

INTERNAL AUDIT REPORT

OF ULB

(DHAKA)

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 Bungalow Chowraha,
Patna – 800001**

**From 06-08-2019 to 31-08-2019
Report Issued on 14th September 2019**

Executive Summary

1. INTRODUCTION

•Name of the Municipality	Nagar Panchayat Dhaka
•Period covered under current audit	Financial Year 2017-18
•Name of Executive Officer for the period under Audit.	Mr. Manoj Kumar

2. Results and Findings

a. Strengths observed during the audit engagement:

1. Dhaka Nagar Panchayat has properly maintained the Main Cash Book.
2. Dhaka Nagar Panchayat has properly maintained the Subsidiary Cash Book of all the schemes.
3. All Transactions have supporting documents.
4. Response from officer & Staff were satisfactory.

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

1. We are not able to check the Compliance Status of Audit Observations of AG Audit Report for FY 2009-12 & previous years, as compliance report has not been prepared by the ULB.
2. Bank Reconciliation Statement has not been prepared. Also Bank wise cashbook balance has not been maintained by the ULB.
3. Status of Double Entry Accounting System: Vinod Singhal & Co (Jaipur, Rajasthan) has started doing double entry accounting system but it is in process & incomplete, it is not in auditable position.
4. Municipal Accounts Committee has not been constituted by the Dhaka Nagar Panchayat.
5. 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 and also the deposited amount was not in chronological order i.e. receipt no. range is not mentioned on tax deposit slip. Also Daily Collection Register is either not prepared or not up to date.
6. Demand register is not maintained by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc.
7. Mobile Tower Tax has not been collected by the ULB. As per details provided to us there are total 15 Mobile Towers registered with this ULB up to 31.03.2018 and Rs.1412700/- has not been collected till the date of audit from these tower operators as Tower Tax.
8. Advertisement Tax has not been levied by the Dhaka Nagar Panchayat. There have not been any system developed for the levy of advertisement tax.



9. Serially numbered Cash/Bank Payment & Receipt Voucher has not been maintained by the ULB. During the course of audit we have found that for every payments only supporting documents are found which is not serially numbered and also not kept in chronological order as per cash book.
10. Various registers, books of records etc. are not being prepared by the ULB. Such as Fixed Asset Register, Advance & Recovery Register, Demand Register, Daily Collection Register, Cheque Issue Register.
11. Various Statutory Register such as TDS, VAT, Royalty, Labour Cess and GST are not prepared by the ULB.
12. ULB has not been in practice to prepare monthly receipt and payment account & Trial Balance.
13. ULB has not been in practice to prepare financial statements.
14. 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. Taxes such as VAT, Income Tax, Royalty, Labour Cess etc. are collected from time to time but its payments are made on yearly basis which is not proper.
15. UC of various scheme for Rs. 727.67 lakh are pending for submission to the Urban Development & Housing Department till financial year 2017-18 and their details provided in detailed report.
16. No Separate Grant register is being maintained; hence, it is difficult to find out the amount of unutilized grant at any point of time.
17. Procurement Register has not been maintained for all procurements above Rs. 15000.
18. During verification of property tax related documents we have found so many property holders that are not paying property tax from a long lime but no action taken by the ULB for recovery of the same.

3. Opinion

As per Our Opinion the following improvements are required.

- ULB is not working properly, even internal control is poor.
- Revenue collection of the ULB is very poor it has scope to increase to much higher level.
- All cash collection from sources of revenue are not deposited in the bank on same day. It should be deposited on time as specified in Bihar Municipal Act.
- Due to lack of manpower, there is delay in performing day-to-day work.
- There should be proper segregation of duties to perform day-to-day work in efficient manner.
- Bank reconciliation should be prepared on monthly basis.
- 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 VAT, Royalty, TDS, Labour Cess etc.
- ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.
- Separate bank account should be maintained for each scheme.

4. Audit Recommendations:

The Recommendation of Audit Team on the Observed weakness.

SL No	We Recommend the followings:-
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1.	ULB should comply the CAG 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 maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.
3.	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.
4.	ULB must have to refund the unutilized amount to the Urban Development & Housing Department.
5.	ULB have to file statutory returns within prescribed time line and deposit the deducted amount as specified in statutory law.
6.	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.
7.	ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act, Manual and Rules.
8.	ULB should collect mobile tower tax, advertisement tax, shop rent etc. as quick as possible and on regular basis.
9.	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.
10.	ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis.
11.	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.
12.	ULB should develop and prepare Pay-roll system of Permanent & Contractual employees.
13.	ULB should assess the Holding & Property tax every year.

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 Mr. Nasimmuddin Khan (Executive Officer), for his support during the period of our audit. We are also thankful to the Accountant and other staffs of the Nagar Panchayat 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-20079322AAAADI6066

Date- 12/05/2020

Detailed Audit Report

1. Introduction

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

(1) Mr. Rajnish Kumar

2. Administration

The present body of the ULB has taken charge on 23rd January 2019. The incumbency in the key administrative and executive positions was as under:

Smt. Savila Khatun, Chairman from 01.04.2017 to 06.06.2017.

Mr. Manoj Kumar, Administrator from 07.06.2017 to 08.06.2018.

Smt. Nazara Khatun, Chairman from 09.06.2018 to till date.

Mr. Manoj Kumar, Executive officer from 07.09.2015 to 02.07.2018.

Mr. Ajay Kumar, Executive officer from 02.07.2018 to 23.01.2019.

Mr. Nasimmuddin Khan, Executive officer 23.01.19 to till date.

3. Review of outstanding audit paras:

Status of Audit Observations is as under:

Sl. No.	Particulars of Audit and date of report	Total no. of audit Paras	Total no. of audit Paras where necessary improvement/ corrective measure is required	Total no. of audit Paras where recovery of cash is proposed	Total no. of audit Paras where recovery has been made	Total amount of Recovery	Total no. of outstanding para where no action has been taken	No. and Date of Compliance Report
1	AG Audit for the period 2012-15.	6	6	1	1	587553.0	0	Complied Vide Report No. 994/2015-16, Dated- 04/12/18, (Attached As Annexure-1)



4. Finance

I. Budgetary provisions and expenditure for the last three years

Year	2015-16	2016-17	2017-18
Final/Revised Budget	94870000.00	238487000.00	273773000.00
Actual Expenditure	115439962.00	83102798.00	126434761.25
Savings(+)/ Excess(-)	(-) 20569962.00	155384202.00	147338238.75

II. Volume of transactions

Period	Budgeted (2017-18)	Previous Year (For One Year) (2016-17)	Current Year (2017-18)
Opening balance	175509450.00	63163254.68	68312810.62
Receipts	404388800.00	77797694.14	166137662.00
Total	579898250.00	140960948.82	234450472.62
Net expenditure	273773000.00	83102798.70	126434761.00
Closing balance	306125250.00	57858150.12	108015711.62

Note: - We have taken the closing balance (Rs.57858150.12) from the previous audit report provided by Nagar Panchayat Dhaka (East Champaran) for Financial Year 2016-17 & Opening Balance (Rs.68312810.62) from the cash book of Financial Year 2017-18 provided by Dhaka ULB. It may be possible that some scheme cash book was not provided to previous auditor.

III. Bank Reconciliation: - We have observed that Dhaka Nagar Panchayat is not in practice to maintain bank account wise cash book. However, bank reconciliation statement has not been prepared by the ULB. Moreover, the balance of different bank accounts has been provided which are as follows;

Details of Closing Balance:

Sl No.	Name Of Scheme / Item	Bank Name / Account No.	Balance As Per Pass Book	Balance As Per Cash Book	Differences	Remarks BRS Prepared/ Not Prepared
1.	Pradhan Mantri Aawash Yojna	SBI/36459162838	2218349.25	2218349.25	-	Not Required
2.	Nali Gali Nischay Yojna	SBI/36077727848	1029950.00	5313074.00	(-)4283124.00	Not Reconciled
3.	14 th Finance	SBI/33765686856	206856.00	14555843.00	(-)14348987.00	Not Reconciled
4.	Internal Resource	SBI/11708448969	2154476.34	9194199.31	(-)7039722.97	Not Reconciled
5.	Miscellaneous	SBI/11708448970	1668.15	1668.15	-	Not Required
6.	Miscellaneous	CBI/2316853505	51732.00	51732.00	-	Not Required
7.	Miscellaneous	CBI/2183922089	57821.00	57821.00	-	Not Required
8.	Miscellaneous	CBI/2183902404	143463.00	143463.00	-	Not Required
9.		CBI/3489861315	4714505.20	Not Provided	-	Not Reconciled
10.	Internal Resource	CCB/834001100573	76977.67	Not Prepared	-	Not Reconciled
11.	Treasury/PLA	Treasury	94775361.35	Not Prepared	-	Not Reconciled



IV. Revenue Receipts: -

Income Details (Amounts to be provided in Rupees)

		2017-18		2018-19		2019-20	
Sl. No.	Details	2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
Total Receipts (A+B)		166137662	77797694.14				
A.	Revenue Receipts (1+2+3)	57798133	10171746.14				
1.	Own Revenue Receipts (a+b)	7612138	8186069.14				
a)	Tax Revenue(levied and collected by municipal body)	5110312	421590.14				
i)	Property tax	5070101	421590.14				
ii)	Other tax (levied and collected by municipal body)	40211	0				
b)	Non-tax revenue (levied and collected by municipal body)	2501826	7764479				
i)	Fees & fines	649527	0				
ii)	User Charges	0	0				
iii)	Other non-tax revenue (levied and collected by municipal body)	1852299	7764479				
2	Other Revenue Receipts	1735739	0				
a)	Income from interest/investments	54103	0				
b)	Other Revenue income	1681636	0				
3.	Transfers/ Grants/ Assigned Revenues	48450256	1985677				
a)	State Assigned Revenue	48271459	0				
b)	State Finance Commission (SFC) Grants/ Devolution	178797	0				
c)	Octroi compensation	0	270000				
d)	Other State Govt. Transfer	0	0				
e)	Central Finance Commission (CFC) Grant	0	0				
f)	Other Central Govt. Transfer	0	0				
g)	Others	0	0				
B.	Capital Receipts	108339529	67625948				
1	Sale of Municipal Land	0	0				
2	Loans (from State Govt. or Banks etc.)	0	0				
3	State Capital Account Grant (under State Schemes etc.)	31904788	41310804				
4	Central Capital Account Grant (under Central Schemes etc.)	76434741	26315144				
5	Other Capital Receipts	0	0				

Not Applicable for this period.



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)	12,64,34,761.25					
1	Revenue Expenditure	68,61,220.00					
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	1018388	Details Not Available For This Financial Year				
1.2	Operation and Maintenance (O&M)	2371906					
1.3	Loan repayment (Interest payments)	0					
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	3470926			Not Applicable For This Financial Year		Not Applicable For This Financial Year
2.	Capital Expenditure	1195,73,541.25					
2.1	All developmental works under Central/State specific schemes	119573541.3					
2.2	Loan Repayments (Principal Amount)	0					
2.3	Other Capital expenditure	0					

Note: - As per above reporting format, details of expenditure have not been accounted in the concerned ULB premises and the same has not been reported in previous financial year's 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:

Vinod Singhal & Co (Jaipur, Rajasthan) 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: In Process
FY- 2015-16: Not Started
FY- 2016-17: Not Started
FY- 2017-18: Not Started
FY- 2018-19: In Process
FY- 2019-20: In Process

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 N.P till the date of our audit.

5. Audit Observations:

Part – A

- a. All Audit objections/irregularities which has monetary implication, particularly in following areas 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 Rs. 30000/- per tower and annual renewal fee is Rs. 8000/- per annum per tower

Condition –As per details provided to us there are total 15 (Fifteen) Mobile Towers registered with this ULB up to 31.12.2017 and Rs.1412700.00 has not been collected till the date of audit from these tower operators as Tower Tax.

Consequence Effect/ Impact - Due to non-collection of Tower Rent 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 basis and take appropriate actions against irregularity.

Sl No	Ward No.	Location	Owner of Tower	Reg. Amount	Annual Tax Dues FY 12-13 to FY 17-18	Interest	Grand Total	Total Amount Due
1	18	Near State Bank	Airtel	30000	48000	16180	94180	94180
2	12	Chainpur Dhaka	Airtel	30000	48000	16180	94180	94180
3	17	Virta Tola	Airtel	30000	48000	16180	94180	94180
4	2	Bisrahiya	Aircel	30000	48000	16180	94180	94180
5	16	Shitalpatti	Aircel	30000	48000	16180	94180	94180
6	18	Near L.I.C Office	Reliance	30000	48000	16180	94180	94180
7	13	Mohabbat Pur	Reliance	30000	48000	16180	94180	94180
8	11	Near Ragistry Office	Reliance	30000	48000	16180	94180	94180
9	13	Mohabbat Pur	Tata Indicome	30000	48000	16180	94180	94180
10	17	Virta Tola	Tata Indicome	30000	48000	16180	94180	94180
11	12	Islamiya Chowk	Idea	30000	48000	16180	94180	94180
12	15	Near Block	Idea	30000	48000	16180	94180	94180
13	15	Near Block	BSNL	30000	48000	16180	94180	94180
14	16	Shitalpatti	Uninor	30000	48000	16180	94180	94180
15	2	Bisrahiya	ATC	30000	48000	16180	94180	94180
Total								1412700.00



(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 - 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 and also the deposited amount was not in chronological order i.e receipt no. range is not mentioned on tax deposit slip. So we are unable to verify the amount deposited with amount collected. Also Daily Collection Register is either not prepared or not up to date.

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

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

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

Details of Some of the cases where Property Tax is not deposited on the same date and also not in chronological order;



Receipt No.	Amount Collected	Amount Deposited	Date of Collection	Date Of Deposit	Tax Collector
2168 to 2178	23437	24000	05-01-18 to 10-01-18	11-01-2018	Khurshid Aalam
2179 to 2189	46751	30000	11-01-18 to 18-01-18	18-01-2018	
2190 to 2213	82643	83000	19-01-18 to 29-01-18	29-01-2018	
2214 to 2230	47780	44875	01-02-18 to 08-02-18	08-02-2018	
1864 to 1898	30422	30420	02-01-18 to 27-01-18	30-01-2018	
1899 to 2307	42931	42935	01-02-18 to 27-02-18	28-02-2018	Shahid Anwer
2308 to 2354	200231	200237	01-03-18 to 31-03-18	05, 09, 27 & 31-03-18	

(iv) Holding & Property Tax Collection:

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

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

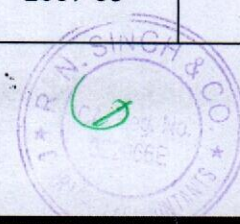
Consequence / Effect / Impact - Holding / Property Tax is collected by the tax collector from all wards but in some cases, property tax is not being collected from long period by the tax collector. Due to non-collection of Property/Holding Tax, there is a major operational revenue loss to ULB and there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

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

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

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

Sl. No.	NAME & FATHER'S NAME	HOLDING NO & ADDRESS	YEAR	AMMOUNT
1	A RAUF S/O- A SATAR	57, DHAKA GANDHI CHOWK	1995-96 to 2017-18	104270
2	RAMCHANDRA PD CHAUDHARY S/O- DEV NARAYAN PD CHAUDHARY	61 DHAKA GANDHI CHOWK	2011-12 to 2017-18	56828
3	MD ASHFAK HUSEN S/O- TABARAK	NEW DHAKA MOTIHARI ROAD BAIRIYAR KE PAS	2013-14 to 2017-18	35232
4	JAMIL AKHTAR	NEW DHAKA MOTIHARI ROAD BAIRIYAR KE PAS	2013-14 to 2017-18	11024



5	A BARI & OTHER SAKIR S/O-ROHUL HAK	59 DHAKA GANDHI CHOWK	1993-94 to 2017-18	23251
6	A HANAN KHAN S/O-NAJIR KHAN	133 DHAKA AZAD CHOWK	1993-94 to 2017-18	28629
7	SERAJ KHAN S/O-HAFIJULLAH KHAN	134 DHAKA AZAD CHOWK	1993-94 to 2017-18	13022
8	MD SHAMIM S/O-LATE RAFIK ANSARI	139 DHAKA AZAD CHOWK	1993-94 to 2017-18	5051
9	RAKESH SINGH S/O-LATE RAJENDRA SINGH	NEW NEAR DHAKA PETROL PUMP	2013-14 to 2017-18	9209
10	NATHUNI SINGH	NEW NEAR DHAKA PETROL PUMP	1993-94 to 2017-18	27793

(v) **Shop Rent:**

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

Criteria– Non-Collection of rent and imposition of late fine by the concerned ULB.

Condition – No record maintained by the ULB regarding Shop Rent Arrear/Demand, Total Shop Rent Collected & deposited during this period.

Consequence / Effect / Impact- Due to non-collection of 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 Rent by concerned ULB.

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

➤ No observation found during the course of audit.

c. Report on finding of field survey of property tax of minimum 20 high value properties;



Report on field survey of 20 high value properties

Sl. No	Name	Father's Name	Ward No	Type of construction	Type of Uses	Carpet Area	Annual Value	Annual Tax
1	HRISHCHAN DRA SINGH	DIPLAL SINGH	17	RCC	COMERCIAL	720	46440	4180
2	RAMESHWAR SINGH	BABU RAJNARAYAN SINGH	17	RCC	COMERCIAL	720	46440	4180
3	MD VAHAB	SHEKH TAHID	4	ALBESTAR	RESIDENCIAL	504	3024	272
4	MD SUJAULLAH	MD SANAULLAH	20	RCC	RESIDENCIAL	576	5760	518
5	AVADHESH PD GUPTA	NANDKISHOR PRASAD	12	RCC	RESIDENCIAL	2160	30240	2721
6	MAMUN ALAM	SABIR ALAM	12	RCC	COMERCIAL	3240	208980	18808
7	JAHIRA KHATUN	KUTUBUDIN	12	RCC	COMERCIAL	3240	208980	18808
8	JAHUR	ABDUL KHAIR	19	RCC	RESIDENCIAL	640	13440	1210
9	MD ASFAK HUSAIN	TABARAK HUSAIN	19	RCC	COMERCIAL	975	62888	5659
10	NEJAMUDDIN	ANSARI	19	RCC	COMERCIAL	1092	70434	6339
11	NEJAMUDDIN	ANSARI	19	RCC	COMERCIAL	2184	45864	4128
12	ABDUL KHALIK	NUR MOHAMMAD	19	RCC	COMERCIAL	1092	70434	6339
13	ABDUL KHALIK	NUR MOHAMMAD	19	RCC	COMERCIAL	2184	45864	4128
14	BHARAT PRASAD	SHIV PRASAD	19	RCC	COMERCIAL	342	14706	1324
15	AMLESH SAH	SUKHARI SAH	19	RCC	COMERCIAL	270	17415	1567
16	YUGUL SINGH	YUGUL	19	RCC	COMERCIAL	480	30960	2786
17	ALI AHMAD KHAN	KHURSHID KHAN	19	RCC	COMERCIAL	1386	89397	8046
18	ALI AHMAD KHAN	KHURSHID KHAN	19	RCC	COMERCIAL	2772	58212	5239
19	RAKESH SINGH & OTHER	RAJDEV SINGH	19	ALBESTAR	COMERCIAL	760	22040	1984
20	BALMIKI SINGH	RAMAGYA SINGH	20	RCC	COMERCIAL	500	32250	2903

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



I. 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	Fixed Assets Register	Not Maintained
2	Advance & Recovery Register	Not Maintained
3	Demand Register	Not Maintained
4	Daily Collection Register	Not Maintained Properly
5	Cheque Issue Register	Not Maintained
6	Royalty Register	Not Maintained
7	TDS Register	Not Maintained
8	VAT Register	Not Maintained
9	Procurement Register	Not Maintained
10	Grant Register	Not Maintained

b. Irregularity in procurement process: -

No observation found in this regard.

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.

d. Non- compliance of Act & Rules: -

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

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



- Surcharges on entertainment tax,

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

e. Lack of internal control measures: -

1. During the course of our Audit, we have observed various discrepancies in the Cash Book, which are enumerated below: -
 - Serially numbered Cash/Bank Payment & Receipt Voucher has not been maintained by the ULB. During the course of audit we have found that for every payments only supporting documents are found which is not serially numbered and also not kept in chronological order as per cash book. So we have faced difficulties and also waste of time to search vouchers during audit. ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.
 - The cash book balances were not reconciled with the Balances in Bank Pass Book.
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 and also the deposited amount was not in chronological order i.e. receipt no. range is not mentioned on tax deposit slip. So we are unable to verify the amount deposited with amount collected. Also Daily Collection Register is either not prepared or not up to date.
4. Advance and Recovery register is not maintained by Dhaka Nagar Panchayat.

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

During the course of audit we have found various irregularities on deduction and deposition of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time. Taxes such as VAT, Income Tax, Royalty, Labour Cess etc. are collected from time to time but its payments are made on yearly basis which is not proper. 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.



Some of the irregularities found during the audit period are given below;

1. On 22.08.17 payment made to contractor Pradeep Paswan Rs. 318259 for Yojna No. 03/F2/16-17 of 14th Finance on which TDS deducted Rs. 3806 but deposited on 26-04-18 & VAT Rs. 30444 deposited on 26.03.18.
2. Payment made to Contractor Akhilesh Kumar for scheme no 19/F2/17-18 Rs. 676129 on 26/03/18 on which GST deducted Rs. 15194 but not deposited upto due date.
3. Payment made to contractor R N Construction for scheme no 01/F2/18-19 of Rajya Yojna Rs. 2526965 on 30-03-18 on which GST deducted Rs. 35102 but not deposited upto due date.
4. Payment of VAT Rs. 482416 deducted on Scheme No. 02/F2/16-17 & 01/F2/16-17 (Rajya Yojna Parivahan 16-17) for Payment made to contractor Dharendra Kumar deposited on 26/03/18.
5. Payment made to Contractor Asha Devi for scheme no 03/F2/17-18 Rs. 488896 on 07/06/17 on which TDS deducted Rs. 39112 but deposited late on 26.03.18.
6. Payment made to Contractor Asha Devi for scheme no 03/F2/17-18 Rs. 1839694 on 06/07/17 on which VAT deducted Rs. 147176 but deposited late on 26.03.18.
7. Payment made to Contractor Babita Kumari for scheme no 02/F2/17-18 Rs. 1882011 on 20/06/17 on which VAT deducted Rs. 150561 but deposited late on 26.03.18.
8. Payment made to Contractor Mukund Kumar for scheme no 01/F2/17-18 Rs. 2103429 on 20/06/17 on which VAT deducted Rs. 168274 but deposited late on 26.03.18.
9. Payment of VAT Rs. 482416 deducted on Scheme No. 02/F2/16-17 & 01/F2/16-17 (Rajya Yojna Parivahan 16-17) for Payment made to contractor Dharendra Kumar deposited very late on 26/03/18.
10. Quarterly Return for TDS has not been filed for 4th quarter of F.Y -2017-18.
11. Quarterly Return for VAT has not been filed for 4th quarter of F.Y -2017-18.
12. Quarterly Return for GST has not been filed for 4th quarter of F.Y -2017-18.

g. Deficiency in pay-roll system: -

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

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

Various UC's of Previous FY & FY 2017-18 was not prepared & submitted to the Urban Development & Housing Department till the date of audit.

However, we have been provided the details of UCs submitted and pending to UD& HD, we are attaching the same as *Annexure-2*.



We have given direction & helped Dhaka Nagar Panchayat in preparing UC's & prepared the following UC's;

Sl. No.	Name of Scheme	Financial Year	Letter No/Date	Amount (Lakh)	UC submitted/Not
1.	Peshakar Madd.	2017-18	24/30-06-17	14.03	Prepared on 30.08.19
2.	Parshad Bhatta	2017-18	16/15-06-17	3.48	Prepared on 30.08.19
3.	EO Payment	2017-18	08/23-05-17	5.00	Prepared on 30.08.19
4.	14 th Finance Commission	2017-18	34/02-08-17	40.94	Prepared on 30.08.19
5.	Safai Yojna	2017-18	44/24-08-17	43.62	Prepared on 30.08.19
Total				107.07	

The detail of Pending UC: -

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

Sl. No.	Name of Scheme	Financial Year	Letter No/Date	UC Pending Amount (Lakh)	UC submitted/Not
1.	14 th Finance Commission	2017-18	34/02-08-17	40.94	Not Submitted
2.	Nali - Gali	2017-18	38/11-08-17	29.16	Not Submitted
3.	Nali - Gali	2017-18	38/11-08-17	29.16	Not Submitted
4.	City Manager payment	2017-18	123/12/02/19	2.62	Not Submitted
TOTAL				101.88	

I. Physical verification of inventory/stores: -

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



J. Advances, their adjustment & recovery: -

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

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

**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.	No observation found in this regard.
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).	We have witnessed the 20 high value of property, same has been reported at Point No. 5 – Part A(c).
3	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 Rule 22: All moneys to be brought to account Rule: 27: Collections to be deposited into Bank on the same day Rule 69: Grant Related Compliance Rule 120-121: Monthly Receipt & Payment Account and Trial Balance Rule 130: Audit to be completed & reported within 6 month	All the compliance has been made at ULB except Rule :27 & Rule 120-121 Rule 22: All moneys to be brought to account but delayed. Rule 27: We have observed that Property Tax collected money has not been deposited on bank account on the same date. Details of cases found is given at Point No. 5 Part- A(a)(iii). Rule 69: Grant related compliance has been done properly. Rule120-121: Monthly Receipt & Payments Accounts and Trial Balance are not prepared. Rule 130 is not followed
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 1412700 has been made to the ULB for non-collection registration and renewal fee from installed transmission tower in the jurisdiction of ULB.																				
6	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	<p>No Irregularities Found in this regard.</p> <p>Details of some of the cases checked during the audit period:</p> <table border="1" data-bbox="927 546 1401 864"> <thead> <tr> <th>Date</th> <th>Particular</th> <th>Amount</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>06-01-18</td> <td>Vikash Bij Bhandar</td> <td>80734</td> <td>For Fogging Machine</td> </tr> <tr> <td>08-01-18</td> <td>Hindustan Media Ltd</td> <td>50760</td> <td>For Advertisement</td> </tr> <tr> <td>08-01-18</td> <td>Dainik Bhaskar</td> <td>32850</td> <td>For Advertisement</td> </tr> <tr> <td>29-01-18</td> <td>Vijay Prashad Gupta</td> <td>163072</td> <td>Bolero Rent</td> </tr> </tbody> </table>	Date	Particular	Amount	Remarks	06-01-18	Vikash Bij Bhandar	80734	For Fogging Machine	08-01-18	Hindustan Media Ltd	50760	For Advertisement	08-01-18	Dainik Bhaskar	32850	For Advertisement	29-01-18	Vijay Prashad Gupta	163072	Bolero Rent
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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/-.	No Such type of Issues found in this regard.																				
8	An assessment of presence or absence of a system of issuance of utilization certificate for the different schemes for any utilization made during the reporting period; Where there is no system for issuance of U/Cs, prepare Utilization Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&HD website.	We have found that Dhaka Nagar Panchayat is not preparing their UC's on timely basis. Details of UC's Prepared & UC's Pending are given at Point No. 5 Part-B(h). We observed that UC of various schemes of amount Rs.208.9 5Lakh are still pending to be submitted to the concerned department.																				
9	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.																				
10	Whether all such payments have been made according to payment terms & conditions of tenders and rate offers are according to procurement law and policies.	Yes, All payment has been made according to payment terms & conditions of tenders.																				



11	Whether the fixed deposit and other funds should be kept in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.	No Such cases found in this regard.
12	Verify all major areas of ULBs and assessed revenue loss and if any losses have been identified then prepare a statement of loss for revenue losses.	We have verified all major areas of ULB and assessed some revenue losses, same have been reported in separate sections of this audit report.
13	Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. should be deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.	<p>We observed that statutory compliance has not been accomplished by ULB regarding deduction, deposit and return also.</p> <p>Details of major statutory irregularities are:</p> <ul style="list-style-type: none"> • TDS return has not been filled. • TDS have not been deposited appropriately. • Labor cess has not been deducted & deposited appropriately. • VAT liability has not been settled till the date of audit. <p>Penalty and Interest may be levied on ULB as per Statutory Laws.</p>

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 - 20079322AAAAADI6066

Date - 12/05/2020

कार्यालय, नगर परिषद, ढाका, पूर्वी चम्पारण।


नगर पंचायत, ढाका का वरीय लेखा परीक्षा अधिकारी द्वारा वर्ष 2012-13 से 2014-15 के लेखा परीक्षा प्रतिवेदन संख्या-
994 / 2015-16 का अनुपालन प्रतिवेदन।

आपत्ती	जवाब
कंडिका-01(क)- विविध रसीदों से.....सुनिश्चित किया जाय।	कंडिका-01(क) का अनुपालन किया गया है। इस मद में प्राप्त राशि मो0-568397.00रू0 का वसूली कर चालान द्वारा पी0एल0 खता में जमा किया गया, जिसका अवलोकन परिशिष्ट-I पर किया जा सकता है। शेष राशि मो0-426431.35रू0 वसूली हेतु स्थानीय ढाका थाना में प्राथमिकी सं0-263 / 2016 दर्ज की गई है।
कंडिका-01(ख)-धृति कर की.....जमा सुनिश्चित की जाए।	श्री शाहीद अनवर, कर संग्रहक के द्वारा धृति कर की वसूली गई राशि-1956.00रू0 नगर पंचायत, ढाका के खाता सं0-11708448969 में जमा किया गया परिशिष्ट-II पर देखा जा सकता है।
कंडिका-02-सैरात की बन्दोबस्त.....बुटीपूर्ण थे।	सैरात की बन्दोबस्त दिनांक-18.03.2017 के बोर्ड के बैठक में लिए गए निर्णय के आलोक में सैरातों की बन्दोबस्त 10 प्रतिशत वृद्धि पर 02 प्रतिशत अतिरिक्त शुल्क के साथ पूर्व के ठेकेदार को अनुमंडल पदाधिकारी, सिकरहना-सह-प्रशासक, नगर पंचायत, ढाका के आदेश पर बन्दोबस्त किया गया है। अगले वित्तीय वर्ष में निविदा के माध्यम से बन्दोबस्ती की कार्यवाई की जाएगी।
कंडिका-02.01-नाजीर रसीद.....उपलब्ध नहीं कराई गई।	नाजीर रसीद सं0-231 कार्यालय में उपलब्ध नहीं है। पूर्व के प्रधान सहायक-सह-नाजीर पर प्राथमिकी दर्ज है। परिशिष्ट-I पर अवलोकनीय।
कंडिका-02.02-अचल से हस्तांतरित.....नहीं दिखाया गया।	अचल से हस्तांतरित सैरातों के लिए दिनांक-10.04.2013 से 30.06.2014 तक की गई विभागीय वसूली की राशि नगर पंचायत, ढाका के खाते में जमा नहीं होने के कारण पूर्व के प्रधान सहायक-सह-नाजीर पर स्थानीय थाने में प्राथमिकी दर्ज है। साक्ष्य परिशिष्ट-I पर अवलोकनीय।
कंडिका-02.03-वर्ष 2013-14.....बन्दोबस्त किये गये।	दिनांक-18.03.2017 की बोर्ड की बैठक में निर्णय लिया गया कि वाहन पार्किंग वसूली हेतु जब-जब निविदा किया गया है, तब-तब ढाका में स्थाई वाहन पड़ाव नहीं होने के कारण विवाद उत्पन्न हुआ है। अतः स्थिति विशेष को ध्यान में रखते हुए अनुमंडल पदाधिकारी, सिकरहना-सह-प्रशासक, नगर पंचायत, ढाका से आदेश प्राप्त कर ही 12 प्रतिशत वृद्धि के साथ पूर्व के बन्दोबस्तदार को बंदोबस्त किया गया। परिशिष्ट-IV पर अवलोकनीय।
कंडिका-02.04-आदर्श आचार.....निर्देश दिया था।	आदर्श आचार संहिता का हवाला देकर वर्ष 2014-15 में सैरातों की बंदोबस्ती नहीं की गयी, जबकि राज्य निर्वाचन आयोग द्वारा बंदोबस्ती पर कोई रोक नहीं लगायी गई थी। वास्तव में समय पर जानकारी के अभाव में भयवश बंदोबस्ती नहीं किया गया।
कंडिका-02.05-वर्ष 2014-15.....नहीं किया गया।	वर्ष 2014-15 एवं 15-16 में बंदोबस्तीदार को पूर के दर में वृद्धि कर दिया गया था, किन्तु पूर्व का अभिलेख नहीं मिलने के कारण पूर्व के बंदोबस्ती का दर अंकित नहीं किया जा सका।
कंडिका-02.06-सुरक्षित जमा का.....	अनुपालन भविष्य में किया जायेगा।



..... वर्षों तक लागू रहे।	असमायोजित अग्रिम राशि मो0-444000.00रू0 का समायोजन संबंधित कमियों से कर लिया गया है।
कॉडिका-03-असमायोजित अग्रिम..... प्रस्तुत किया जाये।	अग्रिम समायोजन की छायाप्रति परिशिष्ट-V पर संलग्न है।
कॉडिका-04-सरकारी भवनों..... ही लंबित है।	सरकारी भवनों पर बकाया धृति कर की राशि कि गणना कर मांग पत्र सभी सरकारी भवन के प्रधान को भेजा जा चुका है। साक्ष्य के रूप में निर्गत नोटिस की छायाप्रति परिशिष्ट-VI पर संलग्न है।
भाग-03 कॉडिका-01-होलिडिंग कर..... अंकेक्षण में दिखाया जाये।	होलिडिंग टैक्स दुकान भाड़ा एवं संचार मिनार का बकाया एवं वर्तमान मांग की राशि का निर्धारण कर बकायदारों के नोटिस किया गया है। साक्ष्य के रूप में नोटिस की छायाप्रति परिशिष्ट-VII पर संलग्न है।
भाग-03 कॉडिका-02-पिछड़ा क्षेत्र..... औचित्य बताया जाय।	योजना कार्य का स्थल विवादित होने के कारण योजना का कार्य को सम्पन्न नहीं किया जा सका है। सुरक्षित जमा राशि जप्त कर लिया गया है।




 4.12.18
 कार्यपालक पदाधिकारी,
 नगर परिषद, ढाका,
 पूर्वी चम्पारण।

कार्यालय:- नगर परिषद्, ढाका, पूर्वी चम्पारण

वित्तीय वर्ष 2017-18 से 2018-19 में प्राप्त सहायक अनुदानों की निकासी/व्यय एवं अवशेष राशि की चालान द्वारा कोषागार में जमा विवरणी प्रतिवेदन
नगर निकाय का नाम:- नगर परिषद्, ढाका
कोषागार का नाम:- कोषागार, सिकरहना, ढाका।

DDO Code:- URB001

Treasury Code:- SKN

PLA Account No:- 261

Bank Account No:- 686856

Annexure 2

राशि (लाख में)


क्र	सहायक अनुदान आवंटन का वित्तीय वर्ष	सहायक अनुदान आवंटन का मद्द	संबंधित स्वीकृत देश एवं तिथि	स्वीकृत देश आवंटनादेश में निकाय को आवंटित राशि	आवंटित राशि के विरुद्ध निकाय द्वारा निकासी की गई राशि	टी0 भी0 नं0 एवं तिथि	पी0 एल0 खाता में रखी गई राशि	बैंक खाता में जमा की गई राशि	वित्तीय वर्ष जिसमें राशि व्यय की गयी	संबंधित व्यय की गई राशि	संबंधित आवंटन के अनुरूप की गयी निकासी के विरुद्ध किए गए व्यय के उपरान्त 2016 को अवशेष राशि	कोषागार में जमा की गई राशि	चालान सं0/ तिथि	समर्पित उपयोगिता प्रमाणपत्र में निहित राशि	समर्पित उपयोगिता प्रमाणपत्र की तिथि	लंबित U.C की राशि	बैंक खाता में जमा अवशेष राशि	पी0 एल0 खाता में जमा अवशेष राशि	अभ्युक्ति
1	2017-18	PESHAKAR	24 30-06-17	14.03	14.03	03/09.08.17	14.03	-	2018-19	14.03	-	-	-	-	-	14.03	-	-	20
2	2017-18	PARSHAD BHATTA	16 15.06.17	3.48	3.48	04/09.08.17	3.48	3.48	2018-19	3.48	-	31.03.19	3.48	-	-	3.48	-	-	
3	2017-18	EO PAYMENT	08 23.05.17	5.00	5.00	05/09.08.17	5.00	-	2018-19	5.00	-	-	5.00	-	-	-	-	-	
4	2017-18	14th Finance Commission	34 02.08.17	40.94	40.94	01/09.08.17	40.94	-	2017-18 2018-19	40.94	-	-	40.94	-	40.94	-	-	-	
5	2017-18	14th Finance Commission	34 02.08.17	40.94	40.94	02/09.08.17	40.94	-	2017-18 2018-19	40.94	-	-	-	-	40.94	-	-	-	
6	2017-18	NALI-GALI	38 11.08.17	29.16	29.16	06/24.08.17	29.16	-	2017-18	29.16	-	-	-	-	29.16	-	-	-	
7	2017-18	NALI-GALI	38 11.08.17	29.16	29.16	06/24.08.17	29.16	-	2017-18	29.16	-	-	-	-	29.16	-	-	-	
8	2017-18	SAFAI	44 24.08.17	43.62	43.62	01/12.10.17	43.62	-	2017-18	43.62	-	-	43.62	-	43.62	-	-	-	



9	2017-18	5th Finance Commission	46 14.09.17	82.20	82.20	02/12.10.1 7	82.20	-	2017-18	41.10	-	-	-	-	-	-	-	-	-	-
10	2017-18	5th Finance Commission	46 14.09.17	82.20	82.20	03/12.10.1 7	82.20	-	2017-18	41.10	-	-	-	-	-	-	-	-	-	-
11	2017-18	NALI-GALI	69 30.10.17	18.29	18.29	01/12.12.1 7	18.29	-	2017-18	18.29	-	-	-	-	-	-	-	-	-	-
12	2017-18	NALI-GALI	69 30.10.17	29.45	29.45	02/12.12.1 7	29.45	-	2017-18	29.45	-	-	-	-	-	-	-	-	-	-
13	2017-18	NALI-GALI	69 30.10.17	02.23	02.23	03/12.12.1 7	02.23	-	2017-18	02.23	-	-	-	-	-	-	-	-	-	-
14	2017-18	14th Finance Commission	98 24.01.18	40.83	40.83	01/01.02.1 8	40.83	-	2017-18	40.83	-	-	-	-	-	-	-	-	-	-
15	2017-18	14th Finance Commission	98 24.01.18	40.83	40.83	02/01.02.1 8	40.83	-	2017-18	40.83	-	-	-	-	-	-	-	-	-	-
16	2017-18	NALI-GALI	128 07.03.18	42.82	42.82	05/16.03.1 8	42.82	-	2017-18	42.82	-	-	-	-	-	-	-	-	-	-
17	2017-18	PAYJAL	140 15.03.18	253.20	253.20	06/23.03.1 8	253.20	-	2018-19	253.20	-	-	-	-	-	-	-	-	-	-
18	2018-19	EO PAYMENT	07 22.05.18	07.00	07.00	01/17.07.1 8	07.00	-	2018-19	07.00	-	-	-	-	-	-	-	-	-	-
19	2018-19	NALI-GALI	1200 06.06.18	58.79	58.79	02/17.17.1 8	58.79	-	2018-19	58.79	-	-	-	-	-	-	-	-	-	-
20	2018-19	NALI-GALI	1202 06.06.18	54.17	54.17	03/17.17.1 8	54.17	-	2018-19	03.02	51.15	-	-	-	-	-	-	-	-	-
21	2018-19	NALI-GALI	1204 06.06.18	03.43	03.43	04/17.07.1 8	03.43	-	2018-19	-	-	-	-	-	-	-	-	-	-	-
22	2018-19	5th Finance Commission	3441 25.07.18	80.01	80.01	01/16.08.1 8	80.01	-	2018-19	40.00	40.01	-	-	-	-	-	-	-	-	-
23	2018-19	5th Finance Commission	3441 25.07.18	80.01	80.01	02/16.08.1 8	80.01	-	2018-19	40.00	40.01	-	-	-	-	-	-	-	-	-



24	2018-19	SAMRAI ASHOK BHAWAN	3445 25.07.18	69.66	69.66	03/16.08.18	69.66	-	2018-19	-	-	-	-	-	-	-	-	-	-
25	2018-19	5th Finance Commission	3234 23.07.18	81.82	81.82	02/13.09.18	81.82	-	2018-19	40.91	-	-	-	-	-	-	-	-	-
26	2018-19	5th Finance Commission	3234 23.07.18	81.82	81.82	01/13.09.18	81.82	-	2018-19	40.91	-	-	-	-	-	-	-	-	-
27	2018-19	SAFAI	81 31.10.18	33.73	33.73	01/23.11.18	33.73	-	2018-19	33.73	-	-	-	-	-	-	-	-	-
28	2018-19	PESHAKAR	77 24.10.18	15.44	15.44	02/23.11.18	15.44	-	2018-19	-	-	-	-	-	-	-	-	-	-
29	2018-19	STATE PLAN	63 27.09.18	39.71	39.71	01/07.12.18	39.71	-	2018-19	-	-	-	-	-	-	-	-	-	-
30	2018-19	STATE PLAN	63 27.09.18	39.71	39.71	02/07.12.18	39.71	-	2018-19	-	-	-	-	-	-	-	-	-	-
31	2018-19	14th Finance Commission	32 31.10.18	47.76	47.76	03/08.12.18	47.76	-	2018-19	-	-	-	-	-	-	-	-	-	-
32	2018-19	14th Finance Commission	32 31.10.18	47.76	47.76	04/08.12.18	47.76	-	2018-19	-	-	-	-	-	-	-	-	-	-
33	2018-19	14th Finance	120 25.01.19	47.42	47.42	01/11.03.19	47.42	-	2018-19	-	-	-	-	-	-	-	-	-	-
34	2018-19	14th Finance	120 25.01.19	47.42	47.42	02/11.03.19	47.42	-	2018-19	-	-	-	-	-	-	-	-	-	-
35	2018-19	CITY MANAGER PAYMENT	123 12.02.19	02.62	02.62	03/11.03.19	02.62	-	2018-19	02.62	-	-	-	-	-	-	-	-	2.62
36	2018-19	STATE PLAN	125 12.02.19	22.53	22.53	04/11.03.19	22.53	-	2018-19	-	-	-	-	-	-	-	-	-	22.53



 R.N. Singh & Co.

 08/11/19

 कार्यपालक पदाधिकारी, पदाधिकारी

 नगर परिषद, ढाका

 नगर पालक, ढाका

 नगर परिषद, ढाका



RN Singh & Co
Chartered Accountants

Nagar Panchayat Dhaka
Discussion Notes for FY 2017-18

Sl. No.	Observation	Management Remarks
1	We are not able to check the Compliance Status of Audit Observations of AG Audit Report for FY 2009-12 & Previous years, As compliance report has not been prepared by the ULB.	With the guidance of Auditor we have started to prepare it.
2	Bank Reconciliation Statement has not been prepared. Also Bank wise cashbook balance has not been maintained by the ULB.	It will be prepared in near future.
3	Status Of Double Entry Accounting System: Vinod Singhal & Co (Jaipur, Rajasthan) 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: In Process FY- 2015-16: Not Started FY- 2016-17: Not Started FY- 2017-18: Not Started FY- 2018-19: In Process FY- 2019-20: In Process	DEAS team is working on it will be completed within specified time.
4	Municipal Accounts Committee has not been constituted by the Dhaka Nagar Panchayat.	Will be constituted in next Board meeting
5	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 and also the deposited amount was not in chronological order i.e receipt no. range is not mentioned on tax deposit slip. So we are unable to verify the amount deposited with amount collected. Also Daily Collection Register is either not prepared or not up to date.	It will be taken care from now.
6	Demand register is not maintained by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent On Municipal Properties etc.	Action will be taken in future.
7	Mobile Tower Tax has not been collected by the ULB. As per details provided to us there are total 15 Mobile Towers registered with this ULB up to 31.03.2018 and Rs. 1412700 has not been collected till the date of audit from these tower operators as Tower Tax.	Action will be taken collection of the same
8	Advertisement Tax has not been levied by the Dhaka Nagar Panchayat. There have not been any system developed for the levy of advertisement tax.	System will be developed further in near future
9	Serially numbered Cash/Bank Payment & Receipt Voucher has not been maintained by the ULB. During the course of audit we have found that for every payments only supporting documents are found which is not serially numbered and also not kept in chronological order as per cash book. So we have faced difficulties and also waste of time to search vouchers during audit. ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.	It will be prepared from next month.
10	Various registers, books of records etc. are not being prepared by the ULB. Such as Fixed Asset Register, Advance & Recovery Register, Demand Register, Daily Collection Register, Cheque Issue Register.	It will be prepared in near future.
11	Various Statutory Register such as TDS, VAT, Royalty, Labour Cess, GST are not prepared by the ULB.	It will be prepared in near future.
12	ULB has not been in practice to prepare monthly receipt and payment account & Trial Balance.	Action will be taken in future
13	ULB has not been in practice to prepare financial statements.	Action will be taken in future.

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14	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. Taxes such as VAT, Income Tax, Royalty, Labour Cess etc. are collected from time to time but its payments are made on yearly basis which is not proper. 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.	Action will be taken from next month. It.
15	On 22.08.17 payment made to contractor Pradeep Paswan Rs. 318259 for Yojna No. 03/F2/16-17 of 14th Finance on which TDS deducted Rs. 3806 bt deposited on 26-04-18 & VAT Rs. 30444 deposited on 26.03.18	It will be taken care in future.
16	Payment made to Contractor Akhilesh Kumar for scheme no 19/F2/17-18 Rs. 676129 on 26/03/18 on which GST deducted Rs. 15194 but not deposited late upto 31-03-18.	It will be taken care in future. It deposited on 11.04.18
17	Payment made to contractor R N Construction for scheme no 01/F2/18-19 of Rajya Yojna Rs. 2526965 on 30-03-18 on which GST Deducted Rs. 35102 but not deposited upto 31/03/18.	Deposited on 30.04.18. It will be taken care in future.
18	Payment of VAT Rs. 482416 deducted on Scheme No. 02/F2/16-17 & 01/F2/16-17 (Rajya Yojna Parivahan 16-17) for Payment made to contractor Dharendra Kumar deposited on 26/03/18.	It will be taken care in future.
19	Payment made to Contractor Asha Devi for scheme no 03/F2/17-18 Rs. 488896 on 07/06/17 on which TDS deducted Rs. 39112 but deposited late on 26.03.18.	It will be taken care in future.
20	Payment made to Contractor Asha Devi for scheme no 03/F2/17-18 Rs. 1839694 on 06/07/17 on which VAT deducted Rs. 147176 but deposited late on 26.03.18.	— DO —
21	Payment made to Contractor Babita Kumari for scheme no 02/F2/17-18 Rs. 1882011 on 20/06/17 on which VAT deducted Rs. 150561 but deposited late on 26.03.18.	— DO —
22	Payment made to Contractor Mukund Kumar for scheme no 01/F2/17-18 Rs. 2103429 on 20/06/17 on which VAT deducted Rs. 168274 but deposited late on 26.03.18.	— DO —
23	Payment of VAT Rs. 482416 deducted on Scheme No. 02/F2/16-17 & 01/F2/16-17 (Rajya Yojna Parivahan 16-17) for Payment made to contractor Dharendra Kumar deposited very late on 26/03/18.	— DO —
24	UC of various scheme for Rs. 474.47 lakh are pending for submission to the Urban Development & housing Department till financial year 2017-18 and their details provided in detailed report.	With the help of Auditor we have started to prepare funding us
25	No Separate Grant register is being maintained; hence, it is difficult to find out the amount of unutilized grant at any point of time.	Action will be taken in future.
26	Procurement Register has not been maintained for all procurements above Rs. 15000.	— DO —
27	During verification of property tax related documents we have found so many property holders that are not paying property tax from a long time but no action taken by the ULB for recovery of the same. Details of which will be provided in detailed audit report.	Action will be taken against them in future.

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उपनिर्देशक प्रशासनात्
नगर परिषद, दाका
पूर्वी इमारत

