

INTERNAL AUDIT REPORT

OF ULB

(Rajgir Nagar Panchayat)

FOR THE PERIOD

**01/04/2020 TO 31/03/2021
(Annual for the FY_2020-21)**

CONDUCTED BY

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

**From 04-04-2022 to 13-04-2022
Report Issued on April'2022**

1. Executive Summary

1. INTRODUCTION

• Name of the Municipality	Rajgir Nagar Panchayat
• Period covered under current audit	Annual (FY 2020-21)
• Name of the Chairman of the ULB for the period under Audit.	Smt. Munni Devi
• Name of Chief Municipal Officer for the period under Audit.	Mr. Zafar Iqbal

2. Results and Findings

a. Strengths observed during the audit engagement:

1. Subsidiary Cash Book has been maintained by the ULB.
2. Proper procedure followed by ULB for procurement of works Contract.
3. Running Bill of works contracts are supported with Measurement Books and MB has liaison with BOQ.
4. Supporting documents have been found for the transactions made during the quarter.
5. Office infrastructure is sufficient for operation.
6. Response from officer & Staff were satisfactory.

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

During the course of audit, we found that deposited security money is less than the amount to be deposit under works construction for following tenders:

Tender No.	Contract Amount	Total 5% - EMD 2% = SD 3%	Value of Security Money Deposited
6 (06/2020-21)	1184800	35544	35500
64(06/2020-21)	2437700	73131	73000

During the course of audit, we conduct physical verification of store items and found significant difference in actual stock vs recorded in Stock Register, so it seems that there is not any proper monitoring control of stock in the ULB and it may also indicate that stocks of ULB are not used for intended purpose.

Item	Recorded	Physical
Lime (Choona)	76 bags	17 bags
Logs (Lathi)	100 pc	20 pc
Big Bowl (Tasla)	-	22 pc
Fawda	5 pc	27 pc



During the course of audit, we observe that internal Control regarding Property Tax is very poor total taxable properties in the area of Rajgir ULB had been not assessed till the date of audit and we have found so many property holders that are not paying property tax from a long time. ULB should take necessary action for recovery of the same, resulting it may a major revenue loss to ULB

During the course of audit, we observe that collection of tower tax is very low, it seems that due to the lack of proper follow-up tower tax revenue is hampered significantly in the ULB.

During the course of audit, we observe that internal control regarding levy and collection of Advertisement Tax is very poor it may a major revenue loss to ULB, further proper data not found in this regard so that we exactly form any opinion thereon.

During audit we found that Invitation for quotation is issued on newspaper and E- procurement made for the tender 06/2020-21 but the EMD amount quoted therein is wrong i.e. depicted figure is not 2% of the contract amount.

We observe that taxes such as GST, Income Tax, Royalty, Labour Cess etc. are collected from works contracts but **Challans** for deposits and **Returns** thereof not found during audit.

General Cash Book is not maintained in the ULB

Bank Reconciliation Statement has not been prepared by the ULB required under Bihar Municipal Accounting Manual.

Concerned ULB is not in vogue to prepare Receipt & Payments Accounts, to be prepare as per Rules of BMAR on monthly basis.

Fixed Assets Register is not maintained at the ULB resulting we cannot form any opinion on any fixed assets regarding capitalization, maintenance and disposal thereof.

Various registers, books of records etc. are not being prepared by the ULB. Such as Ledgers, Journals, Pay Roll Register, Capital Goods Consumable/non-consumables, Investment Register, Fixed Asset Register, Advance & Recovery Register, Demand Register, Procurement Register, File Movement Register etc. ULB should maintain these registers as soon as possible.

We are not able to check the Compliance Status of Internal Audit Observations for FY 2019-20 & previous years, as compliance report has not been prepared and provided by ULB.

CFMS Treasury Statement i.e., ledger and transactions therein and Receipt Payment under CFMS for Oct'20 month not provided during the course of audit.

Register of Suits filed by/against ULB has not been maintained by the ULB.

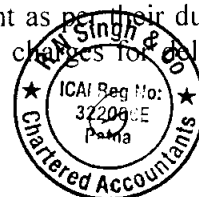
Major defaulter list not provided during the course of audit.

Property Tax detail not found during the course of audit so we could not form any opinion on high value property.

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.
- General Cash Book or Main Cash Book comprising all the subsidiary cash books is not maintained by ULB.
- BRS and Receipt & Payment Accounts are not maintained by ULB.
- There should be proper segregation of duties to perform day-to-day work in efficient manner.
- Most of the Books of Accounts as prescribed by BMAR are not maintained by the ULB, ULB should try to maintain the registers for a better practice.
- There are serious lapses in deduction and deposit of statutory dues, such as GST, Royalty, TDS, Labour Cess etc. Taxes should be remitted to the Govt. account as per their due dates specified in their respective Acts otherwise there may be levied Penalty & charges for delayed deposit by the



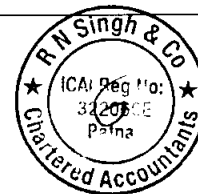
concerned department. ULB should ensure to comply the statutory requirements, for instance – deduction of GST TDS, issuance of TDS certificate deposit the same within the due date filling the returns etc.

- ULB not preserve the Returns and Challans complied under various Laws.

4. Audit Recommendations:

The Recommendation of Audit Team on the Observed weakness.

SL No	We Recommend the followings: -
1.	ULB should ensure to maintain one General Cash Book or Main Cash Book comprising all the subsidiary cash books.
2.	ULB should ensure to maintain BRS and Receipts & Payments on monthly basis.
3.	ULB should comply the internal audit observations as soon as possible after getting information about audit observations and should also prepare compliance report of the same & submit it to the department.
4.	ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.
5.	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.
6.	ULB must have to refund the unutilized amount to the Urban Development & Housing Department.
7.	ULB have to file statutory returns within prescribed time line and deposit the deducted amount as specified in statutory law.
8.	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.
9.	ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act, Manual and Rules.
10.	ULB should collect mobile tower tax, advertisement tax, shop rent etc. as quick as possible and on regular basis.
11.	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.
12.	ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis.
13.	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.
14.	ULB should develop and prepare Pay-roll system of Permanent & Contractual employees.
15.	ULB should assess the Holding & Property tax every year & do survey for assessment of the same.
16.	Nagar Panchayat Rajgir must have to maintain advance register otherwise it would be very difficult to find out details regarding how much advance has been given to any particular person and how much recovery of same has been made from them.
17.	ULB is required to enhance its internal control regarding collection of various own source of income to increase the financial ability.



18	<p>ULB must have to maintain Bank Reconciliation statement as per UD & HD guidelines, which will help in: -</p> <ul style="list-style-type: none"> • Accurate balance. • Prevent Theft. • Prevent mistakes. • Accounts in good standing.
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5. Comments from Management:

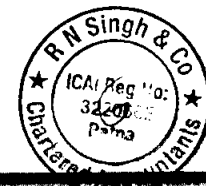
As per discussion with Management, they have ensured that they are looking into the matter and proper action will be taken for all the irregularities coming out from audit. Detailed discussions on this are given in *Discussion Note* as attached below (*Annexure-1*).

6. Acknowledgement:

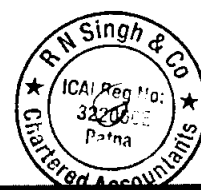
We Thanks Md. Zafar Iqbal (Executive Officer), for his support during the period of our audit. We are also thankful to the accountant and other staffs of the Nagar Panchayat for their co-operation during the period of audit.

7. Management Discussion with Risk Assessment:

Sr. No.	Observations (Sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO)Comments	Reference Page												
1.	<p>During the course of audit, we found that deposited security money is less than the amount to be deposit under works construction for following tenders:</p> <table border="1"> <thead> <tr> <th>Tender No.</th> <th>Contract Amount</th> <th>Total 5% EMD 2% = SD 3%</th> </tr> </thead> <tbody> <tr> <td>6 (06/2020-21)</td> <td>1184800</td> <td>35544</td> </tr> <tr> <td>64(06/2020-21)</td> <td>2437700</td> <td>73131</td> </tr> </tbody> </table>	Tender No.	Contract Amount	Total 5% EMD 2% = SD 3%	6 (06/2020-21)	1184800	35544	64(06/2020-21)	2437700	73131	High	No	No	Yes	It will be taken care in future.	-			
Tender No.	Contract Amount	Total 5% EMD 2% = SD 3%																	
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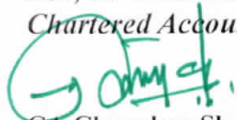


	<i>Fawda</i>	5 pc	27 pc					
3.	During the course of audit, we observe that internal Control regarding Property Tax is very poor total taxable properties in the area of Rajgir ULB had been not assessed till the date of audit and we have found so many property holders that are not paying property tax from a long time. ULB should take necessary action for recovery of the same, resulting it may a major revenue loss to ULB	High	No	No	Yes	It will be taken care in future.	-	
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6.	During audit we found that Invitation for quotation is issued on newspaper and E-procurement made for the tender 06/2020-21 but the EMD amount quoted therein is wrong i.e. depicted figure is not 2% of the contract amount.	High	No	No	Yes	It will be taken care in future.	-	
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8.	General Cash Book is not maintained in the ULB	High	No	No	Yes	It will be taken care in future.	-	
9.	Bank Reconciliation Statement has not been prepared by the ULB required under Bihar Municipal Accounting Manual.	High	No	No	Yes	It will be taken care in future.	-	
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	Capital Goods Consumable/non-consumables, Investment Register, Fixed Asset Register, Advance & Recovery Register, Demand Register, Procurement Register, File Movement Register etc. ULB should maintain these registers as soon as possible.						
13	We are not able to check the Compliance Status of Internal Audit Observations for FY 2019-20 & previous years, as compliance report has not been prepared and provided by ULB.	High	No	No	Yes	It will be taken care in future.	-
14	CMFS Treasury Statement i.e., ledger and transactions therein and Receipt Payment under CFMS for Oct'20 month not provided during the course of audit.	High	No	No	Yes	It will be taken care in future.	-
15	Register of Suits filed by/against ULB has not been maintained by the ULB.	Medium	No	No	Yes	It will be taken care in future.	-
16	Major defaulter list not provided during the course of audit.	High	No	No	Yes	It will be taken care in future.	-
17	Property Tax detail not found during the course of audit so we could not form any opinion on high value property.	High	No	No	Yes	It will be taken care in future.	-
18	Tower Tax Detail Not provided, email separately.	High	No	No	Yes	It will be taken care in future.	-

For, R. N. SINGH & CO.
Chartered Accountants



CA Chanakya Shree
Partner

M. No: -079322

FRN: 322066E

Date: 25-08-2022

UDIN: 22079322APWZYA3724



2. Auditee Profile

1. Introduction

The Internal Audit of (Rajgir Nagar Panchayat) covering the Period from 1st April 2020 to 30th June 2020 was conducted by following person under the guidance of TL CA Ashok Kumar Pandey and MAE CA Birendra Kumar Singh:

- (1) Mr. Prashant Mishra

2. Administration

The present body of the ULB has taken charge on 02/07/2021. The incumbency in the key administrative and executive positions was as under:

- Nausad Alam, ADM Nalanda, from 07/07/2021 to till the date.
- Mr. Zafar Iqbal, Executive Officer from 02/07/2021 to till the 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	Internal Audit Annual (2017-2018)	12	0	0	0	0	12	Not Complied
2	Internal Audit Annual (2018-2019)	12	0	0	0	0	12	Not Complied
3	AG (2019-20)	26	26	0	0	NA	2	Partly Complied
4	Internal Audit Annual (2019-2020)	15	0	0	0	0	15	Not Complied



4. Finance

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

Year	2018-19	2019-20	2020-21
Final/Revised Budget	61,64,52,490.00	62,64,89,889.00	74,08,24,905.40
Actual Expenditure	14,78,98,813.00	12,32,14,881.00	10,54,92,163.02
Savings (+)/ Excess (-)	46,85,53,677.00	50,32,75,008.00	635332742.38

Note: Actual expenditure for the FY 2020-21 has been taken from the cash books Maintained at Rajgir ULB.

II. Volume of transactions

Period	Budgeted (2020-21)	Previous Year (For One Year) (2019-20)	Current Year FY (2020-21)
Opening balance	29,26,92,808.00	368080640	307625036.7
Receipts	7,72,15,00,08.70	126583931	19,36,28,786.70
Total	1,06,48,42,816.70	494664571	501253823.40
Net expenditure	74,08,24,905.40	123214881	10,54,92,163.02
Closing balance	32,40,17,911.30	371449690	395761660.38

III. Bank Reconciliation: - During the course of audit, we found that Rajgir Nagar Panchayat is not in practice to prepare Bank Reconciliation Statement.

Details Of Closing Balance: -

Sl. No.	NAME OF BANK	SCHEME NAME	ACCOUNT NO.	BAL. AS PER CASH BOOK	BAL AS PER PAS BOOK	DIFF.	BRS PREPARED/ NOT PREPARED
1	PNB	Holding Tax Online	6677000100047284	6360061.70	6360061.70	0	Not Prepared
2	Madhya Bihar Gramin Bank	Holding Tax Online	71900100113597	9401309.38	9637103.38	235794	Not Prepared
3	Bank Of Baroda	Mobile Tower Tax	44810100006611	4871102	4871102	0	Not Prepared
4	PNB	Kabir Anthesti	667700010005157	43115	76116	33001	Not Prepared
5	PNB	Awas Yojna	6677000100079609	19563502	19563503.24	1.24	Not Prepared



6	PNB	E-Governance	6677000100061451	60751	60751	.50	Not Prepared
7	PNB	Sairat	6677000100012288	8659051.66	9109051.66	450000	Not Prepared
8	Central Bank Of India	SJSRY	1560639701	823707	823707	0	Not Prepared
9	Central Bank Of India	SJSRY (Day NULM)	1560639698	6954898.80	6954898.80	0	Not Prepared
10	Central Bank Of India	BRGF	3019648803	637851	637851	0	Not Prepared
11	Bank Of Baroda	SBM	44810100002623	2980801	2980801	0	Not Prepared
12	Bank Of Baroda	SRLM	44810100002002	328361	328361	0	Not Prepared
13	Axis Bank	Malmas Mela	918010037983342	1327467	1327467	0	Not Prepared
14	Bank Of Baroda	IDSMT	44810100002689	3932708	3932708	0	Not Prepared
15	Central Bank Of India	Mukhya Mntri Sehri Vikas	3035311696	365165	365164	0	Not Prepared
16	State Bank Of India	SD & Other Deduction BOQ	6600010005148	5885960	5885960	0	Not Prepared
17	Treasury Balnace	Various Scheme	PLA 249	261380987	261652511	271524	Not Prepared
TOTAL				333576753.74	334567073.48		

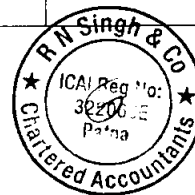
Note: - There is difference in total of closing balances as per cashbook and closing reflecting in volume of transaction due to opening difference. Opening difference has been mentioned in Report of QTR. 1. Existing irregularity happens due non-maintenance of General Cashbook which is mentioned on point no. 8 of discussion note.

IV. Revenue & Capital Receipts Information: -

Income Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19	2017-18	2019-20	2018-19	2020-21	2019-20
		Annual	Annual	Annual	Annual	Annual	Annual
	Total Receipts (A+B)	22,48,32,297.00	15,81,83,651.00	12,65,83,931.00	22,48,32,297.00	19,36,28,786.70	12,65,83,931.00
A.	Revenue Receipts (1+2+3)	9,43,91,676.00	2,73,46,643.00	11,64,33,736.00	9,43,91,676.00	2,39,73,761.70	11,64,33,736.00
1	Own Revenue Receipts (a+b)	25,40,611.00	63,92,108.00	1,15,68,989.00	25,40,611.00	1,32,57,059.70	1,15,68,989.00



a)	Tax Revenue (levied and collected by municipal body)	22,79,368.00	34,54,611.00	17,82,470.00	22,79,368.00	1,32,57,059.70	17,82,470.00
i)	Property tax	19,92,695.00	13,90,006.00	14,11,121.00	19,92,695.00	92,39,187.70	14,11,121.00
ii)	Other tax (levied and collected by municipal body)	2,86,673.00	20,64,605.00	3,71,349.00	2,86,673.00	40,17,872.00	3,71,349.00
b)	Non-tax revenue (levied and collected by municipal body)	2,61,243.00	29,37,497.00	97,86,519.00	2,61,243.00	-	97,86,519.00
i)	Fees & fines	-	-	-	-	-	-
ii)	User Charges	-	-	-	-	-	-
iii)	Other non-tax revenue (levied and collected by municipal body)	2,61,243.00	29,37,497.00	97,86,519.00	2,61,243.00	-	97,86,519.00
2	Other Revenue Receipts	95,42,137.00	22,89,671.00	41,10,692.00	95,42,137.00	19,34,424.00	41,10,692.00
a)	Income from interest/investments	7,06,686.00	10,06,797.00	24,00,109.00	7,06,686.00	-	24,00,109.00
b)	Other Revenue income	88,35,451.00	12,82,874.00	17,10,583.00	88,35,451.00	19,34,424.00	17,10,583.00
3	Transfers/ Grants/ Assigned Revenues	8,23,08,928.00	1,86,64,864.00	10,07,54,055.00	8,23,08,928.00	87,82,278.00	10,07,54,055.00
a)	State Assigned Revenue	-	4,63,377.00	-	-	-	-
b)	State Finance Commission (SFC) Grants/ Devolution	4,60,65,508.00	51,82,619.00	5,80,00,559.00	4,60,65,508.00	87,82,278.00	5,80,00,559.00
c)	Octroi compensation	-	-	-	-	-	-
d)	Other State Govt. Transfer	-	1,30,18,868.00	49,26,123.00	-	-	49,26,123.00

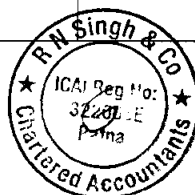


e)	Central Finance Commission (CFC) Grant	4,41,243.00	-	3,74,87,853.00	4,41,243.00	-	3,74,87,853.00
f)	Other Central Govt. Transfer	-	-	-	-	-	-
g)	Others	3,58,02,177.00	-	3,39,520.00	3,58,02,177.00	-	3,39,520.00
B.	Capital Receipts	13,04,40,621.00	13,08,37,008.00	1,01,50,195.00	13,04,40,621.00	16,96,55,025.00	1,01,50,195.00
1	Sale of Municipal Land	-	-	-	-	-	-
2	Loans (from State Govt. or Banks etc.)	-	-	-	-	-	-
3	State Capital Account Grant (under State Schemes etc.)	6,81,33,768.00	10,48,94,199.00	5,15,74,552.00	6,81,33,768.00	16,45,48,730.00	5,15,74,552.00
4	Central Capital Account Grant (under Central Schemes etc.)	6,23,06,853.00	2,59,42,809.00	84,15,100.00	6,23,06,853.00	51,06,295.00	84,15,100.00
5	Other Capital Receipts	-	-	6,27,091.00	-	-	6,27,091.00

V. Revenue and Capital Expenditure Information: -

Expenditure Details (Amounts to be provided in Rupees)

Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19	2017-18	2019-20	2018-19	2020-21	2019-20
		Annual	Annual	Annual	Annual	Annual	Annual
	Total Expenditure (1+2)	14,78,98,813.00	14,78,98,813.00	12,32,14,881.00	14,78,98,813.00	105492163.02	12,32,14,881.00
1	Revenue Expenditure	7,76,09,693.00	5,14,14,020.00	4,00,65,453.00	7,76,09,693.00	2,27,74,457.10	4,00,65,453.00
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and	2,55,84,499.00	1,51,68,390.00	2,09,40,755.00	2,55,84,499.00	1,96,58,601.00	2,09,40,755.00

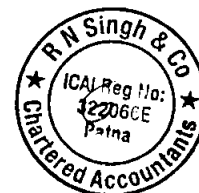


	Contractual Staff)						
1.2	Operation and Maintenance (O&M)	3,77,253.00	18,86,190.00	3,17,75,400.00	3,77,253.00	58000.00	3,17,75,400.00
1.3	Loan repayment (Interest payments)	0	0	48	0	0.00	48
1.4	Others(any other revenue expenditure which is not salaries, O&M or Interest Payment)	51647941	3,43,59,440.00	1,59,49,250.00	51647941	30,57,856.10	1,59,49,250.00
2	Capital Expenditure	7,02,89,120.00	9,85,10,792.00	8,31,49,428.00	7,02,89,120.00	82717705.92	8,31,49,428.00
2.1	All developmental works under Central/State specific schemes	3,83,67,514.00	3,38,21,906.00	8,22,98,858.00	3,83,67,514.00	77006988.16	8,22,98,858.00
2.2	Loan Repayments (Principal Amount)	0	0	0	0	0	0
2.3	Other Capital expenditure	3,19,21,606.00	6,46,88,886.00	8,50,570.00	3,19,21,606.00	57,10,717.76	8,50,570.00

Note: - As per above reporting format, details of expenditure have not been accounted in the concerned ULB premises, during audit we prepared the above Expenditure details from the Subsidiary Cash Books maintained at ULB. Further, expenditure head is also not properly classified in the Cash Books.

VI. Status of implementation of Double Entry Accounting System:

- Tibrewal Chand & Co (Rourkela, Odisha) has started doing double entry accounting system.
- Year wise Status of DEAS are as follows;
 - FY- 2014-15: Completed.
 - FY- 2015-16: Completed.
 - FY- 2016-17: Completed.
 - FY- 2017-18: Completed.
 - FY- 2018-19: Completed.
 - FY- 2019-20: Completed.
 - FY- 2020-21: In Process.
- Interval of accounting entry passed in tally: Daily Basis
- Preparation of Fixed Asset Register: In Process.
- Opening Balance Sheet: Not Prepared.
- Annual Financial Statement: Not Prepared.
- Tally License Id: nagarpanchayatrajgir@gmail.com
- Tally Serial No.: 766646982
- Installed In: Rajgir Nagar Panchayat System.



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, first time municipal Accounts Committee was formed in 2020-21

and members thereof was following:

- Ramesh Rajvanshi, Ward Parshad
- Birju Rajvanshi, Ward Parshad and
- Anil Kumar, Ward Parshad

However, in the quarter any meeting or act were not performed by the Committee.

3. Summary Audit Observations

Part – A (Monetary Implication):

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

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

(i) Mobile Tower Collection:

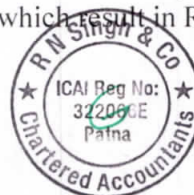
Audit Objective – As per Point No. – 5 of TOR

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 **19** (Nineteen) Mobile Towers registered with this ULB up to **31.03.2020** after that no detail provide in this regard during the course of audit.

Consequence Effect/ Impact - Due to poor internal control viz. non-collection of Tower Rent within prescribe time line, there are revenue loss to the ULB and interest loss thereon.

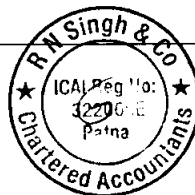
Cause– We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval, the ULB has no proper mechanisms for supervision and monitoring of the Tower Rent due to which result in Revenue leakage.



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

Sl. No.	Mobile Name	Registration Fee	Renewal Fee	Total	Interest (1.5 % per month)	Total due
1.	Bhartye Infratel Alankar(2008-09)	0				
2.	Reliance communication ltd (2007-08)	30000				
3.	Reliance communication ltd (2007-08)	30000				
4.	Vodafone Spacetel Ltd(08-09)	0				
5.	Vodafone Spacetel Ltd(08-09)	0				
6.	Reliance Jio ltd (2013-14)	0				
7.	Reliance Jio ltd (2013-14)	0				
8.	Wireless T.T.Info Service Ltd (09-10)	30000				
9.	Dishnet Wireless ltd (08-09)	30000				
10.	Bhartye Teliventures ltd (2004-05)	0				
11.	BSNL(2007-08)	30000				
12.	Wireless T.T.Info Service Ltd (08-09)	30000				
13.	HTC Telecomm corp. ltd.(12-13)	0				
14.	Wireless T.T.Info Service Ltd (08-09)	0				
15.	Wireless T.T.Info Service Ltd (09-10)	30000				
16.	Wireless T.T.Info Service Ltd (09-10)	30000				
17.	Reliance Jio ltd (2013-14)	0				
18.	Postal and	30000				

No details were provided during the course of audit, even after verbal as well as written communication.



	Telegraph Tower		
19.	Reliance Jio ltd (2013-14)	0	
	Total		-
	Less; Received Upto FY 2018-19		-
	Add: Renewal Fee 8000*19		-
	Less; Received up to 4 th qtr. FY (19-20)		-
	Amount Due		-

(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 we observe that internal Control regarding Property Tax is very poor total taxable properties in the area of Rajgir ULB had been not assessed till the date of audit and among the assessed property we have found so many property holders that are not paying property tax from a long time.

Further, there is no such data, document or register exist which depict the paid and outstanding amount of each and every taxpayer. ULB is in vogue to receive the property tax recalling from the last challan of payment as shown by tax payee.

Consequence / Effect / Impact - Due to non-deposit of Tax on due time, ULBs is suffering from Revenue Loss also fund 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 – ULB should prepare a Register listing all the tax payee's amount outstanding and due, along with develop a mechanism for proper collection, 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.

(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 - During verification of property tax we observe that internal Control regarding Property Tax is very poor total taxable properties in the area of Rajgir ULB had been not assessed till the date of audit and among the assessed property we have found so many property holders that are not paying property tax from a long time. Further, there is no such data, document or register exist which depict the paid and outstanding amount of each and every taxpayer. ULB is in vogue to receive the property tax recalling from the last challan of payment as shown by tax payee. It should take necessary action for collection of the same, resulting it may a major revenue loss to 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.

Demand, Arrear, Collection - Register is not prepared at ULB and also no data was provided by ULB during the course of audit so that we can compute the arrear or outstanding property tax and loss of interest thereon.

(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– No such case observe.

Consequence / Effect / Impact- Not Applicable.



Cause– Not Any.

Corrective Action / Recommendation– Not any

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

No such cases found where any excess payment was made against any bill during the course of audit.

Details of some cases checked during the course of audit;

Date	Particulars	Amount	Remarks
03/04/2020	Ampananad Kumar	60992	Mukhyamantri Nali Gali
11/5/2020	Suraj Singh, Ward 13	521788	Mukhyamantri Nali Gali
01/07/2020	Pramod Kumar Singh	21919	-
		14432	Driver
01/08/2020	Honorarium	189130	Water Supplier
01/10/2020	M/S Sudama Services	171260	Fuel
02/11/2020	Clean India, Patna	2798000	Dustbin
09/01/2021	Telecom Electronic, Patna	199479	Radio Licence
01/02/2021	Indra Enterprises	584000	Hand Trolley

c. Report on findings of field survey and calculation of property tax of minimum 20 high value properties;

Report on field survey of 20 high value properties

High Value property list was not provided by ULB even after verbal as well as written communication resulting, we were not able to conduct survey of High value property.

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

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

Part-B (Non-Monetary Implication):

All Audit objections/irregularities 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	Procurement Register	Not Maintained
5	Pay Roll Register	Not Maintained
6	Leave Register	Maintained
7	File Movement Register	Not Maintained
8	Temporary Advances to Staff	Not Maintained
9	Grant Register	Allotment Register
10	Journal Register	Not Maintained
11	Ledger Register	Not Maintained
12	Store Register	Maintained but not update
13	Capital Goods Consumable/non-consumables	Not Maintained
14	Investment Register	NA

b. **Irregularity in procurement process:** - No procurements were made during this period.

c. **Non-compliance of directives by UD & HD, Government of Bihar:** -Details of Directives issued by UD & HD has not been provided to us during the course of audit, so we are unable to check compliance of the same.

d. **Non-compliance of Act & Rules:** -

Sr. No.	Requirement	Criteria	Auditors Comment	Management Comment
1.	The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day on which collection is made.	BMAR Rule No.- 22	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 bank on the same date.	<i>Refer Discussion Note</i>
2.	Whether The Chief Municipal Officer prepare a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.	BMAR Rule No.- 120	No, ULB was not preparing a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.	<i>Refer Discussion Note</i>
3.	Whether ULB prepare monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.	BMAR Rule No.- 121	No, ULB was not preparing monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.	<i>Refer Discussion Note</i>
4.	Whether ULB sent the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter	BMAR Rule No.- 121	The ULB was not maintaining and sending the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following	<i>Refer Discussion Note</i>



			each quarter.	
5.	Whether the municipality is regular in depositing statutory dues including tax deducted at source, GST, TDS on GST, Service tax, VAT, works contract tax, cess payable to the government etc. and If not, the nature and cause of such delay and the amount not deposited: (BMAR Rule No.-130)	BMAR Rule No.-130	We observed that ULB was not regular in compliance of statutory dues.	<i>Refer Discussion Note</i>
6	Whether the Bank Reconciliation statements have been properly prepared for all the bank accounts of the ULB and the remedial actions including all correcting entries have been taken on timely basis;	BMAR Rule No.-130	Bank reconciliation statements has not been prepared by the ULB.	<i>Refer Discussion Note</i>
7.	Whether, proper books of account as required by the Act and Rules have been kept by the Municipality so far as It appears from examination of those books. (Rule-130 of BMAR-2014)	BMAR Rule No.-130	No, some required books of accounts as per BMAM/ BMAR has not been maintained.	<i>Refer Discussion Note</i>
8.	Whether The Chief Municipal Officer shall, within four months of the close of a year, cause to prepare a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality.	BMA,2007 : Chapter XII	No, ULB was not preparing a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in Respect of the accounts of the Municipality.	<i>Refer Discussion Note</i>
9.	Section 145,146 and 147 of the Bihar Municipal Act 2007 chapter XVII provides for Advertisement tax on Advertisement in Urban Areas. Chapter XVII of the Bihar municipal Act, 2007 required license of Advertisement of any holding, etc.	BMA,2007 : Chapter XV	Advertisement Tax has not been levied by the ULB. There has not been any system developed for the levy of advertisement tax.	<i>Refer Discussion Note</i>

e. Lack of internal control measures: -

1. 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.
2. During the course of audit, we have observed that there is huge shortage of shelf and almirah for proper up keeping of records and registers. We have observed that files and registers are lying here and there in haphazard manner.
3. During verification of property tax collection receipt and tax deposit receipt we have found that property tax collected by the tax collector is not deposited to the ULB on the same date.
4. Advance and Recovery register is not maintained by Rajgir Nagar Panchayat.



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

Deduction of GST TDS, IT TDS, Royalty & Labour Cess were found on the payment of works contract, but Challan for deposits and Returns were not found during the course of audit.

g. Deficiency in pay-roll system: -

There is no system of Pay-Roll implemented at the ULB. So, we are unable to comment on the same. 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. Further, salary payment of officers – EO & City manager were made at ULB from PLA treasury.

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

Amount of Rs. 177322670 is pending for submission to the concerned department. Details of same has been attached as ANNEXURE -2.

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.

k. Comment on management of Fixed and other Assets: - Fixed Assets Register have not been maintained in concerned ULB and in the absence of above register; it is difficult to verify the same.

l. Report on compliance of financial guidelines of schemes of MOHUA and UD & HD, GoB: -

Financial guidelines of schemes of MOHUA and UD & HD, GoB have been not complied by the ULB. Such as;

1. 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 bank on the same date.
2. ULB was not preparing a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in Respect of the accounts of the Municipality.
3. ULB was not preparing a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.

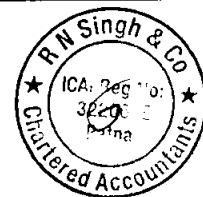


4. ULB was not preparing monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.

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

PART – C (Other)

Sl. No.	Particular	Remarks/ Observation																																				
a.	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above 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"> <thead> <tr> <th>Date</th> <th>Particulars</th> <th>Amount</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>03/04/2020</td> <td>Ampananad Kumar</td> <td>60992</td> <td>Mukhyamantri Nali Gali</td> </tr> <tr> <td>11/5/2020</td> <td>Suraj Singh, Ward 13</td> <td>521788</td> <td>Mukhyamantri Nali Gali</td> </tr> <tr> <td>01/07/2020</td> <td>Pramod Kumar Singh</td> <td>21919</td> <td>-</td> </tr> <tr> <td>01/08/2020</td> <td>Honorarium</td> <td>14432 189130</td> <td>Driver Water Supplier</td> </tr> <tr> <td>01/10/2020</td> <td>M/S Sudama Services</td> <td>171260</td> <td>Fuel</td> </tr> <tr> <td>02/11/2020</td> <td>Clean India, Patna</td> <td>2798000</td> <td>Dustbin</td> </tr> <tr> <td>09/01/2021</td> <td>Telecom Electronic, Patna</td> <td>199479</td> <td>Radio Licence</td> </tr> <tr> <td>01/02/2021</td> <td>Indra Enterprises</td> <td>584000</td> <td>Hand Trolley</td> </tr> </tbody> </table>	Date	Particulars	Amount	Remarks	03/04/2020	Ampananad Kumar	60992	Mukhyamantri Nali Gali	11/5/2020	Suraj Singh, Ward 13	521788	Mukhyamantri Nali Gali	01/07/2020	Pramod Kumar Singh	21919	-	01/08/2020	Honorarium	14432 189130	Driver Water Supplier	01/10/2020	M/S Sudama Services	171260	Fuel	02/11/2020	Clean India, Patna	2798000	Dustbin	09/01/2021	Telecom Electronic, Patna	199479	Radio Licence	01/02/2021	Indra Enterprises	584000	Hand Trolley
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b.	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-.	No procurements were made during 4 th Qtr. FY 2019-20. Hence, no irregularities found in procurement process during this period.																																				
c.	Verify instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	We have verified such instances and found some irregularities. Details of irregularity have been annexed in Executive Summary in Observation Para, and recommendations have also been annexed in Recommendation in Executive Summary.																																				



d.	Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. has been deducted from the payments as applicable, deposited properly and also should be properly recorded in appropriate ledgers.	We observed that statutory compliance has not been accomplished by ULB regarding deduction, deposit and return also. Details of major statutory irregularities are: <ul style="list-style-type: none"> • TDS return has not been filled. • TDS have not been deposited appropriately. • Royalty & Labor Cess has not been deposited appropriately. • GST liability has not been settled till the date of audit. Penalty and Interest may be levied on ULB as per Statutory Laws.
e.	Whether all the C&AG audit & Internal audit Paras has been complied by the ULBs	No, Internal audit paras of FY 2016-17 & previous years has not been complied by the ULB. As Compliance report of the same has not been prepared by the ULB till the date of audit we are unable to check the exact status of compliance of the same.
f.	Any Other deficiencies noticed during the audit to improve internal control systems	It was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.



4. Detail Audit Observations

RISK ASSESSMENT

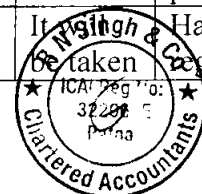
	Name of the ULB	RAJGIR NAGAR PANCHAYAT					
Sr. No.	Observations	Risk Rating	Design Gap	System gap	Operating Gap	Mgt. Comment	Auditor Recommendation

DEMAND GENERATION:

1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	HIGH	No	Yes	Yes	It will be taken care in future.	Demand/Assessment register should be appropriately maintained ward wise with all required details with previous dues assessment year wise before preparation of BUDGET of ULB.
2.	Collusion with Citizen regarding Assessment.	MEDIUM	No	Yes	Yes	It will be taken care in future.	Management should hire Independent Person or Organization for assessment of properties.
3.	Non-Updating Various Register like hand book, DCB register, Assessment registered.	MEDIUM	No	No	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date. Assessment Register has not been maintained.
4.	Others	-	-	-	-	-	-

RECEIPTS AND BANKING:

1.	Error in collections, loss of receipts and perpetrated frauds	HIGH	Yes	Yes	Yes	It will be taken care in future.	Management should ensure implementation of the system to serve notice to the property holders who are not depositing the holding tax. Further, management should ensure that the amount which is collected has to be deposited as per prescribed norms.
2.	Non-updating various register like hand book,	MEDIUM	No	No	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date.



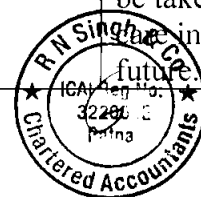
	DCB register, cash book, etc.					care in future.	date. It should be updated on daily basis.
3.	Collusion with the citizen and the ULBs staff to make wrong assessments of income	HIGH	No	No	No	It will be taken care in future.	Management should segregate the work regarding collection, demand initiation, notice serving, balancing of demand and collection register, and assessment of properties.
4.	Others	-	-	-	-	-	-

REVENUE EXPENDITURE:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	-	No Such cases found.
4.	Perpetrated fraud (Like payment more than one time on same bill)	HIGH	No	No	No	-	No Such cases found.
5.	Non-updating various register like Bill register with payment fig., etc.	MEDIUM	No	No	No	-	No Such cases found.
6.	Others	-	-	-	-	-	-

ESTABLISHMENT EXPENDITURE:

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



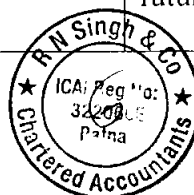
	advance register, etc.						possible.
7.	Others	-	-	-	-	-	-

CAPITAL EXPENDITURE:

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

PROCUREMENT AND INVENTORY:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication/Procedural error	HIGH	No	No	No	-	No Such cases found.
4.	Collusion with contractor	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same contractor)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like store register, issue register, bill register with payment fig., advance	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	These registers was not maintained properly but separate payment files was present.



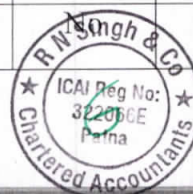
	register, etc.						
7.	Others	-	-	-	-	-	-

GRANT AND LOANS AND UTILISATION THEREOF:

1.	Non utilization of grant or grant unspent.	MEDIUM	No	No	No	It will be taken care in future.	The unspent grant should be refunded to the department which has not been utilized yet.
2.	Not furnishing of UC	HIGH	No	No	Yes	It will be taken care in future.	UC should be furnished within the timeline prescribed by the department.
3.	Non fulfillment of condition part thereto	MEDIUM	No	No	No	-	-
4.	Perpetrated fraud (Like payment more than one time same contractor)	HIGH	No	No	No	-	-
5.	Non-updating various register like grant register, work register, bill register with payment fig., advance register, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Only Contractor files are maintained. Registers should be maintained as quickly as possible.
6.	Others	-	-	-	-	-	-

FIXED DEPOSITS AND INVESTMENTS:

1.	Not deposited at appropriate time (loss of revenue)	HIGH	Yes	Yes	Yes	It will be taken care in future.	No tradition of Fixed Deposit & Investments in RAJGIR Nagar Panchayat. Management should invest or open swipe account to get more interest income.
2.	Loss of Investment certificate	HIGH	No	No	No	-	-
3.	Non fulfillment of condition part thereto	MEDIUM	No	No	No	-	-
4.	Collusion with bank	HIGH	No	No		-	-



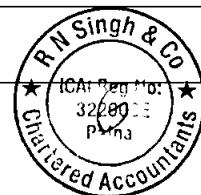
	officials to invest at lower rate						
5.	Deposit into Current account	MEDIUM	No	No	No	-	-
6.	Non-updating various register like investment register, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Investment Register, Bank Book has not been maintained/up to date by the ULB. It should be maintained on daily basis.
7.	Others	-	-	-	-	-	-

LOANS AND ADVANCES:

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

List of Important Registers

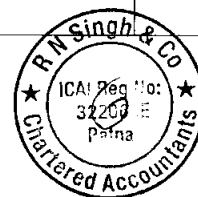
Name of the ULB	RAJGIR NAGAR PANCHAYAT
RISK RATING:	MEDIUM
CAG OBSERVATIONS STATUS	NOT AVAILABLE
PERIOD:	01/04/2020 to 31/03/2021



Sl. No.	Particulars	Audit Observation	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Cash Book	Subsidiary Cash Book has been maintained by the ULB but General Cash Book is not maintained and entry made in cash book was not on real time basis.	Due to non-updation of cash book on real time basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Ledger	Ledger is being prepared by DEAS team in tally not by ULB.	Due to this segregation of head wise balance is difficult. It becomes difficult to prepare appropriate financial statement.	It will be taken care in future.	Not Resolved
3.	Journal	Journal Register has not been maintained.	Due to this amount receivable & payable is not ascertainable. Advances have been accounted as income & expenditure.	It will be taken care in future.	Not Resolved
4.	Register for Journal/ Magazines/Newspapers	Not-Maintained	This may leads to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	Register for Temporary Advances	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
6.	Register of Money Orders/Bank Draft Received	Maintained	-	-	-
7.	Cheque Issue Register	Maintained	-	-	-
8.	Register of Remittances made into bank	Maintained	-	-	-
9.	Bank Passbook	Maintained	-	-	-



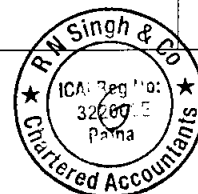
10.	Register of Bank drafts dispatched.	Maintained	-	-	-
11.	Bill Register	Maintained	-	-	-
12.	Establishment Register	Maintained	-	-	-
13.	Stock Register	Not-Maintained	It may leads to misplacement of Store.	It will be taken care in future.	Not Resolved
14.	Capital Goods / Consumable articles, non-consumable articles and	Not-Maintained	It may leads to misplacement of Capital Goods/Consumable articles & non-consumable article.	It will be taken care in future.	Not Resolved
15.	Statutory Deduction Register	Not-Maintained in register only prepared in excel sheet head wise but not authorised.	It may leads to statutory irregularities. Delay in deposit of deducted amount further leads to interest @ 1.5% per month. Further, filling of return may be affected.	It will be taken care in future.	Not Resolved
16.	Fixed Assets Register	Not-Maintained	It may leads to misplacement of fixed assets.	It will be taken care in future.	Not Resolved
17.	Grant Register	Not-Maintained	It may lead to delay in preparation and submission of UC. It may also affect the utilization of fund.	It will be taken care in future.	Not Resolved
18.	Scheme Register	Maintained	-	It will be taken care in future.	-
19.	Monthly accounts of Receipts/Payments	Not-Maintained	Due to this segregation of head wise balance is difficult.	It will be taken care in future.	Not Resolved
20.	Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved



21.	Dispatch Register	Maintained	-	It will be taken care in future.	-
22.	File Register	Not-Maintained	It may leads to misplacement of files.	It will be taken care in future.	Not Resolved
23.	Any other (Name of the register)	-	-	-	-

Cash and Bank

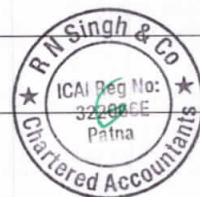
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	CAG OBSERVATIONS STATUS	NOT AVAILABLE				
	PERIOD:	01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Check whether there is no any undue delay in presentation of cheque/DD received, to bank,	No Such cases Found.	-	-	-	-
2.	Whether cheque/ draft issue/ receipt/ dishonored register have been maintained as per prescribed form (As Per BMAM) & entry are made on properly, accurately & timely basis.	Only Cheque issue register maintained.	-	Due to non-maintenance of cheque receipt & dishonored register preparation of bank reconciliation statement is very difficult.	It will be taken care in future.	Not Resolved
3.	Whether banking transactions (receipts & Payments) are matched with cash book, Cheque issue register, collection register, etc., Verify the same with Bank statement & BRS,	Yes	-	-	-	-



4.	Whether cheque issue register are matched with	Yes	-	-	-	-
5.	Whether proper steps has been taken for dishonored cheque, it was realized in cash or not,	Yes	-	-	-	-
6.	Whether Bank Reconciliation has been made for each account, verify the status of BRS, (attached BRS as annexure)	Not Prepared.	-	It may lead to mis-appropriation of fund.	It will be taken care in future.	Not Resolved
7.	Check whether no any fraud payment or payment to other person has been made,	No such cases found.	-	-	-	-
8.	Whether bank statement for all account have been promptly received from bank.	Yes	-	-	-	-
9.	Number of Bank account maintained	16	-	-	-	-
10.	Original copy of cancelled receipt is attached with duplicate copy with "CANCELLED" marked on it.	No such cases found.	-	-	-	-
11.	Liability for stale cheques account review is done and necessary reversal entries are passed	No such cases found.	-	-	-	-
12.	Any other	-	-	-	-	-

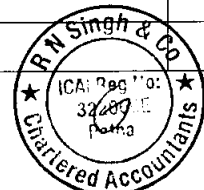
Public Works

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



PERIOD: 01/04/2020 to 31/03/2021

Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB,	Yes	-	-	-	-
2.	Whether bill has been signed by proper in charge,	Yes	-	-	-	-
3.	Whether the bill has been checked by the accountant with the MB (also compare the qty.), estimate, agreement, previous bill (in case of running agreement)	Yes	-	-	-	-
4.	Verify whether any payment made for removing /dismantling material which have scrap value must be indicated in the bill,	No such cases found.	-	-	-	-
5.	Whether measuring has done by the engineer concerned,	Yes	-	-	-	-
6.	Whether expenditure on construction of work was debited to WIP & verified with MB maintained,	Yes	-	-	-	-
7.	Whether master roll(machine numbered & authorized) has been maintained for details of store, specifying:	Not Maintained	-	It may leads to fraud & Defalcation.	It will be prepared in future.	Not Resolved
	Date of Issue,	No	-	-	-	Not Resolved
	Name of subordinate,	No	-	-	-	Not Resolved
	Name of work,	No	-	-	-	Not Resolved



	Number of labour,	No	-	-	-	Not Resolved
	Period of engagement,	No	-	-	-	Not Resolved
	Details of payment(date, Amount, Cheque no, etc.)	No	-	-	-	Not Resolved
8.	Whether the same has been periodically verified.	No	-	-	-	Not Resolved
9.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-

Cash Book

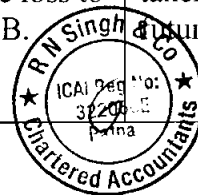
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	CAG OBSERVATIONS STATUS	NOT AVAILABLE				
	PERIOD:	01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether Opening Balance & Closing Balance was worked out or not,	General Cash Book & Subsidiary Cash Book has been maintained by the ULB but entry made in cash book was not on real time basis.	-	Due to non-closing of cash book on real time basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Whether posting of receipt & payment side of cash book are properly maintained & it was matched with proper evidence like Receipt Voucher,	Yes	-	-	-	-



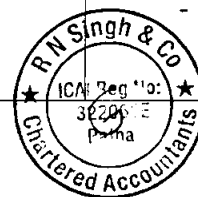
	Cheque issue Register, Bank Statement, etc.,					
3.	Whether posting in on daily basis,	No	-	Some entries may be forgotten.	It will be taken care in future.	Not Resolved
4.	Whether there is any clerical error (casting or/and posting error, etc) or not,	No	-	-	-	-
5.	Whether any delay in deposit of amount of collection by cashier,	In most of the cases any amount collected is deposited about a week delay.	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
6.	conduct physical verification of cash and report heavy cash balance if any	No discrepancies found in this regard.	-	-	-	-
7.	Any Other	No	-	-	-	-

Collection

	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	Name of Tax Collector	Birju Prasad, Arvind Kumar, Shambhu Kumar & Ranjeet Kumar				
	PERIOD:	01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether collection procedure are as per guidelines/direction of ULB,	Yes	-	-	-	-
2.	Whether collections are made on the basis of Demand & Collection Register,	Demand & Collection register has not been maintained.	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved



3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt vouchers are properly vouched so that no any variation in posting the same,	Yes	-	-	-	-
4.	Whether collections are bifurcated in different heads as required,	Yes	-	-	-	-
5.	Whether a separate bank account has been maintained for each circle, (for PMC only)	-	-	-	-	-
6.	Whether all collections are made in proper "Receipt Voucher Book" having same serial number which was actually issued to TC,	Yes	-	-	-	-
7.	Whether all collections made during the day are account for & banked on next working day or there is any teaming & lading,	In most of the cases any amount collected is deposited about a week delay	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
8.	Whether no any collection are directly expended without prior approval,	No such cases found.	-	-	-	-
9.	Whether collections are made by all the holding fall under the same TC or Civics Centre,	No, Collections were not made by all the holding.	-	It will affect municipality fund.	It will be taken care in future.	Not Resolved
10.	Whether government share of collections (like Education cess &	No Such cases found.	-	-	-	-

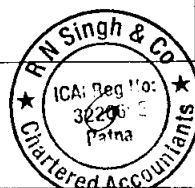


	health cess) are properly & timely deposited in its own account, (if applicable)					
11.	Whether there is any short/non collection or short deposit or not deposit,	No Such cases found.	-	-	-	-
12.	Whether penalty(@2% P.M/ 1.5%) has been duly charged on late payment,	Yes	-	-	-	-
13.	Whether daily collections are entered into hand book, collection register maintained by TC & it should be properly entered in demand & collection register,	Daily Collection register has Not been Properly Maintained.	-	It leads to interest revenue loss to the ULB	It will be taken care in future.	Not Resolved
14.	Whether collection by way of cheque are properly banked & credited into account,	Yes	-	-	-	-
15.	Whether any refund/remission granted are admissible under the law and that have been duly sanctioned,	No Such cases found.	-	-	-	-
16.	Whether any immediate steps has been taken or not for cheque dishonored received,	No Such cases found.	-	-	-	-
17.	Whether reversal of payment has been made for any dishonored cheque.	No Such cases found.	-	-	-	-

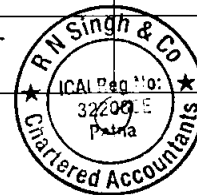


Demand

	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	Name of Tax Collector	Birju Prasad, Arvind Kumar, Shambhu Kumar & Ranjeet Kumar				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Ensure whether closing balance of previous year is accurately brought forward,	Opening and closing balance has not been quantified due to non-maintenance of Demand Register.	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved
2.	Whether determination of demand is on manual or computerized way, & it would be as per updated rules, regulation, guidelines & other required details for proper calculation,	ULB is not being in practice to raise the demand. No proper details are recorded in the manual register.	-	It may leads revenue loss to the ULB.	It will be taken care in future.	Not Resolved
3.	Whether data for calculation is correct & properly verified by appropriate authority/ Internal Auditor by way of physical survey,	No verification is being conducted by appropriate authority however we have done physical survey of 20 high value properties and no variance found.	-	-	-	-
4.	Whether revision of valuation of holding properly made after	Last Updated in 2017.	-	-	-	-



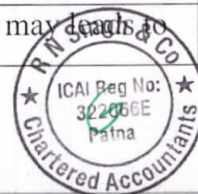
	specified period					
5.	Whether any refund/remission granted are admissible under the law and that have been duly sanctioned,	No Such cases found.	-	-	-	-
6.	Ensure whether there is any clerical error in calculation,	No Such cases found.	-	-	-	-
7.	Whether demand register in prescribed format is maintained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



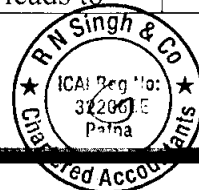
	charged on late payment,					
14.	Whether Demand, Collection & Balance Register has been prepared on daily basis for all receipts or not, & it would be authorized by proper authority or not,	Not Maintained in prescribed format & also not updated.	-	It may leads to revenue losses.	It will be taken care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

Establishment

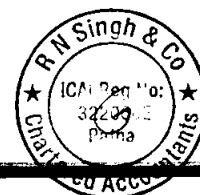
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether establishment expenditure is sanction by authorized person & it has been within sanctioned limit,	Yes	-	-	-	-
2.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



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



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



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

Grant

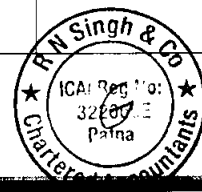
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Maintenance/Updation register regarding details of funds received and expenditure.	Yes	-	-	-	-
2.	Any diversion/re-appropriation of funds not covered under the provision of BMA, 2007 should be pointed out for remedial action.	No Such cases found.	-	-	-	-
3.	To check whether utilization certificate is for actual utilization of funds received .	Yes	-	-	-	-
4.	It should also be checked that utilization certificate is issued as per prescribed time frame given in the Manual and issue of UCs is not delayed.	We have found some cases where UCs is not prepared on time. However we have guided to prepare it.	456.68 Lakh	It may leads to mis-utilization of fund.	It will be taken care in future.	In Process



5.	Internal Auditor should also check whether expenditure incurred on each activity does not exceed the budget.	No Such cases found.	-	-	-	-
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Payment of bills of contractors

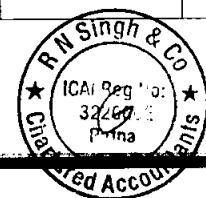
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Original bill duly signed by contractors is submitted.	Yes	-	-	-	-
2.	Contractor has put his initials in all cuttings and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



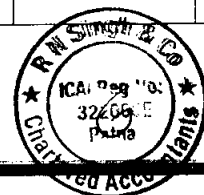
	before passing the bills.					
9.	Every final bill is checked in detail with measurement books.	Yes	-	-	-	-
10.	Cash/Bank Vouchers to be checked for authorization etc.	Yes	-	-	-	-
11.	Overall review of the books of accounts.	Yes	-	-	-	-
12.	Position of outstanding advances paid to suppliers/contractors.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

Receipt Voucher

	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	PERIOD:	01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether "Receipt Vouchers" are in the prescribed format & having machined serial number & there is no any manuscript form,	Yes	-	-	-	-
2.	Check;		-	-	-	-
3.	What is the date of printing,	Checked	-	-	-	-
4.	What quantity of serial number was printed out,	Checked	-	-	-	-
5.	What is the date of dispatched, quantity of receipt vouchers & their serial number;	Checked	-	-	-	-
6.	Log book/ Register maintained at printing press regarding printing of "Receipt	Checked	-	-	-	-



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



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

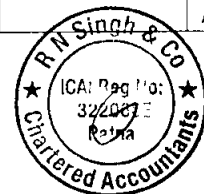
Other Revenue:

1.	Advertisement Tax	No System Developed for collection of advertisement tax.	-	It will affect municipal fund.	It will be taken care in future.	Not Resolved
2.	Tower Tax	Not Collected On time.	1571624.00	It will affect municipal fund.	It will be taken care in future.	In Process
3.	Professional Tax	No professional tax collected.	-	-	-	-
4.	Assigned Revenue (As details annexed)	No Such cases found.	-	-	-	-
5.	Rental Charges (As details annexed)	No any municipal properties given on rent during this period.	-	It will affect municipal fund.	It will be taken care in future.	Not Resolved
6.	Fee & uses Charges (As details annexed)	Collected.	-	-	-	-
7.	Other Revenue Items	-	-	-	-	-

Revenue Expenses

Name of the ULB	RAJGIR NAGAR PANCHAYAT
RISK RATING:	MEDIUM
PERIOD:	01/04/2020 to 31/03/2021

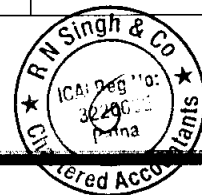
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
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1.	Whether payment is on the basis of Sanction / work order letter & incurred by authorized person.	Yes	-	-	-	-
2.	Whether payment is made through prescribed format.	Yes	-	-	-	-
3.	Whether payment is made without any undue delay or whether any cheque issued are promptly issued to the respective person.	Yes	-	-	-	-
4.	Whether there is bifurcation of responsibility towards person making payment & person preparing MB, receipt of goods, maintenance of payment file, etc.	Yes	-	-	-	-
5.	Whether updation of accounts/books are on proper & timely basis,	Yes	-	-	-	-
6.	Whether authorized person verify & sign the document involve,	Yes	-	-	-	-
7.	Whether data base for the same has been properly maintained & safeguard measures are taken,	No database has been maintained by the ULB.	-	Important information may be lost or stolen.	It will be taken care in future.	Not Resolved.
8.	Whether exact amount (no any over payment) are paid and verified by supporting document, & no any collusion with party,	Yes	-	-	-	-
9.	Whether register for settlement of service bill has been maintained and up to date,	Yes	-	-	-	-



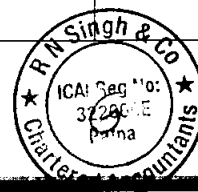
10.	Whether payment made to the same to whom it might be payable and no any second claim in this regard,	Yes	-	-	-	-
11.	Whether payment has been	Yes	-	-	-	-
12.	Whether the expenditure are made with a period & amount as sanctioned,	Yes	-	-	-	-
13.	Whether there is undue rush of expenditure at the end of financial year,	No	-	-	-	-
14.	Whether payment has to be made after confirmation from store,	Yes	-	-	-	-
15.	Whether payment for repairs, etc., has to be made on the basis of logbook maintained,	No Such cases found.	-	-	-	-
16.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-
17.	Confirm whether goods/assets received/accepted on or before 31 st March, where the bill is received after that date have been accounted for (either on the basis of purchase order, tender rate or as per bill),	No Such cases found.	-	-	-	-
18.	Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment,	No Such cases found.	-	-	-	-
19.	Whether all statutory deduction or adjustment	yes	-	-	-	-



	has been made before payment,					
20.	Whether entry of any event during service has been made in service book by authorized person,	Yes	-	-	-	-

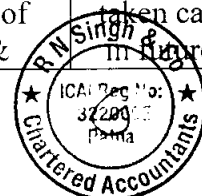
Statutory Requirement

	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether deduction of TDS on payment has been made as per law,	Yes	-	-	-	-
2.	Whether TDS deducted are timely deposited into bank with same amount,	Not deposited on time and also statutory liability register has not been maintained.	-	There may be levied statutory interest/penalty	It will be taken care in future.	Not Resolved.
3.	Whether regulatory requirement for submission of Return has been followed,	No return is being filled.	-	There may be levied statutory interest/penalty	It will be taken care in future.	Not Resolved.
4.	Whether any deduction is made in any act, must be deposited as per their respective act,	Yes but deposited late.	-	There may be levied statutory interest/penalty	It will be taken care in future.	Not Resolved.
5.	Verify whether in case of "through rate" contract, there is no any payment for material, etc. by the ULB	No Such cases found.	-	-	-	-
6.	Any demand is outstanding from regulatory authority for non-compliance.	No Such cases found.	-	-	-	-



Tender Details (Work Order Wise)

	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
	Work order No.	3183/07-11-2019, 3184/07-11-2019				
	PERIOD:	01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts.	Yes	-	-	-	-
2.	To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents.	Yes	-	-	-	-
3.	The important guidelines relating to earnest money, delivery schedule, payment terms, performance warranty/guarantee, inspection, arbitration, liquidated damages/penalty for delayed supplies, purchase on risk and cost were incorporated in the tender documents for safeguarding the interest of corporation.	Yes	-	-	-	-
4.	The purchase proposal was approved by the competent authority. as per delegation of powers	Yes	-	-	-	-
5.	Indent for purchase indicates the details of quantity required, last	Not in prescribed format.	-	There may be chances of fraud &	It will be taken care in future.	Not Resolved.



	purchase rate, period for which stores are needed and name of consignee.			defalcation.		
6.	Approval of mode of procurement	Yes	-	-	-	-
7.	The tender documents are prepared properly and description of items to be procured, quantity and estimated value should be indicated.	Yes	-	-	-	-
8.	To check whether the direction was followed for notification /advertising and opening of bids at notified date, time and place in the presence of bidders.	Yes	-	-	-	-
9.	Award of contract and its execution is as per procedure and guidelines issued by the Govt. of India in view of conditions agreed with the Development partners (DFID, World Bank, & European Union etc.)	Yes	-	-	-	-
10.	To check whether bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available.	Yes	-	-	-	-
11.	To check whether contract was awarded to the lowest evaluated responsive bidders who fulfilled qualification requirements, specified in the tender's documents.	Yes	-	-	-	-
12.	In case of negotiations of prices, it should be checked whether the negotiation was made	Yes	-	-	-	-



	with L1 bidder and all the relevant records thereof were available.					
13.	To check whether articles were received/work was completed in time as per delivery schedule.	Yes	-	-	-	-
14.	The stores/goods are properly recorded in the Stock Registers /Asset Register.	Yes	-	-	-	-
15.	Whether any complaint was received regarding procurement and payment and existence of mechanism for redressal of Complaints	Yes	-	-	-	-

Vehicle Log Book

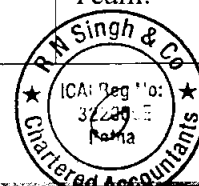
Name of the ULB		RAJGIR NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
PERIOD:		01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether logbook has maintained or not & up to date with proper details like journeys, work undertaken, covering route, visited place, kilometer, etc.,	Yes	-	-	-	-
2.	Whether logbook of journey is maintained in detail & signed by the officials using them,	Yes	-	-	-	-
3.	Whether it should be used for official purpose, otherwise charges are recoverable,	Used only for official purpose.	-	-	-	-



4.	Whether details of fuel for the same has been maintained in log book,	Yes	-	-	-	-
5.	Whether full details of repairs have been maintained & it have been through authorized center,	Yes	-	-	-	-
6.	Whether authorized person have proper check over logbook.	Yes	-	-	-	-

Fixed Assets

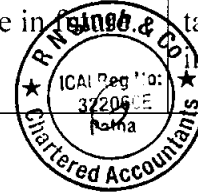
	Name of the ULB	RAJGIR NAGAR PANCHAYAT				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Status on Maintenance of Fixed Assets Register	Not Maintained	-	It will be taken care in future.	Being Prepared by DEAS Team.	Not Resolved
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Unable to comment on it, since fixed asset register is not finalized till now.	-	-	Being Prepared by DEAS Team.	Not Resolved
4.	all fixed assets are acquired only after obtaining approval of the concerned authority	Yes	-	-	-	-
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	Due to non-availability of FA register. Physical Verification is	-	It will be taken care in future.	Being Prepared by DEAS Team.	Not Resolved



		not done.				
6.	Depreciation is provided on each class of fixed assets at the prescribed rates	No Depreciation is provided.	-	It will be taken care in future.	Levied once fixed asset register maintained.	Not Resolved
7.	Asset Replacement Register is properly maintained asset class-wise	No such cases found.	-	-	-	-

Others

Name of the ULB		RAJGIR NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	All permanent changes made in the assessment of buildings and lands have been recorded in this register with reference to the monthly lists, Register of Revision Petitions, Register of Appeal Petitions, and Register of Writes-off.	No assessment has been done in FY 2019-20.	-	It will be taken care in future.	It will be taken care in future.	Not Resolve
2.	Demands of current year and previous year have been reconciled with reference to the above details	Not reconciled due to non-maintenance of demand register.	-	It will be taken care in future.	It will be taken care in future.	Not Resolve
Register of Suits						
1.	All suits filed by the municipality for recovery of any sum due are entered.	Register of Suits filed by ULB has not been maintained by the ULB.	-	It will be taken care in future.	It will be taken care in future.	Not Resolved.
2.	All suits filed against the municipality are entered	Register of Suits filed against ULB has not been	-	It will be taken care in future.	It will be taken care in future.	Not Resolved.



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

General Observations: -

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





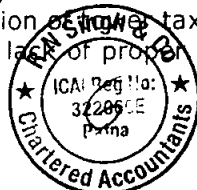
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Patna, Dt:08/04/2022

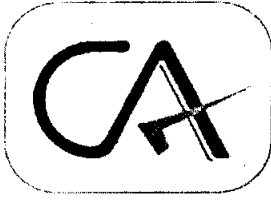
To,
Executive Officer,
Rajgir Nagar Panchayat,
Rajgir, Bihar.

**Sub: Annual Discussion Note for the observations of Internal Audit,
FY_2020-21.**

Sr. No	Particulars	Mgt Comments															
1	<p>During the course of audit, we found that deposited security money is less than the amount to be deposit under works construction for following tenders:</p> <table border="1"> <thead> <tr> <th>Tender No.</th> <th>Contract Amount / Est cost</th> <th>Total 5% - EMD 2% = SD 3%</th> <th>Value of Security Money Deposited</th> </tr> </thead> <tbody> <tr> <td>6 (06/2020-21)</td> <td>1184800</td> <td>35544</td> <td>35500</td> </tr> <tr> <td>64(06/20-21)</td> <td>2437700</td> <td>73131</td> <td>73000</td> </tr> </tbody> </table>	Tender No.	Contract Amount / Est cost	Total 5% - EMD 2% = SD 3%	Value of Security Money Deposited	6 (06/2020-21)	1184800	35544	35500	64(06/20-21)	2437700	73131	73000	<p>31/03/2022 54,54,54,54</p>			
Tender No.	Contract Amount / Est cost	Total 5% - EMD 2% = SD 3%	Value of Security Money Deposited														
6 (06/2020-21)	1184800	35544	35500														
64(06/20-21)	2437700	73131	73000														
2	<p>During the course of audit, we conduct physical verification of store items and found significant difference in actual stock vs recorded in Stock Register, so it seems that there is not any proper monitoring control of stock in the ULB and it may also indicate that stocks of ULB are not used for intended purpose.</p> <table border="1"> <thead> <tr> <th>Item</th> <th>Recorded</th> <th>Physical</th> </tr> </thead> <tbody> <tr> <td>Lime (Choona)</td> <td>76 bags</td> <td>17 bags</td> </tr> <tr> <td>Logs (Lathi)</td> <td>100 pc</td> <td>20 pc</td> </tr> <tr> <td>Big Bowl (Tasla)</td> <td>-</td> <td>22 pc</td> </tr> <tr> <td>Fawda</td> <td>5 pc</td> <td>27 pc</td> </tr> </tbody> </table>	Item	Recorded	Physical	Lime (Choona)	76 bags	17 bags	Logs (Lathi)	100 pc	20 pc	Big Bowl (Tasla)	-	22 pc	Fawda	5 pc	27 pc	<p>मध्य महिला से काम लेना चाहिए</p>
Item	Recorded	Physical															
Lime (Choona)	76 bags	17 bags															
Logs (Lathi)	100 pc	20 pc															
Big Bowl (Tasla)	-	22 pc															
Fawda	5 pc	27 pc															
3	<p>During the course of audit, we observe that internal Control regarding Property Tax is very poor total taxable properties in the area of Rajgir ULB had been not assessed till the date of audit and we have found so many property holders that are not paying property tax from a long time. ULB should take necessary action for recovery of the same, resulting it may a major revenue loss to ULB</p>	<p>महिला से काम लेना चाहिए</p>															
4	<p>During the course of audit, we observe that collection of stamp tax is very low, it seems that due to the lack of proper follow-up tower tax revenue is</p>	<p>महिला से काम लेना चाहिए</p>															





3/4
कार्यपालक पदाधिकारी
राजगीर पंचायत



R.N. SINGH & CO.

Chartered Accountants
208, Hem Plaza, Fraser Road,
Patna-800001
Ph : 9431019502
E-mail-patna@rnsinghandco.in

5	During the course of audit, we observe that internal control regarding levy and collection of Advertisement Tax is very poor it may a major revenue loss to ULB, further proper data not found in this regard so that we exactly form any opinion thereon.	अनुसार में समीक्षा नहीं की जा सकी।
6	During audit we found that Invitation for quotation is issued on newspaper and E- procurement made for the tender 06/2020-21 but the EMD amount quoted therein is wrong i.e. depicted figure is not 2% of the contract amount.	अनुसार में समीक्षा नहीं की जा सकी। विविध शुभ/दंड शुभ
7	We observe that taxes such as GST, Income Tax, Royalty, Labour Cess etc. are collected from works contracts but Challans for deposits and Returns thereof not found during audit.	अनुसार में समीक्षा नहीं की जा सकी।
8	General Cash Book is not maintained in the ULB	अनुसार में समीक्षा नहीं की जा सकी।
9	Bank Reconciliation Statement has not been prepared by the ULB required under Bihar Municipal Accounting Manual.	अनुसार में समीक्षा नहीं की जा सकी।
10	Concerned ULB is not in vogue to prepare Receipt & Payments Accounts, to be prepare as per Rules of BMAR on monthly basis.	अनुसार में समीक्षा नहीं की जा सकी।
11	Fixed Assets Register is not maintained at the ULB resulting we can not form any opinion on any fixed assets regarding capitalisation, maintenance and disposal thereof.	अनुसार में समीक्षा नहीं की जा सकी।
12	Various registers, books of records etc. are not being prepared by the ULB. Such as Ledgers, Journals, Pay Roll Register, Capital Goods Consumable/non-consumables, Investment Register, Fixed Asset Register, Advance & Recovery Register, Demand Register, Procurement Register, File Movement Register etc. ULB should maintain these registers as soon as possible.	अनुसार में समीक्षा नहीं की जा सकी।
13	We are not able to check the Compliance Status of Internal Audit Observations for FY 2019-20 & previous years, as compliance report has not been prepared and provided by ULB.	अनुसार में समीक्षा नहीं की जा सकी।
14	CMFS Treasury Statement i.e., ledger and transactions therein and Receipt Payment under CFMS for Oct'20 month not provided during the course of audit.	अनुसार में समीक्षा नहीं की जा सकी।
15	Register of Suits filed by/against ULB has not been maintained by the ULB.	अनुसार में समीक्षा नहीं की जा सकी।
16	Major defaulter  provided during the course of audit.	अनुसार में समीक्षा नहीं की जा सकी।
	Property Tax  during the course of	

25
कार्यपालक महाशिक्षारी
पुस्तक परिषद राजगढ़



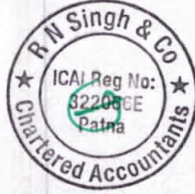
R.N. SINGH & CO.
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Ph : 9431019502
E-mail-patna@rnsinghandco.in

value property.	श्रीमान श्रीमान २२०११११११
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Kindly acknowledge the same and do the needful.

M/s R.N. SINGH & CO.
Chartered Accountants

Handwritten signature in green ink



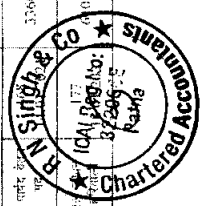
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कार्यपालक पदाधिकारी
नगर परिषद राजगढ़
Handwritten initials

नगर विकारा एवं आवास विभाग

तिथि: 31.03.2021 को प्रथम श्रेणीक अनुदानों की निकाली/व्यय एवं अवशेष राशि की बालANCE कोष/अनुदानों की बालANCE कोष/अनुदानों की बालANCE कोष
 (DDO Code :- URB-001)
 Treasury Code :- 4020763
 Pl. Account No. :- PL.A. 249
 Bank Account No. :- 011384967569/ Bank Code 3499

शेरी (खस में)

क्र. सं.	विवरण	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	2020-21	सर्वप्रथम	274	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	800000	-
2	2020-21	151	50	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	16594029	-
3	2020-21	50	50	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	16594028	-
4	2020-21	47	47	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	-
5	2020-21	36	36	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	6818922	2019-20 का
6	2020-21	36	36	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	6818921	2021-22 में
7	2020-21	108	108	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	240000	-
8	2020-21	25	25	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	10818922	-
9	2020-21	23	23	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	10818921	-
10	2020-21	91	91	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	600000	-
11	2020-21	137	137	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	120000	-
12	2020-21	146	146	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	16484382	-
13	2020-21	147	147	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	16484383	-
14	2020-21	336	336	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	336000	-
15	2020-21	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	610367	-



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 नगर विकारा एवं आवास विभाग
 नगर पालिका, बथिन्दा

