00	1,28,000.00
4	sea cellular infra structure service L	2014	1	30,000.00	64,000.00	94,000.00	30,000.00	64,000.00
5	CNIL Tower Aircel	2007	1	30,000.00	1,12,000.00	1,42,000.00	30,000.00	1,12,000.00
6	Transmission tower	2008-9	1	70,000.00	1,28,000.00	1,98,000.00	-	1,98,000.00
7	G.T.L. Uninor	2013	1	30,000.00	56,000.00	86,000.00	30,000.00	56,000.00
8	Reliance communication	2013	1	30,000.00	72,000.00	1,02,000.00	-	1,02,000.00
9	ATC India	2019-20	1	30,000.00	8,000.00	46,000.00	38,000.00	8,000.00
	Total			3,10,000.00		8,32,000.00	2,18,000.00	₹ 39,000.00
						Amount Received 2018-19		₹ 39,000.00
						Amount Received 2019-20		₹ 7,52,000.00
						Total		₹ 7,52,000.00


 नगर पंचायत मनेर
 नगर पंचायत मनेर



Annexure - 4



NAGAR PANCHAYAT MANER

Report on field survey of 20 High Value Property

Sl.No	Owner Property Name	Holding No.	Ward No.	Type of construction	Taxable area	Rate/sqft	Annual rent	Annual Property Tax@9%	Housing/ Commercial
1	Sonu Kumar	47	11	R.C.C	1950	10	19500.00	1755.00	Other
2	Jiwanad Singh	166	11	R.C.C	1829	22	40238.00	3621.00	Commercial
3	Amrendra Singh	168	11	R.C.C	1590	22	34980.00	3148.00	Commercial
4	Chandra Shekhar Singh	169	11	R.C.C	1590	22	34980.00	3148.00	Commercial
5	Nirmal Kumar Singh	297	13	R.C.C	1940	22	42680.00	3841.00	Other
6	Shasank Dhar Sharma	83	15	R.C.C	3038	32	97216.00	8749.44	Commercial
7	Malti Devi	126	15	R.C.C	3884	22	85448.00	7690.00	Other
8	Paras Nath Singh	137	15	R.C.C	2103	32	67296.00	6056.64	Commercial
9	Rana Ranvijay Singh	153	15	R.C.C	3612	32	115584.00	10402.00	Commercial
10	Bank of Baroda	221	15	R.C.C	2660	32	85120.00	7661.00	Commercial
11	Nilam Devi	59	14		9966	22	219252.00	19733.00	Commercial
12	Akhilewar Singh	207	14	R.C.C	2156	22	47432.00	4269.00	Other
13	Shyam Bihari Prasad	16,17,132,133	7	R.C.C	3734	32	119488.00	10754.00	Commercial
14	Ramnath Mistri	64	11	R.C.C	6037	11	66407.00	5977.00	Other
15	Gaytri Devi	452	7	R.C.C	7307	22	160754.00	14467.86	Commercial
16	Ganesh Prasad	445	7	R.C.C	2951	11	32461.00	2921.49	Commercial
17	Chhote Lal Shaw	450/451	7	R.C.C	3035	7	21245.00	1912.00	Housing
18	Vijay Shankar	324	5	R.C.C	4420	32	141440.00	12730.00	Commercial
19	Mudrika Singh	454/455	7	R.C.C	2577	32	82464.00	7422.00	Commercial
20	Arjun Kr Verma	23	7	R.C.C	1831	22	40282.00	3626.00	Other

Tax Collector: Sanjay Verma

Sr. No.	Name	Holding No.	Ward No.	Year From	Due till	Annual Tax	Total
1	Dilip Kumar Yadav	108	2	2013	2021	354	2832
2	Sabudin Kha	158	2	2013	2021	183	1464
3	Mastana Singh	144	2	2017	2021	1188	4752
4	Radhika Devi	181	2	2013	2021	183	1464
5	Vishnu Mahesh Prasad	182	2	2013	2021	341	2728
6	Alakhnath Yadav	183	2	2013	2021	2701	21608
7	Rajaram Ray	211	3	2013	2021	469	3752
8	Sudarshan Ray	212/213	3	2013	2021	2200	17600
9	Shib Balak Ram	271	4	2013	2021	198	1584
10	Ajay Kumar	288	4	2013	2021	1010	8080
11	Rajendra Ray	294	4	2013	2021	746	5968
12	Satya Singh	2	5	2013	2021	190	1520
13	Rameswar Singh	4	5	2018	2021	650	1950
14	Ramlakhan Singh	9	5	2013	2021	1607	12856
15	Sailendra Kumar	17	5	2013	2021	706	5648
16	Rajendra Gupta	24	5	2013	2021	168	1344
17	Noor Kuraishi	68	5	2013	2021	285	2280
18	Vijay Ray	230	5	2013	2021	375	3000
19	Baijnath Shaw	22	6	2013	2021	275	2200
20	Devendra Prasad	29	6	2018	2021	1030	3090
21	Jagdish Prasad	34	6	2013	2021	1144	9152
22	Prem Chand Ray	55	6	2013	2021	191	1528
23	Sanjay Singh	71	6	2017	2021	976	3904
24	Udaykant Mishra	75	6	2016	2021	801	4005
25	Devendra Prasad Jaiswal	82	6	2013	2021	1420	11360
26	Pankaj Kumar	7/8	7	2013	2021	2007	16056
27	Dipak Kumar Singh	39	7	2013	2021	333	2664
28	Dipak Kumar Singh	54	7	2013	2021	383	3064
29	Dev Kumar Shaw	90	7	2013	2021	543	4344
30	Vishwanath Shaw	112	7	2013	2021	386	3088
31	Chandan Kumar Singh	139	7	2013	2021	954	7632
32	Guddu Kumar	140	7	2013	2021	970	7760
33	Gayatri Devi	452	7	2013	2021	14468	115744
							296021



16/1/2022

Sanjay Verma

Tax Collector:

Sr. No.	Name	Holding No.	Ward No.	Year From	Due till	Annual Tax	Total
1	Islam Kha	77	14	2013	2021	1348	10784
2	Ashok Singh	82	14	2013	2021	2477	19816
3	Vishun Dev Singh	213	14	2013	2021	824	6592
4	Rama Shankar Ray	211	14	2013	2021	447	3576
5	Suchando Devi	38	14	2013	2021	167	1336
6	Niam Devi	59	14	2017	2021	19733	78932
7	Rjeev Ranjan	35	15	2013	2021	2479	19832
8	Baliraam Ray	65	15	2013	2021	1800	14400
9	Parasnath Singh	137	15	2013	2021	6056	48448
10	Ashok Samrat	146	15	2013	2021	790	6320
11	Maner Thana	128	15	2013	2021	16254.72	130037.8
12	Maner P.O.	136	15	2013	2021	6816.96	54535.68
13	Parmatma Singh	164	15	2013	2021	938.52	7508.16
14	Aatma Singh	165	15	2013	2021	815.76	6526.08
15	Mahatma Singh	166	15	2013	2021	871.2	6969.6
16	Dharmatma Singh	167	15	2013	2021	960.3	7682.4
17	Bank of India Maner	221	15	2013	2021	7661	61288
18	Chand Govind Singh	223	15	2013	2021	1307	10456
19	Ranvijay Ray	240	15	2013	2021	2174	17392
20	Ramkishore Singh	251	15	2013	2021	133	1064
21	Kaushal Kumar Singh	250	15	2013	2021	426	3408
22	Uday Sankar	252	15	2013	2021	394	3152
23	Pintu Kumar	2	16	2013	2021	816	6528
24	Arun Kumar	9	16	2013	2021	109	872
25	Chandan Kumar	10	16	2013	2021	138	1104
26	Suresh Ray	66	16	2013	2021	208.8	1670.4
27	Ganesh Ray	155	16	2013	2021	342	2736
28	Arjun Ray	158	16	2013	2021	144	1152
29	Vishwanath ray	157	16	2013	2021	385	3080
30	Yadunandan Ray	154	16	2013	2021	154	1232
31	Rajesh Gupta	3	17	2013	2021	1181	9448
32	Baljnath Shaw	4	17	2013	2021	1181	9448
33	Om Prakash Shaw	5	17	2013	2021	1872	14976
34	Lal Babu Mahto	26	17	2013	2021	317	2536
35	Mahavir Mahto	28	17	2013	2021	139	1112
36	Sanjay Mahto	27	17	2013	2021	3366	26928
37	Dhamidhar Singh	6	18	2013	2021	560	4480
38	Kishun Chand Singh	9	18	2013	2021	911	7288
39	Ram Suresh Ray	17	18	2013	2021	108	864
40	Ramand Singh	18	18	2013	2021	222	1776
41	Amrendra Kumar	19	18	2013	2021	198	1584
42	Nanhak Ray	29	19	2013	2021	243	1944
43	Vishun Dev Ray	31	19	2013	2021	337	2696
44	Manish	32	19	2013	2021	225	1800
							625310.1



Handwritten initials 'R.N.' and a signature.

Handwritten signature 'R.N. Singh' and date '16/11/2022'.