

**INTERNAL AUDIT REPORT
OF ULB
(FATUHA)**

**FOR THE PERIOD
01/04/2017 TO 31/03/2018**

CONDUCTED BY

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

**From 13.03.2019 TO 24.04.2019
Report Issued on 6th July 2019**

Executive Summary

1. INTRODUCTION

● Name of the Municipality	Nagar Parishad, Fatuha
● Period covered under current audit	Annual Report 2017-18
● Name of Executive Officer for the period under Audit.	Shree Kapildev Kumar

2. Results and Findings

● Strengths observed during the audit engagement.

- (a). All vouchers have supporting documents.
- (b) Office infrastructure is sufficient for operation.
- (c) Response from officer & Clerk are satisfactory.
- (d) Main cash book has been maintained.

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

- (a) Bank Reconciliation Statement has not been prepared by the ULB.
- (b) Double Entry Accounting System has not been followed whereas accounting has been made on single entry system.
- (c) Subsidiary cash books has not been maintained.
- (d). Fixed Assets Register has not been maintained.
- (e). Advance Register has not been maintained.
- (f). Stock Register has not been maintained.
- (g). Daily collection register (Revenue receipt wise) has not been maintained.
- (h). TDS, VAT, Royalty and Labour Cess have been deducted but it has not been deposited till date. Therefore, TDS Return has not been filled till date. As per Income Tax Act 1961, penalty may be levied on ULB. It is a statutory irregularity.



3.	ULB must have to refund the unutilized amount to the Urban Development & Housing Department.
4.	ULB have to file statutory returns within prescribed time line and deposit the deducted amount as specified in statutory law.
5.	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.
6.	ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act, Manual and Rules.
7.	ULB should collect mobile tower tax, advertisement tax shop rent etc. as quick as possible and on regular basis.
8.	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.
9.	ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis.
10.	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.
11.	ULB should develop and prepare Pay-roll system of Permanent & Contractual employees.
12.	ULB should assess the Holding & Property tax every year.
13.	ULB should prepare scheme wise subsidiary cash Book.

5. Comments from Management:

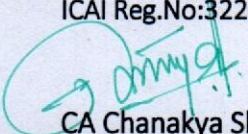
As per discussion with Management, they have ensured that they are looking into the matter and proper action will be taken for all the irregularities coming out from audit.

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

6. Acknowledgement: -

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

For R. N. SINGH & CO.
Chartered Accountant
ICAI Reg.No:322066E


CA Chanakya Shree
Partner
M.No: -079322



UDIN - 20079322AAAAES3697

Date - 16/05/2020

Detailed Audit Report

1. Introduction

The Internal Audit of (Fatuha Nagar Parishad) covering the Period from 1st April 2017 to 31st March 2018 was conducted by following person under guidance of TL CA Chanakya Shree and MAE CA Ashok Kumar Pandey:

(1) Mr. Kumod Prasad

2. Administration

The Present body of the ULB has taken charge on 05th July 2018. The incumbency in the key Administrative and Executive Positions was as under:

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

Shree Kapildev Kumar, Executive Officer from 05th July 2018 till date.

3. Review of outstanding audit paras:

Status of Audit Observations is as under:

Sl. No.	Particulars of Audit and date of report	Total no. of audit Paras	Total no. of audit Paras where necessary improvement/ corrective measure is required	Total no. of audit Paras where recovery of cash is proposed	Total no. of audit Paras where recovery has been made	Total amount of Recovery	Total no. of outstanding para where no action has been taken	No. and Date of Compliance Report
1	AG Audit Report, dated 24.04.2016	18	18	9	0	0	18	AG Audit Report are not provided, so we are unable to comment on their compliance.
2	Internal Audit for the Year 2016-2017	22	22	9	0	0	22	Not Complied
3	Internal Audit for the	17	17	1	0	0	17	Not Complied



	Year 2017-2018 (1 st Qtr.)							
4	Internal Audit for the Year 2017-2018 (2 nd Qtr.)	16	16	2	0	0	16	Not Complied
5	Internal Audit for the Year 2017-2018 (3 rd Qtr.)	17	17	1	0	0	17	Not Complied

Detailed Report on Compliance of Previous Internal Audit Report: -

SL No.	Audit Observation	Nature of Irregularities	Complied/Non-Complied
1.	Work done vide Yojna no.-57/2015-16 (stamp duty) by the contractor Arun Kumar. The work has been allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 25/09/2016, which is delay in execution of work.	Persisting since last year.	Not Complied
2.	Work done vide Yojna no.-57/2015-16 (stamp duty) by the contractor Arun Kumar. The work has been allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 25/09/2016, which is delay in work, so compensation should be deducted @10%, which is not deducted by the ulb.	Persisting since last year.	Not Complied
3.	Work done vide Yojna no.-56/2015-16 (stamp duty) by the contractor Arun Kumar. The work has been allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 12/09/2016, which is delay in execution of work.	Persisting since last year.	Not Complied
4.	Work done vide Yojna no.-56/2015-16 (stamp duty) by the contractor Arun Kumar. The work has been allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 12/09/2016, which is delay in execution of work, so compensation should be deducted @10%, which is not deducted by the ulb.	Persisting since last year.	Not Complied



5.	Work done vide Yojna no.-62/2015-16 (stamp duty) by the contractor Arun Kumar. work allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 20/09/2016, which is delay in execution of work.	Persisting last year.	since	Not Complied												
6.	Work done vide Yojna no.-62/2015-16 (stamp duty) by the contractor Arun Kumar. work allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 20/09/2016, which is delay in execution of work, so compensation should be deducted @10%, which is not deducted by the ulb.	Persisting last year.	since	Not Complied												
7.	Work done vide Yojna no.-44/2015-16 (stamp duty) by the contractor Santosh Kumar. work allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However work completed on 28/01/2017, which is delay in execution of work.	Persisting last year.	since	Not Complied												
8.	Work done vide Yojna no.-44/2015-16 (stamp duty) by the contractor Santosh Kumar. work allotted on 31/05/2016 and completed in 45 days from the date of work allotted. However, work completed on 28/01/2017, which is delay in execution of work. so compensation should be deducted @10%, which is not deducted by the ulb.	Persisting last year.	since	Not Complied												
9.	Work done vide Yojna no.-26/2015-16 (stamp duty/Internal Resource) by the contractor Ramesh Kumar sharma (JE). work allotted vide letter no.- 280 on dated 03/05/2016 and completed in 45 days from the date of work allotted. However, the work has been completed as per MB Book is 20/06/2018.	Persisting last year.	since	Not Complied												
10.	Holding Tax is not deposited on same day according to the time stipulated in Municipal Act 2007. The details has been given:-	Persisting last year.	since	Not Complied												
	<table border="1"> <thead> <tr> <th>Receipt No.</th> <th>Amt</th> <th>Period</th> <th>Deposit date</th> </tr> </thead> <tbody> <tr> <td>9726 to 9782</td> <td>1,07,410.00</td> <td>01/10/2017 to 31/10/2017</td> <td>31/10/2017.</td> </tr> <tr> <td>9783 to 9866</td> <td>1,09,445.00</td> <td>01/11/2017 to 30/11/2017</td> <td>30/11/2017</td> </tr> </tbody> </table>	Receipt No.	Amt	Period	Deposit date	9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.	9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017			
Receipt No.	Amt	Period	Deposit date													
9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.													
9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017													



4. Finance

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

Year	2015-16	2016-17	2017-18
Final/Revised Budget	31,82,70,723.13.	17,68,85,920.00	28,85,29,700.00
Actual Expenditure	99,97,826.00	7,23,61,570.43	7,90,40,667.60
Savings(+)/ Excess(-)	30,82,72,897.13	10,45,24,349.57	20,94,89,032.40

Note: Actual expenditure for the year 2017-18 has been taken for 1st, 2nd, 3rd & 4th quarter only as this is the Annual Report.

II. Volume of transactions:

Period	Budgeted 2017-18	Previous Year (For one Year)2016-17	Current Year (For one Year)2017-18
Opening balance	24,96,33,439.00	19,43,59,314.68	24,91,20,584.75
Receipts	11,37,93,535.00	12,71,22,840.50	11,37,40,541.58
Total	36,34,26,974.00	32,14,82,155.18	36,28,61,126.33
Net expenditure	28,85,29,700.00	7,23,61,570.43	7,90,40,667.60
Closing balance	7,48,97,274.00	24,91,20,584.75	28,38,20,458.73

Note: The above figure enclosed above as Budget of financial year 2017-18 has not been approved yet.

We annexed the figures above of budget column, taken from the revised Budget of 2017-18, which is provided to us by concerned officers of ULB.

III. Bank Reconciliation: -

Details of Closing Balance:

Sr no.	Name of scheme / item	Bank name / account no.	Balance as per pass book	Balance as per cash book	Differences	Remarks BRS Prepared/ Not Prepared
1.	Various Scheme	Treasury P/L A/C	Details have not been provided to us to annexed.	23,27,88,193.03	23,27,88,193.03	Not Prepared
2.	SBM	ICICI 0799	15,45,355.00	15,45,355.00	0.00	Not Prepared
3.	KABIR ANTEYOSHTHI	PNB 0037	10,88,571.99	10,88,571.99	0.00	Not Prepared



	9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017		
11.	Fatuha Nagar Parishad is not in Practice to follow Double Entry Accounting System. It is due to lack of adequate knowledge.			Persisting since last year	Not Complied	
12.	No action is taken by Fatuha nagar Parishad for collection of tower tax.			Persisting since last year.	Not Complied	
13.	Cash Book has not been regularly authorized by the executive Officer.			Persisting since last year.	Not Complied	
14.	Scheme wise subsidiary cashbook has not been maintained.			Persisting since last year.	Not Complied	
15.	UC of Rs. 57,63,608/- of various scheme are pending for submission to the Urban Development & housing Department till the 2 nd Qtr. of financial year 2017-18.			Persisting since last year.	Not Complied	
16.	Various Register Books of Records etc. are not being Prepared by the ULB such as fixed asset register, Stock register, Advance recovery register, Demand register, Collection register, Statutory register, with regard TDS,VAT,Royalty and Labourcess etc.			Persisting since last year.	Not Complied	
17.	ULB has not been in Practice to Prepare Monthly Receipt and Payment Account.			Persisting since last year.	Not Complied	
18.	We observed that fund has not been appropriately utilized till the last year.			Persisting since last year.	Not Complied	
19.	We observed that Statutory Compliance has not been accomplished by ULB. These statutory irregularities are following: TDS return has not been filed. Labour-cess & Royalty & VAT has not been deposited to concern department which is deducted from payment.			Persisting since last year.	Not Complied	
20.	Log Book of Vehicle & Generator is not properly maintained and consequently its analysis is not Possible.			Persisting since last year.	Not Complied	
21.	Loss of Rs 15,10,000/- has been made to the ULB for non-collection registration and renewal fee from installed transmission tower in the jurisdiction of ULB.			Persisting since last year.	Not Complied	
22.	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.			Persisting since last year.	Not Complied	
23.	Demand and Arrear registers of holding tax are not Prepared by the ULB.			Persisting since last year.	Not Complied	



24.	Daily Collection Register has not been maintained.	Persisting since last year.	Not Complied
25.	Pay-roll system at the ULB is not maintained. The register, records relating to statutory deduction like PF, ESIC, Income, tax are not maintained. The PF, ESIC with respect to contractual employee are neither deducted nor paid to the statutory authority.	Persisting since last year.	Not Complied
26.	Property and Holding tax assessment has not been done every year.	Persisting since last year.	Not Complied
27.	Expenditure incurred by Ramesh kumar Sharma (JE) Rs. 2,16,489.00 for Administrative Building but no file are provided in this expenditure.	Persisting since last year.	Not Complied
28.	Purchase of stationary Rs. 69,520/- from Binita Printing Press without any quotation made.	Persisting since last year.	Not Complied
29.	Payment made to Amt Rs. (35,000+31,000)= 66,000 paid to Md. Hafiz (Hafiz tent house) for proving tent service without Quotation.	Persisting since last year.	Not Complied
30.	Payment made to Vipulbhai computer wala for purchase of computer & printers amt Rs.53,400/- without Quotation.	Persisting since last year.	Not Complied
31.	Previous Internal Audit Report 2016-17 & 1 st ,2 nd ,&3 rd Qtr of 2017-18 are not compliance by nagar Parishad Fatuha.	Persisting since last 2 years.	Not Complied
32.	Minutes of Municipal Accounts Committee has not been provided to us.	Persisting since last year.	Not Complied
33.	Fatuha Nagar Parishad not follow Chapter xi, rule 84 (Budget has not been sanction by Empowered standing committee) & Chapter xii, rule 86 (Prepare and maintain accounts of receipts and expenditure), 87 (Preparation of Municipal Accounting Manual), 88 (Financial Statement.) 89 (Balance sheet.), 90 (Submission of financial statement and balance sheet to auditor.) and 98 (Municipal accounts committee.) of Bihar Municipal Act.	Persisting since last year.	Not Complied
34.	In Fatuha Nagar Parishad SAS implementation of property Tax has not been implemented.	Persisting since last year.	Not Complied



4.	UIDSSMT	PNB 8074	35,60,078.19	35,60,078.19	0.00	Not Prepared
5.	E-GOVERNANCE	CANARA 0040	1,22,515.00	1,22,515.00	0.00	Not Prepared
6.	STAFF PENSION	Details have not been provided to us to annexed.		4,69,021.60	4,69,021.60	Not Prepared
7.	HOUSING FOR ALL	BOB 4630	1,52,63,021.50	1,52,63,021.50	0.00	Not Prepared
8.	14TH FINANCE	PNB 8038	1,56,154.79	1,56,154.79	0.00	Not Prepared
9.	INTERNAL RESOURCE	PCCOB 0033	33,48,607.19	33,48,607.19	0.00	Not Prepared
10.	INTERNAL RESOURCE	PNB 8065	97,319.59	97,319.59	0.00	Not Prepared
11.	INTERNAL RESOURCE	CANARA 340	2,06,25,728.71	2,06,25,728.71	0.00	Not Prepared
12.	INTERNAL RESOURCE	SBI 7379	12,26,603.14	12,26,603.14	0.00	Not Prepared
13.	DAY NULM	CANARA 0080	35,89,289.00	35,29,289.00	60,000.00	Not Prepared

Note: -Some of the schemes such as 14th finance, 4th finance, 5th finance (CM Nal Jal), 5th finance (CM Nali Gali), 5th finance (Others), Administrative Building, City Manager Salary, Electricity Bill, Executive Officer Salary, Park, Road, Salary/Pension/Stamp Duty, State fund/Untied fund, State Pay Jal (CM Sat Nishchay Yojna), Street Light/LED, Tractor, Ward Parshad Allowance schemes have been maintained through Treasury P/L A/C.

IV. Revenue Receipts: -

Income Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2017-18		2018-19		2019-20	
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
Total Receipts (A+B)		113,740,541.58	127,122,840.50	Not Applicable for this quarter.			
A.	Revenue Receipts (1+2+3)	16,084,316.08	18,555,702.50				
1.	Own Revenue Receipts (a+b)	2,637,216.00	5,476,566.50				
a)	Tax Revenue (levied and collected by municipal body)	2,522,534.00	4,234,773.00				
i)	Property tax	2,522,534.00	4,234,773.00				
ii)	Other tax (levied and collected by municipal body)	0.00	0.00				
b)	Non-tax revenue (levied and collected by municipal						



	body)	114,682.00	1,241,793.50
i)	Fees & fines	13,634.00	1,241,793.50
ii)	User Charges	61,048.00	0.00
iii)	Other non-tax revenue (levied and collected by municipal body)	40,000.00	0.00
2	Other Revenue Receipts	12,093,835.14	11,723,712.00
a)	Income from interest/investments	2,249,639.14	0.00
b)	Other Revenue income	9,844,196.00	11,723,712.00
3.	Transfers/ Grants/ Assigned Revenues	1,353,264.94	1,355,424.00
a)	State Assigned Revenue	0.00	0.00
b)	State Finance Commission (SFC) Grants/ Devolution	919,440.00	1,355,424.00
c)	Octroi compensation	0.00	0.00
d)	Other State Govt. Transfer	0.00	0.00
e)	Central Finance Commission (CFC) Grant	0.00	0.00
f)	Other Central Govt. Transfer	0.00	0.00
g)	Others	433,824.94	0.00
B.	Capital Receipts	97,656,225.50	108,567,138.00
1	Sale of Municipal Land	0.00	0.00
2	Loans (from State Govt. or Banks etc.)	0.00	0.00
3	State Capital Account Grant (under State Schemes etc.)	80,074,532.50	101,438,866.00
4	Central Capital Account Grant (under Central Schemes etc.)	17,581,693.00	7,128,272.00
5	Other Capital Receipts	0.00	0.00

Note:

There is difference between financial year 2016-17 closing balance (Rs. 24,91,20,584.75) and opening balance of financial year 2017-18. (Rs.24,95,54,409.69) The reason of difference



between above figure is due to Staff pension- amt. 3,10,576.60 & Kabir Anteyeshthi- amt. 1,23,248.34 which were not available and not taken in the closing balance of 2016-2017 but taken as opening balance in the year 2017-2018. The above difference between figures have been recorded as others revenue receipts Amt. Rs. - 433,824.94 above.

- There is no segregation available at the level of ULB as per the requirement of above annexure due to the above reason we have been annexed the fund receipt at the level of ULB from UD& HD for different schemes as above:
- We assumed as all fund has been provided by UD & HD as State Financed except 14th finance.

V. Revenue and Capital Expenditure Information: -

Expenditure Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2017-18		2018-19		2019-20	
		2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
Total Expenditure (1+2)		7,90,40,667.60	7,23,61,570.43	Not Applicable for this year			
1	Revenue Expenditure	2,84,01,622.60					
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	1,22,49,992.00					
1.2	Operation and Maintenance (O&M)	44,98,084.00					
1.3	Loan repayment (Interest payments)	0.00					
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	1,16,53,546.60	Details have not been provided to us to annexed.				
2.	Capital Expenditure	5,06,39,045.00					



2.1	All developmental works under Central/State specific schemes	4,69,14,790.00		
2.2	Loan Repayments (Principal Amount)	0.00		
2.3	Other Capital expenditure	37,24,255.00		

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.

An amount of Rs.37,24,255/- has been returned to UD & HD Bihar from ICICI Bank (4591) dated 01/03/2018, above amount has been enclosed in Other Capital Expenditure.

VI. Status of implementation of Double Entry Accounting System

The ULB has not implemented the Double Entry Accounting System in the year 2017-2018. The consultant for DEAS has been appointed but financial accounts for 2017-18 is still to be prepared. The DEAS team has started work since 01.03.2019 and firm name Tibrewal Chand & Co.

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

We are unable to comment on this as no minutes of such Municipal Accounts Committee has been provided to us.

5. Audit Observations

Part – A

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

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



(i) **Mobile Tower Collection: -**

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

Criteria – Tower Tax is taxes on Communication Tower & related structure as defined in BIHAR COMMUNICATION TOWERS AND RELATED STRUCTURES RULES, 2012. As per the rule, all operators are required to register with their concerned ULBs and pay registration fee & renewal charges on annual basis for communication tower erected within municipal area. Currently the registration fee for Nagar Parishad is Rs. 40,000/- per tower and annual renewal fee is Rs. 10,000/- per annum per tower.

Condition –As per details provided to us there are total 14 (fourteen) Mobile Towers registered with this ULB up to 31.03.2018 and Rs.16,50,000 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 interest loss and also the due to non-collection of taxes, public interest has also been suffered.

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

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

Sl. No.	Company Name	Date of establishment	No of Tower	Registration Fee	Renewal Fee	Total	Collection	Dues Balance
1	Total tele Service Ltd.	2006-07	1	40,000.00	90,000.00	1,30,000.00	0.00	1,30,000.00
2	Total tele Service Ltd.	2004-05	1	30000.00	1,06,000.00	1,36,000.00	68,000.00	68,000.00
3	Total tele Service Ltd.	2006-07	1	40,000.00	90,000.00	1,30,000.00	20,000.00	1,10,000.00
4	Total tele Service Ltd.	2006-07	1	40,000.00	90,000.00	1,30,000.00	0.00	1,30,000.00
5	Tata Indicom	2009-10	1	40,000.00	66,000.00	1,06,000.00	0.00	1,06,000.00
6	Smart Tele Services Ltd.	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
7	Reliance Rim Tale Services	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
8	Dishnet Wireless Ltd.	2008-09	1	40,000.00	74000.00	1,14,000.00	0.00	1,14,000.00
9	Bharati cellular Ltd.	2005-06	1	40,000.00	98,000.00	1,38,000.00	0.00	1,38,000.00



10	B.S.N.L. Services	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
11	Austam Tele Services	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
12	Airtel Services Bharati Cellular Ltd.	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
13	Aircel Tele Services Ltd.	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
14	Aircel Tele Services Ltd.	2007-08	1	40,000.00	82,000.00	1,22,000.00	0.00	1,22,000.00
Total dues			14			17,38,000.00	88,000.00	16,50,000.00

(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.

(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 Fatuha Nagar Parishad.

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 Fatuha nagar Parishad.

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 Parishad.

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 observation found during the course of audit.

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

Report on field survey of 20 high value properties

Sl. No.	Owner Property Name	Add Of Owner	Ward No	Type of construction	Taxable area	Rate/sqft	Annual rent	Annual Property Tax@9 %	Housing/ Commercial	Remarks
1	Dilip Yadav	Nohta	22	R.C.C	600	5.55	3330	300	Housing	No Variation
2	Hira Laheri	Mirjapur Nohta	22	R.C.C	432	5.55	2398	216	Housing	No Variation
3	Mewalal	Nohta	22	R.C.C	540	5.55	2997	270	Housing	No Variation
4	Munna Kumar	Nohta	22	R.C.C	334	5.55	1854	167	Housing	No Variation
5	Saroj Devi	Nohta	22	R.C.C	320	5.55	1776	160	Housing	No Variation
6	Gauri Shankar Tanti	Dariyapur	21	R.C.C.	1120	5.55	6,216	560	Housing	No Variation
7	Sant Kabir Kath	Dariyapur	21	R.C.C.	576	11.11	6399	576	Housing	No Variation
8	Kameshwar Prasad	Bankipur Gorakh	8	R.C.C.	315	11.11	3500	315	Housing	No Variation
9	Girdhar Gopal	Bankipur Gorakh	8	R.C.C.	324	11.11	3600	324	Housing	No Variation
10	Shanti Devi	Bankipur Gorakh	8	R.C.C	162	11.11	1800	162	Housing	No Variation
11	Prabha Devi	Devichak	12	R.C.C	144	27.77	4000	360	Housing	No Variation
12	Ram Swaroop Paswan	Gorakh	11	R.C.C	640	5.55	3552	320	Housing	No Variation
13	Jogindra Paswan	Gorakh	11	R.C.C	320	5.55	1776	160	Housing	No Variation
14	Mahendra Prasad	Gorakh	11	R.C.C	600	5.55	3330	300	Housing	No Variation



15	Om Prakash	Bankipur Gorakh	11	R.C.C	80	11.1 1	889	80	Housing	No Variation
16	Abhay Singh	Raipura	17	R.C.C	800	5.55	4440	400	Housing	No Variation
17	Raghunath Singh	Dariyapur	16	R.C.C	660	5.55	2353	330	Housing	No Variation
18	Dasai Paswan	Dariyapur	16	R.C.C	424	5.55	2353	212	Housing	No Variation
19	Brahamdeo Saw	Dariyapur	16	R.C.C	364	5.55	2020	182	Housing	No Variation
20	Panjabi Ray	Dariyapur	16	R.C.C	400	5.55	2220	200	Housing	No Variation

Note: - We have calculated "Rate/sq. ft." which is enclosed above on the basis of reverse calculation "Tax Amt./sq.ft.*100/9 ", Tax Amount has been taken on the basis details provided to us.

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.

ii. Part-B

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	Subsidiary Cash Book (all scheme)	Not Maintained
2	File Movement Register	Not Maintained
3	Ledger Book	Not Maintained
4	Grant Register	Not Maintained
5	Advance Register	Not Maintained
6	Pay-Roll Register	Not Maintained
7	Vehicle Log Book	Not Maintained
8	Store Register	Not Maintained
9	Fixed Assets Register	Not Maintained
10	Demand & Collection Register of Property Tax, Mobile Tower Tax, Shop Rent etc.	Not Maintained
11	Statutory deduction Register	Not Maintained



b. Irregularity in procurement process: -

- Purchase of stationary Rs. 69,520/- from Binita Printing Press without any quotation has been made.
- Payment has been made to Amt Rs. (35,000+31,000) =66,000 paid to Md. Hafiz (Hafiz tent house) for proving tent service without Quotation.
- Payment has been made to Vipulbhai computer wala for purchase of computer & printers amt Rs. 53,400/- without Quotation.
- Payment has been made for Purchase of kambal from Himganga Industries amt. Rs. 9,45,000/- without Quotation/Tender.
- Payment has been made to Shree Ram Manufacturing Amt. Rs. 8,96,339/- dated 01/02/2018 for purchase of 40 pcs. of Hand trolley but quotation/tender related files are not provided for audit purpose.

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

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

- (1) Non collection of various taxes required to be collected.
 - (2) Non maintenance of prescribe books of accounts
 - (3) Non submission of UC and other reports on timely basis.
- As per Letter no.-3557 dated 20/11/2014 of UD&HD ULB cannot allotted more than three works to Junior engineer at a time, but Fatuha nagar Parishad allotted more than 3 works at a time to Junior engineer.

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 has been collected during the year other taxes have not been levied till date.

And as per Income Tax Act 1961 and Vat Act 2005 are not properly followed by Ulb.

- According to Vat Act 2005, Vat should be deducted from the payment, but Ulb is not in practice to deposit the "deducted vat from payment" as per prescribed time line.
- Vat is deducting from departmental work on whole of the work but it is levied only on material purchased.
- Quarterly Return for VAT has not been filed for F.Y -2017-18.

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: -
 - The cash book balances are not reconciled with the Balances in Bank Pass Book.
 - Head wise expenditure were not clearly entered and recorded.
2. Cash book has not been properly prepared by Nagar Parishad Fatuha.
 - Cash book is maintained from pass book; it means at the time of payment cash book is not maintained that shows a departmental failure.
3. 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.

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

- Quarterly Return for VAT has not been filed for F.Y -2017-18.



I. Physical verification of inventory/stores: -

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

J. Advances, their adjustment & recovery: -

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

Advance has been given to staff for office expenses without any advance requisition and without the approval of executive officer.

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

- Expenditure incurred by Ramesh Kumar Sharma (JE) Rs. 2,16,489.00 for Administrative Building but file is not provided in this expenditure.
- Work done vide Yojna no.-26/2015-16 (stamp duty/Internal Resource) by the contractor Ramesh Kumar Sharma (JE). work allotted vide letter no.- 280 on dated 03/05/2016 and completed in 45 days from the date of work allotted. However, the work has been completed as per MB Book is 20/06/2018.
- Payment was made to Tros Consultancy Services Pvt. Ltd. Amt.Rs.1,64,700/- without attendance sheet. As per agreement payment was to be made after verifying the attendance sheet otherwise amt. should be deducted.
- Payment was made to Shree Ram Manufacturing Amt. Rs. 55,460/- by chq. No.- 426137, dated 31/03/2018 but files were not available for audit purpose.
- Yojna no.- 05/2017-18, work allotted to JE. Ramesh kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days. Advance received by JE amounted to Rs. 3,07,500/- on 09/01/2018, but MB was not available in the file, so we are unable to verify the completion period of the work done.
- Yojna no.- 06/2017-18, work allotted to JE. Ramesh kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days, Advance received by



		30/11/2017	
9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017
9930 to 9990	84,062.00	01/01/2018 to 31/01/2018	31/01/2018.
9991 to	1,10,092.00	01/02/2018	

I. Physical verification of inventory/stores: -

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

J. Advances, their adjustment & recovery: -

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

Advance has been given to staff for office expenses without any advance requisition and without the approval of executive officer.

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

- Expenditure incurred by Ramesh Kumar Sharma (JE) Rs. 2,16,489.00 for Administrative Building but file is not provided in this expenditure.
- Work done vide Yojna no.-26/2015-16 (stamp duty/Internal Resource) by the contractor Ramesh Kumar Sharma (JE). work allotted vide letter no.- 280 on dated 03/05/2016 and completed in 45 days from the date of work allotted. However, the work has been completed as per MB Book is 20/06/2018.
- Payment was made to Tros Consultancy Services Pvt. Ltd. Amt.Rs.1,64,700/- without attendance sheet. As per agreement payment was to be made after verifying the attendance sheet otherwise amt. should be deducted.
- Payment was made to Shree Ram Manufacturing Amt. Rs. 55,460/- by chq. No.- 426137, dated 31/03/2018 but files were not available for audit purpose.
- Yojna no.- 05/2017-18, work allotted to JE. Ramesh kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days. Advance received by JE amounted to Rs. 3,07,500/- on 09/01/2018, but MB was not available in the file, so we are unable to verify the completion period of the work done.
- Yojna no.- 06/2017-18, work allotted to JE. Ramesh kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days, Advance received by



- JE amounted to Rs. 3,07,500/- on 01/01/2018 and work was completed on 14/01/2018 as per the MB. And also, this MB was not signed by the Assistant Engineer.

PART – “C”
Scope of Audit

Sl. No	Particular	Remarks/ Observation
1	Whether all these the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	Chapter xi, rule 84 (Budget has not been sanction by Empowered standing committee) & Chapter xii, rule 86 (Prepare and maintain accounts of receipts and expenditure), 87 (Preparation of Municipal Accounting Manual), 88 (Financial Statement.) 89 (Balance sheet.), 90 (Submission of financial statement and balance sheet to auditor.) and 98 (Municipal accounts committee.) are not follow by the ulb.
2	What is the status of implementation of SAS of Property Tax in the ULB; If SAS has been implemented then witness some assessment procedures to check any in-consistencies in assessment. at least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not).	No, in this ulb SAS implementation of property tax has not been implemented. However, We have witnessed the 20 high value of property (List of property tax payer provided by ulb) same has been reported above in Point 5, Part A(c).



3	<p>Whether all compliance have been complied regarding Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR</p> <p>Rule 22: All moneys to be brought to account</p> <p>Rule: 27: Collections to be deposited into Bank on the same day</p> <p>Rule 69: Grant Related Compliance</p> <p>Rule 120-121: Monthly Receipt & Payment Account and Trial Balance</p> <p>Rule 130: Audit to be completed & reported within 6 month</p>	<p>Rule 22: we have found that all money has been brought to account but delayed.</p> <p>Rule 27: we have observed that the collected money has not to be deposited into Bank Account on time.</p> <table border="1"> <thead> <tr> <th>Receipt No.</th> <th>Amt</th> <th>Period</th> <th>Deposit date</th> </tr> </thead> <tbody> <tr> <td>8690 to 8780</td> <td>1,22,028.00</td> <td>01/04/2017 to 29/04/2017</td> <td>29/04/2017.</td> </tr> <tr> <td>8781 to 8885</td> <td>1,21,931.00</td> <td>01/05/2017 to 31/05/2017</td> <td>31/05/2017</td> </tr> <tr> <td>8886 to 9161</td> <td>3,36,346.00</td> <td>01/06/2017 to 30/06/2017</td> <td>30/06/2017</td> </tr> <tr> <td>9162 to 9549</td> <td>6,02,582.00</td> <td>01/07/2017 to 31/07/2017</td> <td>31/07/2017.</td> </tr> <tr> <td>9550 to 9625</td> <td>1,13,971.00</td> <td>01/08/2017 to 31/08/2017</td> <td>31/08/2017</td> </tr> <tr> <td>9626 to 9725</td> <td>1,20,667.00</td> <td>01/09/2017 to 27/09/2017</td> <td>28/09/2017</td> </tr> <tr> <td>9726 to 9782</td> <td>1,07,410.00</td> <td>01/10/2017 to 31/10/2017</td> <td>31/10/2017.</td> </tr> <tr> <td>9783 to 9866</td> <td>1,09,445.00</td> <td>01/11/2017 to 30/11/2017</td> <td>30/11/2017</td> </tr> <tr> <td>9867 to 9929</td> <td>98,556.00</td> <td>01/12/2017 to 30/12/2017</td> <td>30/12/2017</td> </tr> <tr> <td>9930 to 9990</td> <td>84,062.00</td> <td>01/01/2018 to 31/01/2018</td> <td>31/01/2018.</td> </tr> <tr> <td>9991 to 0066</td> <td>1,10,092.00</td> <td>01/02/2018 to 28/02/2018</td> <td>28/02/2018</td> </tr> <tr> <td>0067 to 148</td> <td>1,97,781.00</td> <td>01/03/2018 to 29/03/2018</td> <td>29/03/2018</td> </tr> </tbody> </table>	Receipt No.	Amt	Period	Deposit date	8690 to 8780	1,22,028.00	01/04/2017 to 29/04/2017	29/04/2017.	8781 to 8885	1,21,931.00	01/05/2017 to 31/05/2017	31/05/2017	8886 to 9161	3,36,346.00	01/06/2017 to 30/06/2017	30/06/2017	9162 to 9549	6,02,582.00	01/07/2017 to 31/07/2017	31/07/2017.	9550 to 9625	1,13,971.00	01/08/2017 to 31/08/2017	31/08/2017	9626 to 9725	1,20,667.00	01/09/2017 to 27/09/2017	28/09/2017	9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.	9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017	9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017	9930 to 9990	84,062.00	01/01/2018 to 31/01/2018	31/01/2018.	9991 to 0066	1,10,092.00	01/02/2018 to 28/02/2018	28/02/2018	0067 to 148	1,97,781.00	01/03/2018 to 29/03/2018	29/03/2018
Receipt No.	Amt	Period	Deposit date																																																			
8690 to 8780	1,22,028.00	01/04/2017 to 29/04/2017	29/04/2017.																																																			
8781 to 8885	1,21,931.00	01/05/2017 to 31/05/2017	31/05/2017																																																			
8886 to 9161	3,36,346.00	01/06/2017 to 30/06/2017	30/06/2017																																																			
9162 to 9549	6,02,582.00	01/07/2017 to 31/07/2017	31/07/2017.																																																			
9550 to 9625	1,13,971.00	01/08/2017 to 31/08/2017	31/08/2017																																																			
9626 to 9725	1,20,667.00	01/09/2017 to 27/09/2017	28/09/2017																																																			
9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.																																																			
9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017																																																			
9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017																																																			
9930 to 9990	84,062.00	01/01/2018 to 31/01/2018	31/01/2018.																																																			
9991 to 0066	1,10,092.00	01/02/2018 to 28/02/2018	28/02/2018																																																			
0067 to 148	1,97,781.00	01/03/2018 to 29/03/2018	29/03/2018																																																			



		<p>Rule 69: Grant related compliance has been done properly.</p> <p>Rule 120-121: Monthly Receipt & Payment Account and Trial Balance are not being prepared.</p> <p>Rule 130 is not being followed.</p>
4	Whether all such compliance of financial guidelines of schemes of MOHUA and UD & HD, Gob have been complied.	Yes, Compliance of financial guidelines of schemes of MOHUA and UD & HD, Gob have been complied.
5	If any revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sai rat etc. have incurred then quantify the same.	Loss of Rs 16,50,000/- has been made to the ULB for non-collection of registration and renewal fee from installed transmission tower in the jurisdiction of ULB. There are no cases regarding collection of Advertisement Tax, Notice Fee and Trade License has been observed during the course of our audit.
6	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	No Observation Found in this regard.
7	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	We observed a case where procurement procedure has not been fulfilled, details of such irregularity has been annexed in "Part B", we further observed that Procurement Register has been maintained at ULB on or above value of Rs. 50000.



"Sheet B".

Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required. The details are given below.

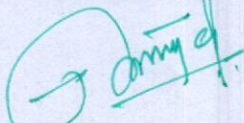
Receipt No.	Amt	Period	Deposit date
8690 to 8780	1,22,028.00	01/04/2017 to 29/04/2017	29/04/2017.
8781 to 8885	1,21,931.00	01/05/2017 to 31/05/2017	31/05/2017
8886 to 9161	3,36,346.00	01/06/2017 to 30/06/2017	30/06/2017
9162 to 9549	6,02,582.00	01/07/2017 to 31/07/2017	31/07/2017.
9550 to 9625	1,13,971.00	01/08/2017 to 31/08/2017	31/08/2017
9626 to 9725	1,20,667.00	01/09/2017 to 27/09/2017	28/09/2017
9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.
9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017
9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017
9930 to 9990	84,062.00	01/01/2018 to 31/01/2018	31/01/2018.
9991 to 0066	1,10,092.00	01/02/2018 to 28/02/2018	28/02/2018
0067 to 148	1,97,781.00	01/03/2018 to 29/03/2018	29/03/2018



General Observations: -

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Advance 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



CA Chanakya Shree
Partner
Mem No: 079322



UDIN - 20079322AAAAES3697
Date - 16/05/2020

Annexure 1

क्र.सं.	संवर्ष	सहायक अनुदान आवंटन का मद	संबंधित स्वीकृति/आदेश संख्या एवं तिथि	स्वीकृति/आदेश एवं आवंटन/आदेश में निकाय को आवंटित राशि	आवंटित राशि के विरुद्ध निकाय द्वारा निकासी की गई राशि	टी.सी. नं. एवं तिथि	पी.एस.डी खाता में रखी गई राशि	बैंक खाता में जमा की गई राशि	संवर्ष जिसमें राशि व्यय की गयी	संबंधित मद में व्यय की गई राशि	संबंधित आवंटन के अनुक्रम की गयी निकासी के विरुद्ध किए गए व्यय के उपरान्त 2017 को अवशेष राशि	कोषागार में जमा की गई राशि	बालाना सं. / तिथि	समाप्त उपयोगिता प्रमाण-पत्र में निहित राशि	समाप्त उपयोगिता पत्र की तिथि	दस्तावेज U.C. की राशि	बैंक खाता में जमा अवशेष राशि	पी.एस.डी खाता में जमा अवशेष राशि	अभ्युक्ति
1	2014-15	4th State Finance	129/20-03-15	1995403	1995403	T/2217/00012/30-03-15	1995403	0	2015-16	1995403	0	0	0	1995403	19-01-17	0	0	0	0
57	2014-15	4th State Finance	129/20-03-15	778559	778559	T/2217/00017/30-03-15	718559	0	2015-16	778559	0	0	0	778559	19-01-17	0	0	0	0
58	2014-15	4th State Finance	129/20-03-15	4980252	4980252	T/2217/00007/29-07-15	4980252	0	2015-16	1135040	0	0	0	1135040	21-11-17	3845212	0	0	0
59	2015-16	14th Finance	13/13-07-15	280000	280000	T/2217/0010/20-03-15	280000	0	2015-16	280000	0	0	0	280000	13-05-17	0	0	0	0
60	2014-15	Road & Drain	122/25-02-15	865500	865500	T/2217/0009/20-03-15	865500	0	2015-16	865500	0	0	0	865500	13-05-17	0	0	0	0
61	2014-15	Road & Drain	122/25-02-15	710820	710820	T/2217/0011/20-03-15	710820	0	2015-16	500000	210820	0	0	500000	13-05-17	0	0	0	0
62	2014-15	Road & Drain	122/25-02-15	1433250	1433250	T/2217/0003/09-02-15	1433250	0	2015-16	1433250	0	0	0	1433250	17-08-17	0	0	0	0
63	2014-15	Drain	85/23-12-14	4493000	4493000	T/2215/0001/23-12-14	4493000	0	2015-16	2781720	171100	0	0	2781720	16-08-17	171100	0	171100	0
64	2014-15	Drain	65/13-11-14	689900	689900	T/2217/3015/27-01-16	689900	0	2016-17	491326	198574	0	0	491326	2/11/2017	198574	0	198574	0
65	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00011/27-01-16	689900	0	2016-17	501803	188097	0	0	501803	2/11/2017	188097	0	188097	0
66	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00011/27-01-16	689900	0	2016-17	501803	188097	0	0	501803	2/11/2017	188097	0	188097	0



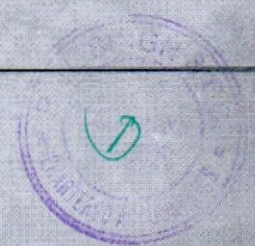
क्र. सं.	सहायक अनुदान आवंटन का वित्तीय वर्ष	सहायक अनुदान आवंटन का मद	संबंधित स्वीकृत्यदेश संख्या एवं तिथि	स्वीकृत्यदेश एवं आवंटनादेश में निकाय को आवंटित राशि	आवंटित राशि के विरुद्ध निकाय द्वारा निकासी की गई राशि	टी.सी. नं. एवं तिथि	पी.एस.डी खाता में रखी गई राशि	बैंक खाता में जमा की गई राशि	वित्तीय वर्ष जिसमें राशि व्यय की गयी	सकलित मद में राशि व्यय की गई	सकलित आवंटन के अनुरूप की गयी निकासी के विरुद्ध किए गए व्यय के उपरान्त 2017 को अवशेष राशि	कोषागार में जमा की गई राशि	घातान मं. / तिथि	सकलित उपयोजिता प्रमाण-पत्र में विहित राशि	सकलित उपयोजिता प्रमाण-पत्र की तिथि	सकलित U.C. लक्षित की राशि	बैंक खाता में जमा अवशेष राशि	पी.एस.डी खाता में जमा अवशेष राशि	अनुप्राप्ति
1	2015-16	Road & Drain	45/02-09-15	679900	679900	T/2217/00017/27-01-16	679900	0	2016-17	486470	193430	0	0	486470	2/11/2017	193430	0	193430	
67	2015-16	Road & Drain	45/02-09-15	751900	751900	T/2217/00007/27-01-16	751900	0	2016-17	483414	268486	0	0	483414	2/11/2017	268486	0	268486	
68	2015-16	Road & Drain	45/02-09-15	679900	679900	T/2217/00018/27-01-16	679900	0	2016-17	487709	192191	0	0	487709	2/11/2017	192191	0	192191	
69	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00010/27-01-16	689900	0	2016-17	554904	134996	0	0	554904	2/11/2017	134996	0	134996	
70	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00008/27-01-16	689900	0	2016-17	380520	309380	0	0	380520	2/11/2017	309380	0	309380	
71	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00014/27-01-16	689900	0	2016-17	551116	138784	0	0	551116	2/11/2017	138784	0	138784	
72	2015-16	Road & Drain	45/02-09-15	689900	689900	T/2217/00004/21.11.17	384000	0	2017-18	384000	0	0	0	384000	2/2/2019	0	0	0	
73	2017-18	Ward parshad allowances	15/15-6-17	630068	630068	T/2217/0005/14.7.16	630068	0	2016-17	630068	0	0	0	630068	2/2/2019	0	0	0	
74	2016-17	Ward parshad allowances	11/18-5-16	166800	166800	T/2217/0001/21.11.14	166800	0	2014-15	166800	0	0	0	166800	2/2/2019	0	0	0	
75	2014-15	Ward parshad allowances	51/26-9-14	1962611	1962611	N.A.	1962611	0	2017-18	1962611	0	0	0	1962611		0	0	0	
78	2016-17	CM NALI GALI	16/7/168/2 5-10-16																

Discussion Note

Fatuha Nagar Parishad

Period 01/04/2017 to 31/03/2018 (Annual of 2017-18)

Sl No	Particulars	Management Remarks																
1.	Cash Book has not been regularly authorized by the executive Officer.	It will be authorised from next time.																
2.	Double entry accounting system has not been implemented by the ULB in F/Y2017-18.	It has been started from 01-04-2019.																
3.	ULB has not been in Practice to Prepare Monthly Receipt and Payment Account.	It has been prepared in process.																
4.	We observed that fund has not been appropriately utilized till the last year.	Fund is utilising																
5.	We observed that Statutory Compliance has not been accomplished by ULB. These statutory irregularities are following: TDS return has not been filled. Labourcess& Royalty & VAT has not been deposited to concern department which is deducted from payment.	These documents are provided today. dt - 14/05/19																
6.	Amount Collected from own sources revenue has not been deposited into bank by the ULB on the same date/next to the same date as required. The details are given below.	It will be follow in next month.																
<table border="1"> <thead> <tr> <th>Receipt No.</th> <th>Amt</th> <th>Period</th> <th>Deposit date</th> </tr> </thead> <tbody> <tr> <td>8690 to 8780</td> <td>1,22,028.00</td> <td>01/04/2017 to 29/04/2017</td> <td>29/04/2017.</td> </tr> <tr> <td>8781 to 8885</td> <td>1,21,931.00</td> <td>01/05/2017 to 31/05/2017</td> <td>31/05/2017</td> </tr> <tr> <td>8886 to</td> <td>3,36,346.00</td> <td>01/06/2017 to</td> <td>30/06/2017</td> </tr> </tbody> </table>			Receipt No.	Amt	Period	Deposit date	8690 to 8780	1,22,028.00	01/04/2017 to 29/04/2017	29/04/2017.	8781 to 8885	1,21,931.00	01/05/2017 to 31/05/2017	31/05/2017	8886 to	3,36,346.00	01/06/2017 to	30/06/2017
Receipt No.	Amt	Period	Deposit date															
8690 to 8780	1,22,028.00	01/04/2017 to 29/04/2017	29/04/2017.															
8781 to 8885	1,21,931.00	01/05/2017 to 31/05/2017	31/05/2017															
8886 to	3,36,346.00	01/06/2017 to	30/06/2017															



Discussion Note

Fatuha Nagar Parishad

Period 01/04/2017 to 31/03/2018 (Annual of 2017-18)

9161		30/06/2017	
9162 to 9549	6,02,582.00	01/07/2017 to 31/07/2017	31/07/2017.
9550 to 9625	1,13,971.00	01/08/2017 to 31/08/2017	31/08/2017
9626 to 9725	1,20,667.00	01/09/2017 to 27/09/2017	28/09/2017
9726 to 9782	1,07,410.00	01/10/2017 to 31/10/2017	31/10/2017.
9783 to 9866	1,09,445.00	01/11/2017 to 30/11/2017	30/11/2017
9867 to 9929	98,556.00	01/12/2017 to 30/12/2017	30/12/2017
9930 to 9990	84,062.00	01/01/2018 to 31/01/2018	31/01/2018.
9991 to 0066	1,10,092.00	01/02/2018 to 28/02/2018	28/02/2018
0067 to 148	1,97,781.00	01/03/2018 to 29/03/2018	29/03/2018
7.	Various Register Books of Records etc. are not being Prepared by the ULB such as fixed asset register, Stock register, Advance recovery register, Demand register, Collection register, Statutory register, with regard TDS,VAT,Royalty and Labourcess etc.		<i>These Register will be maintained by next time</i>
8.	Log Book of Vehicle & Generator is not properly maintained and consequently its analysis is not Possible.		<i>Maintained by next time.</i>



Discussion Note

Fatuha Nagar Parishad

Period 01/04/2017 to 31/03/2018 (Annual of 2017-18)

9.	Loss of Rs16,50,000/- has been made to the ULB for non-collection registration and renewal fee from installed transmission tower in the jurisdiction of ULB.	Notice to be issued.
10	UC of Rs.10,44,91,561/- of various scheme are pending for submission to the Urban Development & housing Department till the 31 st March 2018 of financial year 2017-18.	These scheme of all uc are provided soon.
11	ULB is not in practice to prepare summary of daily collection receipt in form GEN-13.	It will be prepare in next time.
12.	Demand and Arrear registers of holding tax are not Prepared by the ULB.	It will be prepare in next time.
13.	Daily Collection Register has not been maintained.	It has been provided in next time.
14.	Pay-roll system at the ULB is not maintained. The register, records relating to statutory deduction like PF, ESIC, Income, tax are not maintained. The PF, ESIC with respect to contractual employee are neither deducted nor paid to the statutory authority.	It has been started from 2019-20.
15	Property and Holding tax assessment has not been done every year.	Next time assessment has to done.
16	Scheme wise subsidiary cashbook has not been maintained.	Subsidiary Cash Book written in process.
17	Expenditure incurred by Ramesh Kumar Sharma (JE) Rs. 2,16,489.00 for Administrative Building but no file are provided in this expenditure.	It will be provided in next time



Discussion Note

Fatuha Nagar Parishad

Period 01/04/2017 to 31/03/2018 (Annual of 2017-18)

18	Purchase of stationary Rs. 69,520/- from Binita Printing Press without any quotation has been made.	We will follow in next time.
19	Work done vide Yojna no.-26/2015-16 (stamp duty/Internal Resource) by the contractor Ramesh Kumar Sharma (JE). work allotted vide letter no.-280 on dated 03/05/2016 and completed in 45 days from the date of work allotted. However, the work has been completed as per MB Book is 20/06/2018.	We will follow in next time.
20	Payment made to Amt Rs. (35,000+31,000)=66,000 paid to Md. Hafiz (Hafiz tent house) for proving tent service without Quotation.	We will follow in next time.
21	Payment made to Vipulbhai computer wala for purchase of computer & printers amt Rs.53,400/- without Quotation.	We will follow in next time.
22	Payment made for Purchase of kambal from Himganga Industries amt. Rs. 9,45,000/- without Quotation/Tender.	Due to cold season so it had to be amount paid without quotation next time follow these rule.
23	Payment was made to Tros Consultancy Services Pvt. Ltd. Amt.Rs.1,64,700/- without attendance sheet. As per agreement payment was to be made after verifying the attendance sheet otherwise amt. should be deducted.	Provided in next time.
24	Payment was made to Shree Ram Manufacturing Amt.Rs. 55,460/- by chq. No.-426137 ,dated 31/03/2018 but files were not available for audit purpose.	Provided in next time.
25	Payment made to Shree Ram Manufacturing Amt.Rs. 8,96,339/- dated 01/02/2018 for purchase of 40 pcs. of Hand trolley but quotation/tender related files are not provided for audit purpose.	Provided in next time.

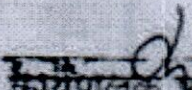


Discussion Note

Fatuha Nagar Parishad

Period 01/04/2017 to 31/03/2018 (Annual of 2017-18)

26	As per Letter no.-3557 dated 20/11/2014 of UD&HD junior engineer cannot be allotted more than three works at a time, but Fatuha nagar Parishad allotted the junior engineer more than 3 works at a time.	We will follow in next time.
27	Yojna no.- 05/2017-18, work allotted to JE. Ramesh Kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days. Advance received by JE amounted to Rs. 3,07,500/- on 09/01/2018, but MB was not available in the file, so we are unable to verify the completion period of the work done.	We will provide in next time
28	Yojna no.- 06/2017-18, work allotted to JE. Ramesh Kumar Sharma vide letter no.- 927, dated 13/12/2017, whose completion period was 30 days, Advance received by JE amounted to Rs. 3,07,500/- on 01/01/2018 and work was completed on 14/01/2018 as per the MB. And also, this MB was not signed by the Assistant Engineer.	We will provide in next time.
29	Treasury Balance certificate are not provided.	Next time provided these document
30	Previous AG & Internal audit report and their compliance are not provided.	It will be provide in next time
31	Minutes of Municipal Accounts Committee has not been provided to us.	It will be provided in next time
32	Fatuha Nagar Parishad not follow Chapter xi, rule 84 (Budget has not been sanction by Empowered standing committee) & Chapter xii, rule 86 (Prepare and maintain accounts of receipts and expenditure), 87 (Preparation of Municipal Accounting Manual), 88 (Financial Statement.) 89 (Balance sheet.), 90 (Submission of financial statement and balance sheet to auditor.) and 98 (Municipal accounts committee.) of Bihar Municipal Act.	It will be provided in next time.
33	In Fatuha Nagar Parishad SAS implementation of property Tax has not been implemented.	No any SAS Implementat


 कार्यपालक अधिकारी
 नगर परिषद, फतुहा
 17/01/19

