

INTERNAL AUDIT REPORT
OF ULB
(RAMNAGAR NAGAR PARISHAD)

FOR THE F.Y.

01/04/2020 TO 31/03/2021

CONDUCTED BY

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

From 24.05.2022 TO 29.05.2022
Report Issued on 20.06.2022

1. Executive Summary

1. INTRODUCTION

•Name of the Municipality	Nagar Parishad Ramnagar
•Period covered undercurrent audit	F.Y. 2020-21
•Name of the Chairman of the ULB for the period under Audit.	Smt. Savitri Devi
•Name of Chief Municipal Officer (EO) for the period under Audit.	Shri Rishikesh Awasthi

2. Results and Findings

a. Strengths observed during the audit engagement:

1. Subsidiary cash books have not been maintained by Nagar Parishad Ramnagar.
2. General cash book has been maintained by Nagar Parishad Ramnagar.
3. All Transactions have supporting documents.
4. Response from officer & Staff were good.
5. Office infrastructure was sufficient for operation.

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

1. Royalty and Labour cess have been deducted since F.Y. 2019-20 to 2020-21 but it has not been deposited on time. As per Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB.As per Building and Other Construction Workers Welfare Cess Act, If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two percent, for every month or part of the month comprised in the period from the date on which such payment is due till such amount is actually paid. Further, Unpaid royalty interest in F.Y. 2018-19 is 9.96% and in F.Y. 2019-20, rate of URI is 9.54%.
2. We observe that the Statutory Compliance has not been accomplished by ULB. These Statutory Irregularities are following:TDS Return has not been filed. Labor Cess , Royalty and GST has not been deposited to concerned department which is deducted from payment.
3. BRS has not been prepared by ULB , hence it is difficult to monitor the fraud if any.
4. Mobile Tower Tax has not been collected by the ULB which leads to huge revenue loss. As per details provided to us there are total 23 Mobile Towers registered with this ULB up to 31.03.2021 and ₹6392000/- has not been collected till the date of audit from these tower operators as Tower Tax.
5. Demand register is not maintained properly or up to date by the ULB. We are unable to quantify



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

6. Advertisement Tax has not been levied by the Nagar Parishad Ramnagar during this period. It leads to revenue loss to the ULB.
7. Professional tax is not deducted by the ULB on the salary payments of more than ₹15,000. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.
8. Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.
9. Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register, Fixed Asset Register, File movement register, Inventory/ Store Register, Demand Register, Advertisement Taxes/Fees, Sairat etc.
10. Cashbook is not maintained on day-to-day basis, which is not as per Bihar Municipal Accounting Manual. It should be prepared on daily basis i.e. transaction wise. Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on daily basis.
11. There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.
12. Financial guidelines of schemes of MOHUA and UD & HD, GOB have not been compiled by the ULB. UC of various schemes are pending for submission to the Urban Development & housing Department at the end F.Y. 2020-21. Details Annexed at below.
13. Details of Directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.
14. Procurement Register has not been maintained for all procurements above Rs.15,000. Further, Guidelines issued by UD&HD regarding procurements were also not provided to us during the course of audit.
15. Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or ending of the month which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.
16. Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been provided to us during the course of audit.
17. Municipal Accounts Committee has not been constituted by the Nagar Parishad Ramnagar. It should be constituted in the first Board Meeting of the ULB every year.
18. No separate grant register is being maintained by the ULB. So, it is difficult to find out the amount of unutilized amount of grant at a point of time.
19. Register of suits by/against ULB has not been maintained by the ULB.
20. Vinod Singhal & Co (Jaipur, Rajasthan & Boring Road, and Patna-800001) has started doing double entry accounting system from 15TH April 2019 but it is in process for the F.Y 2020-21 and Up to F.Y 2019-20 double entry system has been completed and annual financial statements have been approved.

Year wise Status of DEAS are as follows;

FY- 2014-15: Completed
FY- 2015-16: Completed
FY- 2016-17: Completed
FY- 2017-18: Completed



FY- 2018-19: Completed
FY- 2019-20: Completed
FY- 2020-21: In progress.

21. Self-Assessment System (SAS) of Property Tax has been implemented in Nagar Parishad Ramnagar 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.
22. ULB is not in practice of preparing Monthly Receipt and Payment.
23. ULB is not in practice of preparing of Annual F.S.
24. Attendance Register is not verified on Monthly Basis by the EO officer.
25. Property Holding Tax is collected without any list of houses from where it will be collected. It is not prepared yet.
26. ULB has not co-operated in providing the login details TDS and GST so we are unable to find the Short deduction and short payment of TDS and late fees thereon and whether it will be filed or not.
27. Statutory deduction on salary (such as TDS and Professional Tax) payment to Executive officer has not been made.
28. ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.
29. Property Tax Due have not collected yet (Annexure attached)
30. Current year Opening balance of Cash book is not matched with closing of Previous Year and also Transaction recorded in cashbook is not understandable and the same has been provided up to mid of Feb 2021.
31. Bank balance of all account and treasury in quarter basis have not been provided.
32. Statutory Deduction made at the time of payment has not been provided in payment basis and date wise. So we are unable to segregate in quarter basis deduction.
33. Cash book has not been maintained in chronological order and also there are more pages blank between 2 transactions. It may adjust the future transaction in previous date.

3. Opinion

As per Our Opinion the following improvements are required.

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



4. Audit Recommendations:

The Recommendation of Audit Team on the Observed weakness.

SL No	We Recommend the followings:-
1.	ULB should comply the Internal audit observations as soon as possible after getting information about audit observations and should also prepare compliance report of the same & submit it with the department.
2.	ULB should maintain serially numbered Cash/Bank vouchers for every receipt and payments and then attach supporting documents with vouchers.
3.	ULB must have to refund the unutilized amount to the Urban Development & Housing Department.
4.	ULB have to file statutory returns within prescribed time line and deposit the deducted amount as specified in statutory law.
5.	As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014, Tax Collected has to be deposited on same day or latest before noon on the following working day.
6.	ULB should maintain all the books of account, register, records etc. as prescribed in Bihar municipal accounts Act, Manual and Rules.
7.	ULB should collect mobile tower tax, advertisement tax, shop rent etc. as quick as possible and on regular basis.
8.	ULB should prepare UC in prescribed format of various schemes as soon as possible and submit the same to UD & HD Dept. on regular interval as per prescribed guidelines.
9.	ULB should prepare demand and arrear register of holding tax as soon as possible and on regular basis.
10.	ULB should maintain Daily Collection Register separately for each head of its own revenue sources for appropriate internal control and also for appropriate disclosures of books of accounts.
11.	ULB should develop and prepare Pay-roll system of Permanent & Contractual employees.
12.	ULB should assess the Holding & Property tax every year & do survey for assessment of the same.
13.	Nagar Parishad Ramnagar 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.
14.	ULB must have to maintain Bank Reconciliation statement as per UD & HD guidelines, which will help in: - <ul style="list-style-type: none">• Accurate balance.• Prevent Theft.• Prevent mistakes.• Accounts in good standing.

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 Notes* attached below (*Annexure-1*).



6. Acknowledgement:

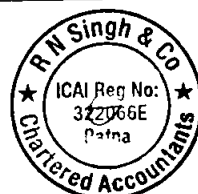
We Thanks **Shri Rishikesh Awasthi** (Executive Officer), for his support during the period of our audit. We are also thankful to the Accountant and other staffs of the Nagar Parishad for their co-operation during the period of audit.

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	Ref. Page
1.	Royalty and Labour cess have been deducted since F.Y. 2019-20 to 2020-21 but it has not been deposited on time.Total Royalty and Labor Cess deducted were Rs. 318682.00/- and Rs. 159310.00/- respectively. As per Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB. As per Building and Other Construction Workers Welfare Cess Act, If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two percent, for every month or part of the month comprised in the period from the date on which such payment is due till such amount is actually paid. Further, Unpaid royalty interest in F.Y. 2018-19 is 9.96% and in F.Y. 2019-20, rate of URI is 9.54%.	High	Yes	Yes	Yes	Royalty and labour cess will be deposited soon as it is under process.	
2.	We observe that the Statutory Compliance has not been					It will be complied from next year.	



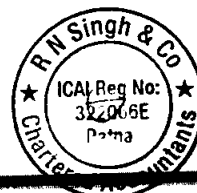
	accomplished by ULB. These Statutory Irregularities are following: TDS Return has not been filed. Labor Cess , Royalty and GST has not been deposited to concerned department which is deducted from payment.					
3.	Mobile Tower Tax has not been collected by the ULB which leads to huge revenue loss. As per details provided to us there are total 23 Mobile Towers registered with this ULB up to 31.03.2021 and ₹6392000/- has not been collected till the date of audit from these tower operators as Tower Tax.	High	No	No	Yes	Collection is going on.
4.	Cash book is not maintained in proper way. It is difficult to Ascertain the account head from where and where to the amount have been received or paid respectively.	High	Yes	Yes	Yes	It will be considered.
5.	BRS has not been prepared by ULB . hence it is difficult to monitor the fraud if any.	High	Yes	Yes	Yes	Will be prepared from next year.
6.	Advertisement Tax has not been levied by the Nagar Parishad Ramnagar during this period. It leads to revenue loss to the ULB.	High	No	No	Yes	Advertisement tax does not deduct in this ULB.
7.	Professional tax is not deducted by the ULB on the salary payments of more than ₹15,000. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.	High	No	Yes	Yes	ULB will be registered under the bihar professional tax act.



8.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.	High	No	Yes	Yes	Vehicle is hired as per district rate applicable.
9.	Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register, Fixed Asset Register, File movement register, Inventory/ Store Register, Demand Register, Advertisement Taxes/Fees, Sairat etc.	High	No	Yes	Yes	It will be prepared from next FY.
10.	Demand register is not maintained properly or up to date by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc. Further, Holding tax defaulters are not classified as demand register is not maintained by the ULB. It leads to a huge revenue loss to the ULB.	High	No	No	Yes	It will be prepared from next financial year. Survey is going on for the due amount of Property Tax, Rent on Municipal Property.Etc.
11.	Cashbook is not maintained on day-to-day basis, which is not as per Bihar Municipal Accounting Manual. It should be prepared on daily basis i.e. transaction wise. Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on	Medium	No	No	Yes	Will be maintained in proper basis but not on daily basis.



	daily basis.					
12.	ULB has not in practice to maintain the Account in Computer.	High	Yes	Yes	Yes	Will be maintained from next year.
13.	Financial guidelines of schemes of MOHUA and UD & HD. GOB have not been compiled by the ULB. UC of ₹ 2385.68 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the year end of financial year 2020-21.	Medium	No	No	Yes	It will be complied as soon as possible.
14.	UC of ₹780.57 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the end of 4 th quarter of financial year 2019-20. Submission details of these during till the year end of financial year 2020-21 has not been provided.	Medium	No	No	Yes	Preparation is going on.
15.	Details of Directives issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.	Medium	No	No	Yes	It will be not be done yet.
16.	Procurement Register has not been maintained for all procurements above Rs.15,000. Further, Guidelines issued by UD&HD regarding	Medium	No	No	Yes	It will be maintained in next F.Y.



	procurements were also not provided to us during the course of audit.						
17.	Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been provided to us during the course of audit.	Medium	No	No	Yes	Previous AG (F.Y. 2017-18) has been sent. And (F.Y.2018-19) and (F.Y.2019-20) is in process.	
18.	There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.	Medium	No	No	Yes	Bank had returned the cheque and it will be paid in next month.	
19.	Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or ending of the month which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.	Medium	No	No	Yes	It will not be deposited on daily basis due to covid -19.	
20.	Municipal Accounts Committee has not been constituted by the Nagar Parishad Ramnagar. It should be constituted in the first Board Meeting of the ULB every year.	Low	No	No	Yes	Discussed in next board meeting.	
21.	No separate grant register is being maintained by the ULB. So, it is difficult to find	Low	No	No	Yes	It will be maintained from next financial year 21-22.	

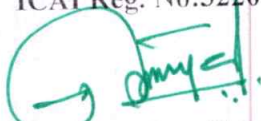


	out the amount of unutilized amount of grant at a point of time.					
22.	Attendance Register is not verified on Monthly Basis by the EO officer.	Low	No	No	Yes	It is not verified by Executive officer in monthly basis but summary sheet has been signed by him in monthly basis.
23.	Register of suits by/against ULB has not been maintained by the ULB.	Low	No	No	Yes	It will be maintained in next FY.
24.	Statutory deduction on salary (such as TDS and Professional Tax) payment to Executive officer has not been made.	Low	No	No	Yes	It is deposited in final payment at the time of return filing.
25.	Self-Assessment System (SAS) of Property Tax has been implemented in Nagar Parishad Ramnagar but we have found that assessee is very less aware of that. ULB should conduct time-to-time awareness programme to make people aware of SAS.	Low	No	No	Yes	It is conducted in every financial year.
26.	ULB is not in practice of preparing Monthly Receipt and Payment.	Low	No	No	Yes	Will prepare from next year.
27.	ULB is not in practice of preparing of Annual F.S.	Low	No	No	Yes	Not requirement for us.
28.	Vinod Singhal & Co (Jaipur, Rajasthan & Boring Road, and Patna-800001) has started doing double entry accounting system from 15 TH April 2019 but it is in process & incomplete, it is not in auditable position. Year wise Status of DEAS are as follows: FY- 2014-15: In Process FY- 2015-16: In Process. FY- 2016-17: In Process.	Low	No	No	Yes	It will be completed as soon as possible.



	FY- 2017-18: In Process. FY- 2018-19: In Process. FY- 2019-20: Accounting in progress. FY- 2020-21: Accounting in progress.						
29.	ULB has not co-operated in providing the login details TDS and GST so we are unable to find the Short deduction and short payment of TDS and late fees thereon and whether it will filed or not.	Medium	Yes	Yes	Yes	Yes	Password has been forgotten it will make available in next F.Y.
30.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes	Yes	It is prepared in Excel.
31.	Property Tax Due have not collected yet (Annexure attached)	High	Yes	Yes	Yes	Yes	Notices has been sent.

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



CA Chanakya Shree
Partner
M. No: -079322
UDIN: 22079322AOWVHV5088
Date:12-08-2022



-SD-
Executive Officer
Nagar Parishad Ramnagar
Date:
Place:Ramnagar

2. Auditee Profile

1. Introduction

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

(1) Mr. Anuj Kr. Paswan

2. Administration

The present body of the ULB has taken charge on 10th June 2017 the incumbency in the key administrative and executive positions was as under

Shrimati Savitri Devi Chairman from 10th June 2017 to till date.

Shri Rajesh Kumar Executive Officer from 5th Sep 2015 to 6th June 2018

Shrimati Meera Kumari Executive Officer from 7th July 2018 to 27th January 2019

Shri Jitendra Kumar Sinha Executive Officer from 28th January 2018 to 12th February 2021.

Shri Amit Kumar Executive Officer from 12th February 2021 to 09th July 2021.

Shri Rishikesh Awasthi Executive Officer from 09th July 2021 to till date.

3. Review of outstanding audit paras:

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
2	AG Audit for the period 2013-14 to 2016-17	9	9	5	0	0	9	Not Complied
3	Internal Audit for the period 2016-17	7	7	0	0	0	7	Not Complied
3.	Internal Audit for the period 2017-18	14	14	0	0	0	14	Not Complied
4	Internal Audit for the period	14	14	0	0	0	14	Not Complied



	2018-19							
5	Internal Audit for the period 2019-20	26	26	0	0	0	26	Not Complied

4. Finance

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

Year	2018-19	2019-20	2020-21
Final/Revised Budget	589578743.00	434105000.00	518886785.00
Actual Expenditure	116078147.00	106495538.00	157013397.80
Savings(+)/ Excess(-)	473500596.00	327609462.00	361873387.20

Note: Actual expenditure for Year 2020-21 has been taken for a F.Y. and only as this is the report of F.Y. 2020-21

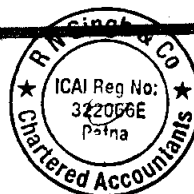
II. Volume of transactions

Period	Budgeted (2020-21)	Previous Year (For One Year) (2019-20)	Current Year (For One Year) (2020-21)
Opening balance	89572242.00	79646541.00	149344552.50
Receipts	520632440.00	79501333.00	113101025
Total	610204682.00	159147874.00	262445577.5
Net expenditure	518886785.00	106495538.00	157013397.80
Closing balance	91317897.00	52652336.00	105432179.70

III. **Bank Reconciliation:** - We have observed that Nagar Parishad Ramnagar is not in practice to prepare bank reconciliation statement as per prescribed format. Also bank wise cashbook has not been maintained by the ULB. However, the balance of different bank accounts has been provided which are as follows:

Details of Closing Balance:

Si. No.	Name Of Scheme / Item	Bank Name / Account No.	Balance As Per Pass Book As On 31.03.2021	Balance As Per Cash Book as on 31.03.2021	Differences	Remarks Brs Prepared/ Not Prepared
1.	Various Scheme	Treasury A/C No PLA129	-	194348169.00		Not Prepared
2.	KABIR	CBI- 0803	1604555			Not



	ANTESHTI				Prepared
3.	General fund	SBI -7138	1258286		Not Prepared
4.	S.G.S.RY	S.B.I- 7147	-		Not Prepared
5.	Nagar nidhi	UBGB - 4034	188766.1		Not Prepared
6.	SBM	SBI - 7235	-		Not Prepared
7.	Mukhya mantri Yojna	C.B.I-1544	1622458		Not Prepared
8.	Kabir Anteyeshthi(special fund)	C.B.I-1148	126459		Not Prepared
9.	Gandi basti	UBGB- 6518	5273702		Not Prepared
10.	5 th Payjal Yojna	UBGB- 1511	433400.4		Not Prepared
11.	14 th state Finance	SBI-4170	13999		Not Prepared
12.	HFA	PNB- 6955	490524.5		Not Prepared
13.	-	CBI/8228	11065		Not Prepared
14.	-	SBI/1414	-		Not Prepared
15.	-	PNB/7112	958840		Not Prepared
16.	-	UBGB/1528	25704		Not Prepared
17.	-	UBGB/1306	1095		Prepared

Note: -Some of the schemes such as Prasasnik Bhawan ,5th finance 4th finance, 13th finance, Peshakar, Stamp Duty, Rajya Path/ PuliyaNirman Yojana, Led Light, Excutive Officer, Maching Grant, NagrikSubidha (Rajya Yojna) CM SwakshtaAbhiyan, NagrikSubidha (State Plan), Path Nirman (CM SahriNaliGali) Pakkikaran Yojana, Parshad, Upmukhya Parshad and Parshad Niyat Bhatta, NaliNirman, Peyajalpurti, Peyajalpurti (Mukhyamantri Sat Nischay) & City Manager schemes have been maintained through PLA.



IV. Revenue & Capital Receipts Information: -

Income Details (Amounts to be provided in Rupees)							
		2018-19		2019-20		2020-21	
Sl. No.	Details	2018-19 (Annual)	2017-18 (Annual)	2019-20 (Annual)	2018-19 (Annual.)	2020-21 (Annual.)	2019-20 (Annual.)
Total Receipts (A+B)		114701291.00	94543485.00	79501333.00	114701291.00	113101025.00	79501333.00
A.	Revenue Receipts (1+2+3)	114701291.00	73783335.00	79501333.00	114701291.00	23524080.00	79501333.00
I	Own Revenue Receipts (a+b)	3066605.00	5443399.00	677274.00	3066605.00	1044689.00	677274.00
a)	Tax Revenue (levied and collected by municipal body)	1852261.00	3002639.00	384138.00	1852261.00	666691.00	384138.00
i)	Property tax	399374.00	779633.00	384138.00	399374.00	666691.00	384138.00
ii)	Other tax (levied and collected by municipal body)	1452887.00	2223006.00	0.00	1452887.00	0.00	0.00
b)	Non-tax revenue (levied and collected by municipal body)	1214344.00	2440760.00	293136.00	1214344.00	377998.00	293136.00
i)	Fees & fines	3760.00	90.00	58630.00	3760.00	14200.00	58630.00
ii)	User Charges	261116.00	2440670.00	234506.00	261116.00	0.00	234506.00



iii)	Other non-tax revenue (levied and collected by municipal body)	949468.0 0	0.00	0.00	949468.0 0	363798.00	0.00
2	Other Revenue Receipts	472949.0 0	157037.00	0.00	472949.0 0	1176624.00	0.00
a)	Income from interest/investments	472949.0 0	157037.00	0.00	472949.0 0	165704.00	0.00
b)	Other Revenue income	0.00	0.00	0.00	0.00	1010920.00	0.00
3	Transfers/ Grants/ Assigned Revenues	111161737 .00	68182899.00	78824059 .00	11116173 7.00	21302767.0 0	78824059.00
a)	State Assigned Revenue	4196638. 00	0.00	0.00	4196638.0 0	20685079.0 0	0.00
b)	State Finance Commission (SFC) Grants/ Devolution	37930021. 00	19266735.00	78065315 .00	37930021. 00	0.00	78065315.00
c)	Octroi compensation	0.00	0.00	0.00	0.00	0.00	0.00
d)	Other State Govt. Transfer	50829279 .00	27713229.00	0.00	50829279 .00	0.00	0.00



e)	Central Finance Commission (CFC) Grant	11153599.00	19097988	0.00	11153599.00	0.00	0.00
f)	Other Central Govt. Transfer	6352200.00	490000.00	0.00	6352200.00	0.00	0.00
g)	Others	700000.00	1614947.00	758744.00	700000.00	617688.00	758744.00
B.	Capital Receipts	0.00	20760150.00	0.00	0.00	89576945.00	0.00
1	Sale of Municipal Land	0.00	0.00	0.00	0.00	0.00	0.00
2	Loans (from State Govt. or Banks etc.)	0.00	0.00	0.00	0.00	0.00	0.00
3	State Capital Account Grant (under State Schemes etc.)	0.000	6966650.00	0.00	0.00	77104760.00	0.00
4	Central Capital Account Grant (under Central Schemes etc.)	0.00	13793500.00	0.00	0.00	11406663.00	0.00
5	Other Capital Receipts	0.00	0.00	0.00	0.00	1065522	0.00



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 (Annual.)	2017-18 (Annual)	2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)	2019-20 (Annual)
Total Expenditure (1+2)		104257232.00	116078147.00	106495538.00	104257232.00	157013397.80	106495538.00
1	Revenue Expenditure	18282514.00	15174032.00	5779164.00	18282514.00	33381971.10	5779164.00
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	13689216.00	15174032.00	4777145.00	13689216.00	12241005.10	4777145.00
1.2	Operation and Maintenance (O&M)	2251901.00	2239723.00	725722.00	2251901.00	21118525.00	725722.00
1.3	Loan repayment (Interest payments)	-	0.00	0.00	-	0.00	0.00
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	2341397.00	1356991.00	276297.00	2341397.00	22441.00	276297.00
2	Capital Expenditure	85974718.00	100904115.00	100716374.00	85974718.00	123631426.70	100716374.00
2.1	All developmental works under Central/State specific schemes	85974718.00	100904115.00	100716374.00	85974718.00	118279542.00	100716374.00
2.2	Loan Repayments (Principal Amount)	-	0.00	-	-	97000.00	-
2.3	Other Capital expenditure	-	0.00	-	-	5254884.70	-



V. Status of implementation of Double Entry Accounting System:

Vinod Singhal & Co (Jaipur, Rajasthan & Boring Road, and Patna-800001) has appointed for conducting double entry system. Following are the year wise status of double entry system 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
F.Y. 2020-21 Accounting in progress.

- Interval of accounting entry passed in tally: Daily Basis
- Opening Balance Sheet: Not Prepared.
- Annual Financial Statement: Not Prepared.
- Tally License Id: npramnagar@gmail.com
- Tally Serial No.: 716646996
- Installed In: Ramnagar Nagar Parishad System.

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

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

3. Summary Audit Observations

Part – A (Monetary Implication):

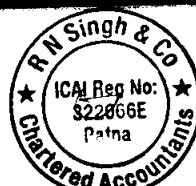
All Audit objections/irregularities which has monetary implication, particularly in following areas;

- a. Leakage of own source revenue (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 Parishad Rs.30000/- per tower and annual renewal fee is Rs 8000/- per annum per tower

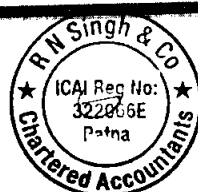
Condition –As per details provided to us there are total 17. Mobile Towers registered with this ULB up to 31.03.2021 and Rs. 6392000.00 has not been collected till the date of audit from these tower operators as Tower Tax.

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

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

Corrective Action / Recommendation – As per our opinion, management should review the collections on monthly basis and take appropriate actions against irregularity.(Annexure-2)

S L N o.	Compa ny Name	No. Of Tow er	Date of Establishm ent	Outstanding Fee as on 01.04.2020	Renewal Fees	Collection	Total Amount Due
1	Airtel	3	2007-08	31,50,000.00	24,000.00	-	31,74,000.00
2	Airtel	1	2006-07	1,58,000.00	8,000.00	-	1,58,000.00
3	Airtel	2	2008-09	2,76,000.00	16,000.00	-	2,76,000.00
4	ATC Idea	3	2009-10	3,86,000.00	24,000.00	-	3,86,000.00
5	Tata Indicom	1	2009-10	1,34,000.00	8,000.00	-	1,34,000.00
6	Tata Indicom	1	2011-12	1,10,000.00	8,000.00	-	1,10,000.00
7	Aircel	1	2008-09	1,42,000.00	8,000.00	-	1,42,000.00
8	Aircel	1	2010-11	1,26,000.00	8,000.00	-	1,26,000.00
9	Relianc e	1	2009-10	80,000.00	8,000.00	8,000.00	80,000.00
10	Relianc e	1	2011-12	94,000.00	8,000.00	8,000.00	94,000.00
11	Relianc e	1	2012-13	56,000.00	8,000.00	8,000.00	56,000.00
12	Relianc e	1	2018-19	8,000.00	8,000.00	-	8,000.00



13	Reliance	1	2019-20	38,000.00	8,000.00	8,000.00	38,000.00
14	BSNL	1	2009-10	1,26,000.00	8,000.00	-	1,26,000.00
15	ATC India	1	2016-17	24,000.00	8,000.00	8,000.00	24,000.00
16	ATC India	2	2017-18	40,000.00	16,000.00	-	40,000.00
17	Tower Vision	1	2006-07	14,20,000.00	8,000.00	8,000.00	14,20,000.00
TOTAL							63,92,000.00

(ii) Advertisement Tax:

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

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

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

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

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

(iii) Holding & Property Tax Deposit – Irregularity:

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

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

Condition- During verification of property tax collection receipt and tax deposit receipt we have found that property tax collected by the tax collector is not deposited to the ULB on the same date and also the deposited amount was not in chronological order i.e. receipt no. range is not mentioned on tax deposit slip. So we are unable to verify the amount deposited with amount collected.

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



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

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

<i>Receipt No.</i>	<i>Amount</i>	<i>Receipt Date</i>	<i>Date of Deposit</i>
43286-43300	3734	Mar-20	23-05-2020
43301-43315	3428	Mar-20	29-05-2020
43120-43139	1625	Mar-20	30-05-2020
40501-40535	1750	Feb-20	03-06-2020
40701-40780	3200	Feb-20	03-06-2020
40465	300000	Jun-20	08-06-2020
43801-43818	4474	Aug-20	31-08-2020
43701-43736	5227	Aug-20	31-08-2020
40811	2500	Aug-20	31-08-2020
43634-43700	28984	Sep-20	19-09-2020
40812-40829	27178	Sep-20	30-09-2020
43901-43966	19580	Sep-20	30-09-2020
44001-44010	7222	Nov-20	23-11-2020
44041-44100	11084	Dec-20	14-01-2021
44101-44200	17935	Jan-21	15-01-2021
44301-44400	20026	Feb-21	09-02-2021

(iv) Holding & Property Tax Collection:

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

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

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

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

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

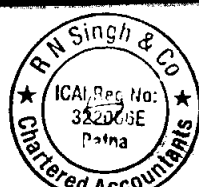


During verification of property tax related documents, we have found so many property holders that are not paying property tax from a long time but no major action taken by the ULB for recovery of the same.(Annexure-3)

Year	Total Demand			Total Recovery			Total Arrear		
	Arrear	Current	Total	Arrear	Current	Total	Arrear	Current	Total
2019-20	636630	583109	1219739	81330	142334	223664	555300	440775	996075
2020-21	639580	996075	1635655	48287	71032	119319	591293	925043	1516336

List of Defaulter(Nagar Parishad Ramnagar)

S. No	Ward No	Holding No	Owner Name	Total Outsanding Demand
1	8	RAMNAG-00750	ST. XAVIER'S MISSION SCHOOL	50,607.70
2	5	RAMNAG-01229	ANIL KUMAR GUPTA	2,263.28
3	20	RAMNAG-00438	BINA DEVI	275.65
4	5	RAMNAG-01145	SHIVNARAYAN PRASAD	1,018.48
5	21	RAMNAG-00950	AHMAD SAGEER	3,632.58
6	5	RAMNAG-00877	AYODHYA SAH	1,078.14
7	3	RAMNAG-00755	Rameshwar Rao, Bacha Rao	44,437.62
8	6	RAMNAG-00732	Sagir Ahmad	15,212.49
9	8	RAMNAG-01330	ANIL KUMAR AGRAWAL	13,697.38
10	8	RAMNAG-01315	MADHAV CHANDRA DEVNATH, YADAV CHANDRA DEVNATH, KESHAV KUMAR	11,155.68
11	8	RAMNAG-01267	VASHIRUL HAQUE	6,056.24
12	5	RAMNAG-01225	JOHN PASCAL, JOSEPH PASCAL	456.06
13	9	RAMNAG-01219	BHARAT KUMAR AGARWAL	8,450.57
14	8	RAMNAG-01218	BHARAT KUMAR AGARWAL	9,641.87
15	5	RAMNAG-01000	RAMAWATI DEVI	4,964.53
16	16	RAMNAG-00984	ANIL KUMAR	2,735.77
17	16	RAMNAG-00983	ANJU DEVI	3,419.72
18	9	RAMNAG-	DIPU KUMAR MODANWAL	3,616.25



		00925		1,491.87
19	16	RAMNAG-00867	Raju Prasad Nag	30,788.69
20	6	RAMNAG-00768	PRADEEP KUMAR AGRAWAL	2,509.82
21	9	RAMNAG-00754	MD. HASNAIN	1,069.13
22	5	RAMNAG-00373	JOKHU DAS	1,499.35
23	21	RAMNAG-00682	RAJESH KUMAR JAISWAL	96.01
24	21	RAMNAG-00654	RAZAK MIYAN	109.62
25	21	RAMNAG-00565	SAKIL AHMAD	1,294.56
26	20	RAMNAG-00542	VINOD PRASAD	545.22
27	21	RAMNAG-00526	ANIL KUMAR	508.64
28	21	RAMNAG-00519	PRADIP SAH	626.40
29	21	RAMNAG-00517	VINOD KUMAR	1,796.30
30	5	RAMNAG-00341	SANJAY PANDEY	578.79
31	21	RAMNAG-00516	BALIRAM THAKUR	350.78
32	21	RAMNAG-00513	LALBABU PRASAD	13,538.98
33	1	RAMNAG-00509	Shamsad Ali	3,892.61
34	20	RAMNAG-00431	RAJESH RAI	5,753.44
35	16	RAMNAG-00428	NURAL HODA KURAIISHI	3,161.14
36	20	RAMNAG-00426	JITENDRA PRASAD	12,394.67
37	16	RAMNAG-00422	SHEKH HASARAT MOHANI	3,112.51
38	16	RAMNAG-00417	Manoj Kumar Soni	4,007.59
39	20	RAMNAG-00312	SHEKH SAGIR	271846.13
Total				

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

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

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



Condition – There is no any Shop registered under the ULB and hence no shop rent is collected.

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

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

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

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

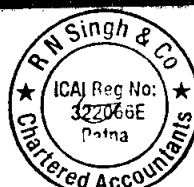
- No such cases found where any excess payment were made against any bill during the course of audit.
Details of some cases checked during the course of audit;

Date	Particulars	Amount	Description
22.07.2020	Repairing & Maintainance	8860.00	Horn and Amplifier
04.09.2020	Wages	9464.00	For the Month of July 20
20.01.2021	Wages Paid	29000.00	For the month of Dec 20
30.01.2021	Wages Paid	38218.00	Ashish Kumar for the month of Dec 20

c.Report on findings of field survey and calculation of property tax of minimum 20 high value properties:(Annexure-4)

Report on field survey of 20 high value properties

Sl. No	Owner Property Name	Holding Number	Ward No	Type of construction	Tax able area	Rate /sqft	Annual rent	Annual Property Tax@9%	Housing Commercial
1	St.Xavier's Mission	RAMNA G-00750	8	RCC	4557	20	91140	8202.6	Commercial
2	Arun Kumar Agrawal	RAMNA G-00934	8	RCC	2480	20	49600	4464	Commercial
3	Umesh Singh	RAMNA G-00420	20	RCC	1701	8	13608	1224.72	Residential
4	Rajesh Rai	RAMNA G-00431	20	RCC	1984	20	39680	3571.2	Commercial

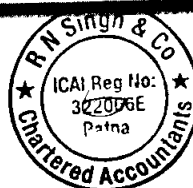


5	Sagir Ahmad	RAMNA G-00732	6	RCC	154 7	10	1547 0	1392.3	Commercial
6	VASHIRUL HAQUE	RAMNA G-01267	8	RCC	120 0	20	2400 0	2160	Commercial
7	PRADEEP KUMAR AGRAWAL	RAMNA G-00768	6	RCC	122 0.8	20	2441 6	2197.44	Commercial
8	Ray Rajendraa Sharma	RAMNA G-01369	20	RCC	232 0	20	4640 0	4176	Commercial
9	Badal Kumar Kaushik Chhapolia	RAMNA G-00087	1	RCC	528	20	1056 0	950.4	Commercial
10	Bharat Kumar Agarwal	RAMNA G-01218	8	RCC	120 0	20	2400 0	2160	Commercial
11	Bharat Kumar Agarwal	RAMNA G-01219	9	RCC	112 0	20	2240 0	2016	Commercial
12	Madhav Chandra Devnath	RAMNA G-01315	8	ACC	146 8.8	17.4	2555 7.12	2300.140 8	Commercial
13	Nek Mohammad	RAMNA G-00073	1	ACC	156 1.6	17.4	2717 1.84	2445.465 6	Commercial
14	Krishna MurariKemka	Kishorilal Kemka	20	RCC	696 0	20	1392 00	12528	Commercial
15	Arjun vikram Sah	Mohan Vikram Sah	6	RCC	455 9	8	3647 2	3282.48	Commercial
16	Panna lal sah	Ragunath sah	5	RCC	508 8	20	1017 60	9158.4	Commercial
17	Mecra Sah	Sanat Vikaram Sah	3	RCC	734 5	5	3672 5	3305.25	Residential
18	Pawan Kr Sarawagi	Mohalal Sarawagi	6	RCC	620 0	20	1240 00	11160	Commercial
19	Babuni Devi	Rajender Pd Gupta	5	RCC	247 7	20	4954 0	4458.6	Commercial
20	Gaiyani Devi	Ishwari Pd	8	RCC	300 0	20	6000 0	5400	Commercial

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

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

Self-Assessment System (SAS) of Property Tax has been implemented in Ramnagar Nagar Parishad 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	Daily Collection Register	Not Maintained Properly
5	Labour Cess Register	Not Maintained
6	Royalty Register	Not Maintained
7	TDS Register	Not Maintained
8	GST Register	Not Maintained
9	Procurement Register	Not Maintained
10	Bank Wise Cashbook	Maintained
11	Pay Roll Register	Not Maintained
12	Leave Register	Maintained
13	Bill Register	Not Maintained
14	File Movement Register	Not Maintained
15	Temporary Advances to Staff	Not Maintained Properly
16	Grant Register	Not Maintained.
17	Journal Register	Not Maintained
18	Ledger Register	Not Maintained
19.	Advance Register	Not Maintained

- b. **Irregularity in procurement process: -**

There is no any procurement made in this quarter. Further we observed that No Procurement register has been maintained by the ULB.

- 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: -

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

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

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

e. Lack of internal control measures: -

1. During the course of our Audit, we have observed various discrepancies in relation to maintenance of registers and books of records. It may cause serious injury to internal control.
2. After analyzing operating control, it was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.
3. During verification of property tax collection receipt and tax deposit receipt we have found that property tax collected by the tax collector is not deposited to the ULB on the same date and also the deposited amount was not in chronological order i.e. receipt no. range is not mentioned on tax deposit slip. So we are unable to verify the amount deposited with amount collected. Also Daily Collection Register is either not prepared or not up to date.
4. Advance and Recovery register is not maintained properly by Nagar Parishad Ramnagar.

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

There is lack of Internal Control on deduction and deposit of various taxes Such as TDS, GST, Royalty, and Labour Cess. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time. Taxes such as GST, Income Tax, Royalty, Labour Cess etc. are collected from time to time but its payments are not made within due dates.

1. Quarterly Return for TDS has not been filed for the F.Y -2020-21.
2. Quarterly Return for GST has not been filed for the F.Y -2020-21.



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.

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

Details regarding utilization of grant and status of submission of utilisation certificates were not updated by Nagar Parishad Ramnagar till date of audit. So we are unable to comment on missing/pending utilization certificates. We are providing all help to the ULB so that UC shall be prepared on time and submitted to UD & HD.

However, we have been provided details of UC's submitted by the ULB till date of audit in 20 column sheet and as the 20 column sheet UCs for the Fy_ 2019-20 is not completely updated so we are also annexing an (**Annexure 5**) of the complete UC Details pending for the FY_ 2020-21 & Total amount have been pending to be submitted from the concerned ULB. Details of the pending Ucs has been annexed below: -

Sr. No	Name of Scheme	F.Y.	Letter No.	Grant Amount	Withdrawl Amount	Utilize Amount	UC Submitted Amount	Submitted/ Not Submitted	Amount saved in Pl. A/c.
1	3	2	4	5	6	7	8	8	10
1	Nagrik Suvidha Grant	2019 - 20	47/06-08-2019	63.52	63.52	0	0	Not Submitted	63.52
2	Peshakar Grant	2019 - 20	51 / 09-08-2019	22.35	22.35	0	0	Not Submitted	22.35
3	5th Finance Grant	2019 - 20	53 / 13-08-19	195.78	195.78	0	0	Not Submitted	195.78
4	5th Finance Grant	2019 - 20	57 / 13-08-2019	189.16	189.16	0	0	Not Submitted	189.16
5	Ward Parishad Grant	2019 - 20	82/20.09.2019	3.84	3.84	0	0	Not Submitted	3.84
6	14th Finance Grant	2019 - 20	128/27-11-2019	141.54	141.54	0	0	Not Submitted	141.54
7	14th Finance Grant	2019 - 20	3974(38) /30.07.2019	141.53	141.53	0	0	Not Submitted	141.53
8	E.O. Salary Grant	2019 - 20	3999(42) /30.07.2019	2.20	2.20	0	0	Not Submitted	2.2
9	Sahayak Anudan	2020-21	334/12.3.2021	3.84	3.84	0	0	Not Submitted	3.84
10	Swachhta Anudan	2020-21	344/13/3.2021	31.77	31.77	0	0	Not Submitted	31.77
11	15th Finance	2020-21	351/15.03.2021	136.12	136.12	0	0	Not Submitted	136.12



1	15th Finance	2020-21	352/15.03.2021	136.12	136.12	0	0	Not Submitted	136.12
2	C.M. Nali Gali	2020-21	355/15.03.2021	25.26	25.26	0	0	Not Submitted	25.26
3	C.M. Nali Gali	2020-21	356/12.03.2021	45.48	45.48	0	0	Not Submitted	45.48
4	15th Finance	2020-21	146/11.11.2020	135.28	135.28	0	0	Not Submitted	135.28
5	15th Finance	2020-21	147/11.11.2020	135.28	135.28	0	0	Not Submitted	135.28
6	P.M. Housing Finance	2020-21	91/16-07-2020	6.00	6.00	0	0	Not Submitted	6
7	Road & Drainage Grant	2020-21	248/11-02-21	133.19	133.19	0	0	Not Submitted	133.187
8	B.L.C Scheme	2020-21	255/18-02-21	20.80	20.80	0	0	Not Submitted	20.8
9	Peshakar Grant	2020-21	405/18.03.21	31.83	31.83	0	0	Not Submitted	31.83
0	15th Finance	2020-21	295/02-03-21	135.70	135.70	0	0	Not Submitted	135.7
1	15th Finance	2020-21	296/02-03-21	135.70	135.70	0	0	Not Submitted	135.7
2	E.O. Salary Grant	2020-21	307/06-03-21	9.60	9.60	0	0	Not Submitted	9.6
3	E.O. Salary Grant	2020-21	31/25-04-20	6.00	6.00	0	0	Not Submitted	6
4	5th Finance Grant	2020-21	36/13-05-20	121.64	121.64	0	0	Not Submitted	121.64
5	15th Finance	2020-21	50/26-05-20	272.14	272.14	0	0	Not Submitted	272.14
6	Jal Jivan Hariyali Grant	2020-21	177/18.01.2021	7.11	7.11	0	0	Not Submitted	7.11
7	Road & Drainage Grant	2020-21	187/27.01.2021	96.90	96.90	0	0	Not Submitted	96.9
8									

I. Physical verification of inventory/stores: -

Inventory/Stores Register has not been prepared by the ULB and in the absence of above register; it is difficult to verify the same.

J. Advances, their adjustment & recovery: -

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

K. Comment on management of Fixed and other Assets: -

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



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

Financial guidelines of schemes of MOHUA and UD & HD, GOB have not been complied properly by the ULB. Details of which are enumerated below;

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

PART – C (Other)

Sl. No.	Particular	Remarks/ Observation												
	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	No Irregularities Found in this regard. Details of some of the cases checked during the audit period: <table border="1"><thead><tr><th>Date</th><th>Particular</th><th>Amount</th><th>Chq. No.</th></tr></thead><tbody><tr><td>20.01.20 21</td><td>Wages Paid</td><td>29000 .00</td><td>For the month of Dec 20</td></tr><tr><td>30.01.20 21</td><td>Wages Paid</td><td>38218 .00</td><td>Ashish Kumar for the month of Dec 20</td></tr></tbody></table>	Date	Particular	Amount	Chq. No.	20.01.20 21	Wages Paid	29000 .00	For the month of Dec 20	30.01.20 21	Wages Paid	38218 .00	Ashish Kumar for the month of Dec 20
Date	Particular	Amount	Chq. No.											
20.01.20 21	Wages Paid	29000 .00	For the month of Dec 20											
30.01.20 21	Wages Paid	38218 .00	Ashish Kumar for the month of Dec 20											
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 Such type of Issues found in this regard. Procurement register has not been maintained by the ULB.												
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.• Labor cess has not been deducted & deposited appropriately.												



		<ul style="list-style-type: none"> • GST liability has not been settled till the date of audit. <p>Penalty and Interest may be levied on ULB as per Statutory Laws.</p>
e.	Whether all the C&AG audit & Internal audit Para's has been compiled by the ULBs	Yes, C & AG audit paras of FY 2015-16 been compiled by the ULB as per Compliance report provided to us. But No Compliance report of the Internal Audit Report has been prepared by the ULB till the date of audit So, 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		NAGAR PARISHAD RAMNAGAR					
Sr No.	Observations	Risk Rating	Design Gap	System gap	Operati ng Gap	Mgt. Comment	Auditor Recommendation
DEMAND GENERATION:							
1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	HIGH	No	No	Yes	It will be taken care in future.	Demand register was not maintained. It is necessary to maintain demand register for correct assessment of demand.
2.	Collusion with Citizen regarding Assessment.	MEDIUM	No	No	No	-	No Such cases found.
3.	Non-Updating Various Register like hand book,DCB register, Assessment registered.	MEDIUM	Yes	Yes	Yes	It is in printing process. It will be maintained in future.	Hand Book & DCB register are not up to date. Assessment Register has not been maintained.
4.	Others	-	-	-	-	-	-
RECEIPTS AND BANKING:							
1.	Error in collections, loss of receipts and perpetrated frauds	HIGH	Yes	Yes	Yes	It will be taken care in future.	Due to non-maintenance of Demand Register, collection is also not done on timely basis. Also the collected amount is not deposited into the bank on the same day. It may leads to revenue loss.
2.	Non-updating various register like hand book, DCB register, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date. It should be updated on daily basis.
3.	Collusion with the citizen and the ULBs staff to make wrong	HIGH	No	No	No	-	No Such cases found.



	assessments of income						
4.	Others	-	-	-	-	-	-

REVENUE EXPENDITURE:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	Its payment is done as per the office order.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.
4.	Perpetrated fraud (Like payment more than one time on same bill)	HIGH	No	No	No	-	No Such cases found.
5.	Non-updating various register like Bill register with payment fig., etc.	MEDIUM	No	No	No	-	No Such cases found.
6.	Others	-	-	-	-	-	-

ESTABLISHMENT EXPENDITURE:

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



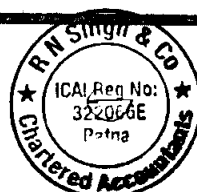
	advance register, etc.						
7.	Others	-	-	-	-	-	-

CAPITAL EXPENDITURE:

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

PROCUREMENT AND INVENTORY:

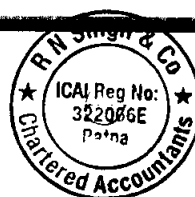
1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication/Procedural error	HIGH	No	Yes	Yes	Due to non-availability of nearby petrol pumps, tender and work order is not issued. And also Tendering is not	Fuel is purchased from K.C. & Sons without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment is made for fuel without reconciliation with vehicle log book.



						applicable in this.	
4.	Collusion with contractor	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same contractor)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like store register, issue register, bill register with payment fig., advance register, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	These registers are not maintained. Only payment files are maintained. There should be separate register for the same.
7.	Others	-	-	-	-	-	-

GRANT AND LOANS AND UTILISATION THEREOF:

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

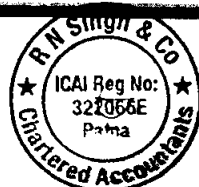


FIXED DEPOSITS AND INVESTMENTS:

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

LOANS AND ADVANCES:

1.	Unauthorized release of advance	HIGH	No	No	No	-	No Such cases found.
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,	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Loans & Advances Register. Bank Book has not been maintained by the ULB.



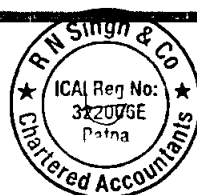
Bank book, cash book, etc.						
7. Others	-	-	-	-	-	-

List of Important Registers

Name of the ULB		NAGAR PARISHAD RAMNAGAR			
RISK RATING:		MEDIUM			
CAG OBSERVATIONS STATUS		NOT AVAILABLE			
		PERIOD: 01/04/20 to 31/03/21			
Sl. No.	Particulars	Audit Observation	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Cash Book	General Cash Book is maintained by the ULB & Subsidiary Cash Book has been maintained by the ULB but it is not authorized by the executive officer on daily basis.	Due to non-authorisation of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Ledger	Ledger is being prepared by DEAS team in tally not by ULB.	Due to this segregation of head wise balance is difficult.	It will be taken care in future.	Not Resolved
3.	Journal	Journal Register has not been maintained.	Due to this amount receivable & payable is not ascertainable.	It will be taken care in future.	Not Resolved
4.	Register for Journal/ Magazines/Newspapers	Not-Maintained	This may leads to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	Register for Temporary Advances	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
6.	Register of Money Orders/Bank Draft	Maintained	-	-	-



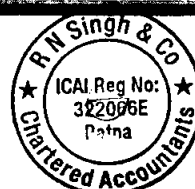
	Received				
7.	Cheque Issue Register	Maintained	-	-	-
8.	Register of Remittances made into bank	Maintained	-	-	-
9.	Bank Passbook	Maintained	-	-	-
10.	Register of Bank drafts dispatched	Maintained	-	-	-
11.	Bill Register	Not-Maintained separately, bills are attached in their respective files only.	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
12.	Establishment Register	Maintained	-	-	-
13.	Stock Register	Not Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
14.	Capital Goods/Consumable articles, non-consumable articles and	Not-Maintained	It may leads to misplacement of Capital Goods/Consumable articles & non-consumable article.	It will be taken care in future.	Not Resolved
15.	Statutory Deduction Register	Statutory deduction registers are not maintained by the ULB.	Due to non-booking of statutory deduction, there is chances of delay in their payments & filing of returns.	It will be taken care in future.	Not Resolved
16.	Fixed Assets Register	Not-Maintained	It may leads to misplacement of fixed assets.	It is in printing process.	Not Resolved
17.	Grant Register	Not Maintained	It leads to difficulty in tracking of grants.	It will be taken care in future.	Not Resolved
18.	Scheme Register	Maintained	-	-	-
19.	Monthly accounts of Receipts/Payments	Not-Maintained	Due to this segregation of head wise balance is difficult.	Being Prepared by DEAS team.	Not Resolved



20.	Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
21.	Dispatch Register	Maintained	-	-	-
22.	File Register	Not-Maintained	It may leads to misplacement of files.	It will be taken care in future.	Not Resolved
23.	Any other (Name of the register)	-	-	-	-

Cash and Bank

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



	register, etc., Verify the same with Bank statement & BRS,					
4.	Whether cheque issue register are matched with cash book.	Yes	-	-	-	-
5.	Whether proper steps has been taken for dishonored cheque, it was realized in cash or not,	Yes	-	-	-	-
6.	Whether Bank Reconciliation has been made for each account, verify the status of BRS, (attached BRS as annexure)	Prepared.	-	-	-	-
7.	Check whether no any fraud payment or payment to other person has been made,	No such cases found.	-	-	-	-
8.	Whether bank statement for all account have been promptly received from bank.	Yes	-	-	-	-
9.	Number of Bank account maintained	14	-	-	-	-
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	NAGAR PARISHAD RAMNAGAR
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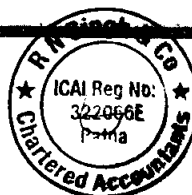
	RISK RATING:	MEDIUM				
	CAG OBSERVATIONS STATUS	NOT AVAILABLE				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB,	Yes	-	-	-	-
2.	Whether bill has been signed by proper in charge,	Yes	-	-	-	-
3.	Whether the bill has been checked by the accountant with the MB (also compare the qty.), estimate, agreement, previous bill (in case of running agreement)	Yes	-	-	-	-
4.	Verify whether any payment made for removing /dismantling material which have scrap value must be indicated in the bill,	No such cases found.	-	-	-	-
5.	Whether measuring has done by the engineer concerned,	Yes	-	-	-	-
6.	Whether expenditure on construction of work was debited to WIP & verified with MB maintained,	Yes	-	-	-	-
7.	Whether master roll(machine numbered & authorized) has been maintained for details of store, specifying:	Not Maintained	-	It may leads to fraud & Defalcation.	It will be prepared in future.	Not Resolved



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

Cash Book

	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
	CAG OBSERVATIONS STATUS	NOT AVAILABLE				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether Opening Balance & Closing Balance was worked out or not,	Updated on Monthly basis but not authorized.	-	Due to non- authorisation of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Whether posting of receipt & payment side of cash book are properly maintained & it was	Yes	-	-	-	-



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

Collection

	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
	Name of Tax Collector	SHASHENDRA SHRESTA				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether collection procedure are as per guidelines/direction of ULB,	Yes	-	-	-	-
2.	Whether collections are made on the basis of	Demand & Collection	-	It may leads revenue loss to	It will be prepared in	Not Resolved

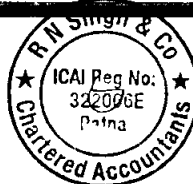


	Demand & Collection Register,	register has not been maintained.		the ULB.	future.	
3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt 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	-	-	-	-
9.	Whether collections are made by all the holding fall under the same TC or Civics Centre,	Yes	-	-	-	-
10.	Whether government share of collections	No Such cases found.	-	-	-	-

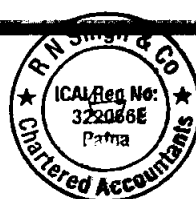
	(like Education cess & health cess) are properly & timely deposited in its own account, (if applicable)					
11.	Whether there is any short/non collection or short deposit or not deposit,	No Such cases found.	-	-	-	-
12.	Whether penalty (@ 2% P.M/ 1.5%) has been duly charged on late payment,	No Such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

Demand

Name of the ULB	NAGAR PARISHAD RAMNAGAR
RISK RATING:	MEDIUM
Name of Tax Collector	SHASHENDRA SHRESTA



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

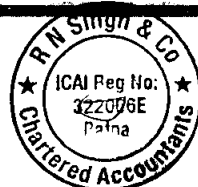


	person have control on two or process at the same time,					
10.	Whether there is any under/no assessment,	No	-	-	-	-
11.	Whether there is appropriate measures(As Per section 155 & 158 of BMA, 2007) are adopted for recovery of Government/bid dues,	No Such cases found.	-	-	-	-
12.	Whether notice for demand has been made in prescribed format (As Per BMAR) & as per rules & regulations,	No Such cases found.	-	-	-	-
13.	Whether penalty(@2% P.M/ 1.5%) has been charged on late payment,	No Such cases found.	-	-	-	-
14.	Whether Demand, Collection & Balance Register has been prepared on daily basis for all receipts or not, & it would be authorized by proper authority or not,	Not Maintained in prescribed format & also not updated.	-	-	-	-
15.	Whether there are adequate safeguard on data has been operated or not,	No	-	-	-	-
16.	Whether self-assessment property tax return for payment of property tax has been filed by the assesses in the prescribed format,	Yes	-	-	-	-
17.	Whether there is any collusion with customer/holding w.r.t., assessment, payment, etc.	No Such cases found.	-	-	-	-
18.	Any Other	No	-	-	-	-

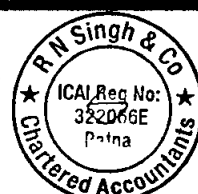


Establishment

	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether establishment expenditure is sanction by authorized person & it has been within sanctioned limit,	Yes	-	-	-	-
2.	Whether service log book has been maintained & up to date or not,	Not Maintained	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
3.	Audit whether apart from comparing the pay & allowance drawn by each employee in the pay bill with the corresponding entries in the pay column of the service book and checking the acquaints roll of employee who have been paid in cash,	Service book not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
4.	Whether each employee has unique identification number & it has be referred in all matter in relation to service book Whether payment made to employee has been verified with attendance register/logbook,	Yes	-	-	-	-
5.	Whether service book for calculation of payable has been authorized by the proper person,	Service Book not maintained.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
6.	Whether account depart has prepared the advice & instructed the bank for the payment as per advice,	Yes	-	-	-	-
7.	Whether undistributed amount of pay & allowance as shown in cash book matched with balance of undistributed salary balance,	Undistributed salary amount not maintained in cashbook.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
8.	Whether undistributed amount of pay & allowance are not for more than 3 months as cash in	No Such cases found.	-	-	-	-



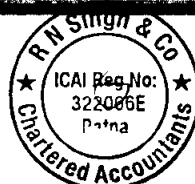
	hand,					
9.	Whether disbursement of pay & allowance are duly recorded in books & accepted by employee specifying separate hade with date of receive (In case of arrear),	No Such cases found.	-	-	-	-
10.	Whether the bill prepared according to sanctioned scale,	Yes	-	-	-	-
11.	Whether no any payment is 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 over/less payments.	It will be taken care in future.	Not Resolved
13.	Whether all statutory deduction or adjustment has been made before payment,	Yes	-			
14.	To check compliance of rules in regard to establishment matters viz., travel, daily allowance, leave, advances (House building and vehicle advance etc.) and settlement thereof.	No Such cases found.	-	-	-	-
15.	To check salary bills.	Salary Bills not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved
16.	Position of outstanding advances paid to employees	No Such cases found.	-	-	-	-
17.	To check deduction of provident fund and ESI has been made as per rules	Yes	-	-	-	-
18.	Whether PF slips are issued to the employees on yearly basis and to see whether all statutory returns for PF are submitted to the concerned authorities.	Yes	-	-	-	-
19.	To check whether salary bill is prepared in such a manner that it gives breakup of the amount of bill and all adjustments such as deduction of PF, TDS and other	Not prepared.	-	It may leads to over/less payments.	It will be taken care in future.	Not Resolved



	advances and loans etc.					
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	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Maintenance/Updation register regarding details of funds received and expenditure.	Grant register not prepared.	-	It leads to difficulty in tracking the unutilized grant at a point of time.	It will be prepared in future.	Not resolved.
2.	Any diversion/re-appropriation of funds not covered under the	No Such cases found.	-	-	-	-



	provision of BMA, 2007 should be pointed out for remedial action.					
3.	To check whether utilization certificate is for actual utilization of funds received .	Yes	-	-	-	-
4.	It should also be checked that utilization certificate is issued as per prescribed time frame given in the Manual and issue of UCs is not delayed.	We have found some cases where UCs is not prepared on time. However we have guided to prepare it.		It may leads to mis-utilization of fund.	With the guidance of internal auditor, we have started preparing UC's. It will be submitted to department very soon.	In Process
5.	Internal Auditor should also check whether expenditure incurred on each activity does not exceed the budget.	No Such cases found.	-	-	-	-

Payment of bills of contractors

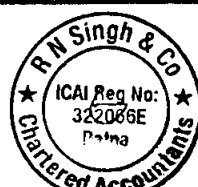
	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved or not)
1.	Original bill duly signed by contractors is submitted.	Yes	-	-	-	-
2.	Contractor has put his initials in all cuttings and 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	Yes	-	-	-	-



	are as per terms and conditions specified in the agreement					
5.	The variations in quantities and completion period etc. have been authorized by the competent authority	Yes	-	-	-	-
6.	Job completion certificate has been processed by the dealing assistant.	Yes	-	-	-	-
7.	Bills passed for payment are as per rules and T & C of Tender.	Yes	-	-	-	-
8.	All terms and conditions of the contract are fulfilled before passing the bills.	Yes	-	-	-	-
9.	Every final bill is checked in detail with measurement books.	Yes	-	-	-	-
10.	Cash/Bank Vouchers to be checked for authorization etc.	Yes	-	-	-	-
11.	Overall review of the books of accounts.	Yes	-	-	-	-
12.	Position of outstanding advances paid to suppliers/contractors.	No Such cases found.	-	-	-	-

Receipt Voucher

Name of the U.I.B		NAGAR PARISHAD RAMNAGAR				
RISK RATING:		MEDIUM				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether "Receipt Vouchers" are in the	Yes	-	-	-	-



	prescribed format & having machined serial number & there is no any manuscript form,					
2.	Check;		-	-	-	-
3.	What is the date of printing,	Checked	-	-	-	-
4.	What quantity of serial number was printed out,	Checked	-	-	-	-
5.	What is the date of dispatched, quantity of receipt vouchers & their serial number;	Checked	-	-	-	-
6.	Log book/ Register maintained at printing press regarding printing of "Receipt Vouchers".	Checked	-	-	-	-
7.	Verify that "Receipt Vouchers" received & their storing, having same quantity & serial numbered which was actually dispatched & proper recording of the same along with issue,	Yes	-	-	-	-
8.	Verify Log book/ Register maintained at every collection center & cash counter with regard to receipt & return quantity & serial number,	Yes	-	-	-	-
9.	Verify the log book/ Register of 'Receipt Vouchers' & cross verified the allotments to TC(Log Book) with their date of issue, serial number, name of TC & their circle	Yes	-	-	-	-
10.	Check whether TC have same "Receipt Voucher" which was actually issued by store & it must be authorized by the appropriate authority,	Yes	-	-	-	-



11.	Check that there should be proper recording at each stage (where authority has been changed) of log book/register for issue/receipt of "Receipt Vouchers",	No Such cases found.	-	-	-	-
12.	Confirm that all unused "Receipt Vouchers" are under the custody of authorized person,	Yes	-	-	-	-
13.	Verify that any cancelled vouchers have in both original & carbon copy,	Yes	-	-	-	-
14.	Verify whether reversible carbon has been used during receipt.	Yes	-	-	-	-

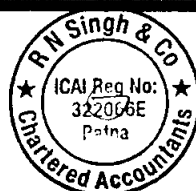
Other Revenue:

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



Revenue Expenses

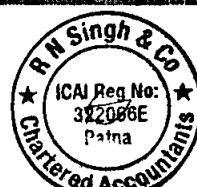
	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether payment is on the basis of Sanction / work order letter & incurred by authorized person.	Fuel is purchased from K.C. & Sons without prior tender, agreement and work order. There is a chance of related party transaction. Further, Payment is made for fuel without reconciliation with vehicle log book. Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.	₹909531	It leads to fraud and related party transactions.	It will be taken care in future.	-
2.	Whether payment is made through prescribed format.	Vouchers Prepared Manually.	-	There may be chances of Fraud & Defalcation.	It will be taken care in future.	Not Resolved
3.	Whether payment is made without any undue	Yes	-	-	-	-



	delay or whether any cheque issued are promptly issued to the respective person.					
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.	DBMS not maintained.	Not Resolved
8.	Whether exact amount (no any over payment) are paid and verified by supporting document, & no any collusion with party,	Yes	-	-	-	-
9.	Whether register for settlement of service bill has been maintained and up to date,	Yes	-	-	-	-
10.	Whether payment made to the same to whom it might be payable and no any second claim in this regard,	Yes	-	-	-	-
11.	Whether payment has been	Yes	-	-	-	-
12.	Whether the expenditure are made with a period & amount as sanctioned,	Yes	-	-	-	-



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



Statutory Requirement

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

Tender Details (Work Order Wise)

	Name of the ULB	NAGAR PARISHAD RAMNAGAR				
	RISK RATING:	MEDIUM				
	Work order No.	01/2019-20 to 16/2019-20				
		PERIOD: 01/04/20 to 31/03/21				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved



							/or not)
1.	To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts.	Yes	-	-	-	-	-
2.	To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents.	Yes	-	-	-	-	-
3.	The important guidelines relating to earnest money, delivery schedule, payment terms, performance warranty/guarantee, inspection, arbitration, liquidated damages/penalty for delayed supplies, purchase on risk and cost were incorporated in the tender documents for safeguarding the interest of corporation.	Pre-inspection report not found. (Contractor Name- Binod Kumar Singh)	-	It may lead to modified information and over payment.	It will be asked to be prepared.	-	-
4.	The purchase proposal was approved by the competent authority. as per delegation of powers	Yes	-	-	-	-	-
5.	Indent for purchase indicates the details of quantity required, last purchase rate, period for which stores are needed and name of consignee.	Not in prescribed format.	-	There may be chances of fraud & defalcation.	It will be taken care in future.	Not Resolved.	-
6.	Approval of mode of procurement	Yes	-	-	-	-	-
7.	The tender documents are prepared properly and description of items to be procured, quantity and estimated value 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 with L1 bidder and all the relevant records thereof were available.	Yes	-	-	-	-
13.	To check whether articles were received/work was completed in time as per delivery schedule.	Yes	-	-	-	-
14.	The stores/goods are properly recorded in the Stock Registers /Asset Register.	Yes	-	-	-	-
15.	Whether any complaint was received regarding	Yes	-	-	-	-



procurement and payment and existence of mechanism for redressal of Complaints

Vehicle Log Book

Name of the ULB

NAGAR PARISHAD RAMNAGAR

RISK RATING:

MEDIUM

PERIOD: 01/04/20 to 31/03/21

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



Fixed Assets

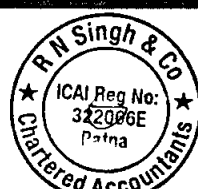
Name of the ULB		NAGAR PARISHAD RAMNAGAR				
RISK RATING:		MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Status on Maintenance of Fixed Assets Register	Not Maintained	-	It may leads to misplacement of assets.	It is in printing process.	Not Resolved
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Yes	-	-	-	-
4.	all fixed assets are acquired only after obtaining approval of the concerned authority	Yes	-	-	-	-
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	Due to non-availability of FA register. Physical Verification is not done.	-	It may leads to misplacement of assets.	Being Prepared by DEAS Team.	Not Resolved
6.	Depreciation is provided on each class of fixed assets at the prescribed rates	No Depreciation is provided.	-	It leads to over valuation of fixed assets.	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		NAGAR PARISHAD RAMNAGAR				
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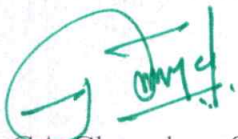
RISK RATING:		MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	All permanent changes made in the assessment of buildings and lands have been recorded in this register with reference to the monthly lists, Register of Revision Petitions, Register of Appeal Petitions, and Register of Writes-off.	No such register provided.	-	It leads to false information about the assessment of buildings and land.	-	-
2.	Demands of current year and previous year have been reconciled with reference to the above details	No	-	-	-	-
Register of Suits						
1.	All suits filed by the municipality for recovery of any sum due are entered.	Register of Suits filed by ULB has not been maintained by the ULB.	-	To trace status of cases is very difficult.	It will be taken care in future.	Not Resolved.
2.	All suits filed against the municipality are entered	Register of Suits filed against ULB has not been maintained by the ULB.	-	To trace status of cases is very difficult.	It will be taken care in future.	Not Resolved.
3.	Sanction from the Council obtained for filing/defending the suit	No Such cases found	-	-	-	-
4.	All details like the Assessment Number, amount involved, Name of Court and Suit Number etc. are clearly entered	No Such cases found	-	-	-	-
5.	Execution Petitions are filed for recovery of sums, in cases the suits are disposed in favour of municipality.	No Such cases found	-	-	-	-



General Observations: -

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

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



CA Chanakya Shree
Partner
Mem No: 079322



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

Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO) Comments	Ref. Page
1.	Royalty and Labour cess have been deducted since F.Y. 2019-20 to 2020-21 but it has not been deposited on time. Total Royalty and Labor Cess deducted were Rs. 318682.00/- and Rs. 159310.00/- respectively. As per Building and Other Construction Workers Welfare Cess Act, It is a statutory irregularity. Therefore, Penalty may be levied on ULB. As per Building and Other Construction Workers Welfare Cess Act. If any employer fails to pay any amount of cess payable under section 3 within the time specified in the order of assessment, such employer shall be liable to pay interest on the amount to be paid at the rate of two percent, for every month or part of the month comprised in the period from the date on which such payment is due till such amount is actually paid. Further, Unpaid royalty interest in F.Y. 2018-19 is 9.96% and in F.Y. 2019-20, rate of URI is 9.54%.	High	Yes	Yes	Yes	Royalty and labour cess will be deposited soon as it is under process.	
2.	We observe that the Statutory Compliance has not been accomplished by ULB. These Statutory Irregularities are following: TDS Return has not been filed. Labor Cess, Royalty and GST has not been deposited to concerned department which is deducted from payment.					It will be complied from next year.	
3.	Mobile Tower Tax has not been collected by the ULB which	High	No	No	Yes	Collection is going on.	



	leads to huge revenue loss. As per details provided to us there are total 23 Mobile Towers registered with this ULB up to 31.03.2021 and ₹6392000/- has not been collected till the date of audit from these tower operators as Tower Tax.						
7.	Cash book is not maintained in proper way. It is difficult to Ascertain the account head from where and where to the amount have been received or paid respectively.	High	Yes	Yes	Yes	It will be considered.	
5.	BRS has not been prepared by ULB, hence it is difficult to monitor the fraud if any.	High	Yes	Yes	Yes	Will be prepared from next year.	
6.	Advertisement Tax has not been levied by the Nagar Parishad Ramnagar during this period. It leads to revenue loss to the ULB.	High	No	No	Yes	Advertisement tax does not deduct in this ULB.	
7.	Professional tax is not deducted by the ULB on the salary payments of more than ₹15,000. Moreover, ULB is not registered under THE BIHAR PROFESSIONAL TAX ACT, 2011.	High	No	Yes	Yes	ULB will be registered under the bihar professional tax act.	
8.	Vehicle on hire is used without prior tender and agreement. It seems to be a related party transaction.	High	No	Yes	Yes	Vehicle is hired as per district rate applicable.	
9.	Various registers, books of records etc. are not prepared by the ULB. Such as Advance & Recovery Register, Fixed Asset Register, File movement register, Inventory/ Store Register, Demand Register, Advertisement Taxes/Fees, Sairat etc.	High	No	Yes	Yes	It will be prepared from next FY.	
10.	Demand register is not maintained properly or up to	High	No	No	Yes	It will be prepared from next financial year.	



	date by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc. Further, Holding tax defaulters are not classified as demand register is not maintained by the ULB. It leads to a huge revenue loss to the ULB.					Survey is going on for the due amount of Property Tax, Rent on Municipal Property, Etc.
11.	Cashbook is not maintained on day-to-day basis, which is not as per Bihar Municipal Accounting Manual. It should be prepared on daily basis i.e. transaction wise. Executive Officer has not authorized Main Cash Book as well as Subsidiary Cash Book on daily basis.	Medium	No	No	Yes	Will be maintained in proper basis but not on daily basis.
12.	ULB has not in practice to maintain the Account in Computer.	High	Yes	Yes	Yes	Will be maintained from next year.
13.	Financial guidelines of schemes of MOHUA and UD & HD, GOB have not been compiled by the ULB. UC of ₹ 2385.68 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the year end of financial year 2020-21.	Medium	No	No	Yes	It will be complied as soon as possible.
14.	UC of ₹780.57 lakhs of various schemes are pending for submission to the Urban Development & housing Department till the end of 4 th quarter of financial year 2019-20. Submission details of these during till the year end of financial year 2020-21 has not been provided.	Medium	No	No	Yes	Preparation is going on.
15.	Details of Directives issued by UD & HD have not been	Medium	No	No	Yes	It will be not be done yet.



	provided to us during the course of audit, so we are unable to check compliance of the same.					
16.	Procurement Register has not been maintained for all procurements above Rs.15,000. Further, Guidelines issued by UD&HD regarding procurements were also not provided to us during the course of audit.	Medium	No	No	Yes	It will be maintained in next F.Y.
17.	Previous AG (F.Y. 2018-19 and F.Y. 2019-20) & Internal audit compliance report has not been provided to us during the course of audit.	Medium	No	No	Yes	Previous AG (F.Y 2017-18) has been sent. And (F.Y.2018-19) and (F.Y.2019-20) is in process.
18.	There is lack of Internal Control on deduction and deposit of various taxes. On deduction of taxes, liability is not created hence it is difficult to ascertain tax payable at any point of time.	Medium	No	No	Yes	Bank had returned the cheque and it will paid in next of month.
19.	Taxes collected by tax collector are not deposited on daily basis. We observed that it is being deposited in the next following month or ending of the month which is not proper as per rule 27 of BMAR. It should be deposited on daily basis otherwise; penalty up to Rs.500 may be imposed for delayed deposit.	Medium	No	No	Yes	It will not be deposited on daily basis due to covid -19.
20.	Municipal Accounts Committee has not been constituted by the Nagar Parishad Ramnagar. It should be constituted in the first Board Meeting of the ULB every year.	Low	No	No	Yes	Discussed in next board meeting.
21.	No separate grant register is being maintained by the ULB. So, it is difficult to find out the amount of unutilized amount of grant at a point of time.	Low	No	No	Yes	It will be maintained from next financial year 21-22.
22.	Attendance Register is not verified on Monthly Basis by	Low	No	No	Yes	It is not verified by Executive officer in



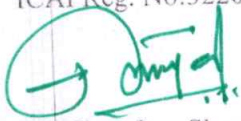
	the EO officer.					monthly basis but summary sheet has been signed by him in monthly basis.
23.	Register of suits by/against ULB has not been maintained by the ULB.	Low	No	No	Yes	It will be maintained in next FY.
24.	Statutory deduction on salary (such as TDS and Professional Tax) payment to Executive officer <u>has not been made.</u>	Low	No	No	Yes	It is deposited in final payment at the time of return filing.
25.	Self-Assessment System (SAS) of Property Tax has been implemented in Nagar Parishad Ramnagar but we have found that assessee is very less aware of that. ULB should conduct time-to-time awareness programme to make people aware of SAS.	Low	No	No	Yes	It is conducted in every financial year.
26.	ULB is not in practice of preparing Monthly Receipt and Payment.	Low	No	No	Yes	Will prepare from next year.
27.	ULB is not in practice of preparing of Annual F.S.	Low	No	No	Yes	Not requirement for us.
28.	Vinod Singhal & Co (Jaipur, Rajasthan & Boring Road, and Patna-800001) has started doing double entry accounting system from 15 TH April 2019 but it is in process & incomplete, it is not in auditable position. Year wise Status of DEAS are as follows; FY- 2014-15: In Process FY- 2015-16: In Process. FY- 2016-17: In Process. FY- 2017-18: In Process. FY- 2018-19: In Process. FY- 2019-20: Accounting in progress. FY- 2020-21: Accounting in progress.	Low	No	No	Yes	It will be completed as soon as possible.
29.	ULB has not co-operated in	Mediu	Yes	Yes	Yes	Password has been

32
 कै. रा. वि. नि. नगर पंचायत
 पटना-800001
 28/1/19



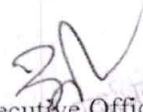


	providing the login details TDS and GST so we are unable to find the Short deduction and short payment of TDS and late fees thereon and whether it will filed or not.	m					forgotten it will make available in next F.Y.
30.	ULB isn't in practice to prepare summary of Daily Collection Receipt in Form GEN-13.	Low	No	No	Yes		It is prepared in Excel.
31.	Property Tax Due have not collected yet (Annexure attached)	High	Yes	Yes	Yes		Notices has been sent.

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



CA Chanakya Shree
Partner
M. No: -079322

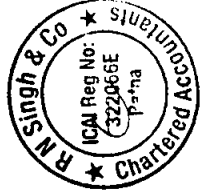



Executive Officer
Nagar Parishad Ramnagar
Date: 
Place: 

NAGAR PARISHAD RAMNAGAR

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

Sl No	Company Name	No. Of Tower	Date of Establishment	Outstanding Fee as on 01.04.2020	Renewal Fees	Collection	Total Amount Due
1	Airtel	3	2007-08	31,50,000.00	24,000.00	-	31,74,000.00
2	Airtel	1	2006-07	1,58,000.00	8,000.00	-	1,58,000.00
3	Airtel	2	2008-09	2,76,000.00	16,000.00	-	2,76,000.00
4	ATC Idea	3	2009-10	3,86,000.00	24,000.00	-	3,86,000.00
5	Tata Indicom	1	2009-10	1,34,000.00	8,000.00	-	1,34,000.00
6	Tata Indicom	1	2011-12	1,10,000.00	8,000.00	-	1,10,000.00
7	Aircel	1	2008-09	1,42,000.00	8,000.00	-	1,42,000.00
8	Aircel	1	2010-11	1,26,000.00	8,000.00	-	1,26,000.00
9	Reliance	1	2009-10	80,000.00	8,000.00	8,000.00	80,000.00
10	Reliance	1	2011-12	94,000.00	8,000.00	8,000.00	94,000.00
11	Reliance	1	2012-13	56,000.00	8,000.00	8,000.00	56,000.00
12	Reliance	1	2018-19	8,000.00	8,000.00	-	8,000.00
13	Reliance	1	2019-20	38,000.00	8,000.00	8,000.00	38,000.00
14	BSNL	1	2009-10	1,26,000.00	8,000.00	-	1,26,000.00
15	ATC India	1	2016-17	24,000.00	8,000.00	8,000.00	24,000.00
16	ATC India	2	2017-18	40,000.00	16,000.00	-	40,000.00
17	Tower Vision	1	2006-07	14,20,000.00	8,000.00	8,000.00	14,20,000.00
			TOTAL				63,92,000.00



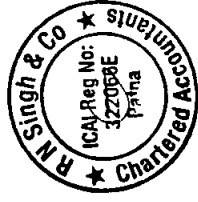
List of Defaulter(Nagar Panchayat Ramnagar)				
S.No	Ward No	Holding No	Owner Name	Total Outsatnding Demand
1	8	RAMNAG-00750	ST. XAVIER'S MISSION SCHOOL	50,607.70
2	5	RAMNAG-01229	ANIL KUMAR GUPTA	2,263.28
3	20	RAMNAG-00438	BINA DEVI	275.65
4	5	RAMNAG-01145	SHIVNARAYAN PRASAD	1,018.48
5	21	RAMNAG-00950	AHMAD SAGEER	3,632.58
6	5	RAMNAG-00877	AYODHYA SAH	1,078.14
7	3	RAMNAG-00755	Rameshwar Rao, Bacha Rao	44,437.62
8	6	RAMNAG-00732	Sagir Ahmad	15,212.49
9	8	RAMNAG-01330	ANIL KUMAR AGRAWAL	13,697.38
10	8	RAMNAG-01315	MADHAV CHANDRA DEVNATH, YAI	11,155.68
11	8	RAMNAG-01267	VASHIRUL HAQUE	6,056.24
12	5	RAMNAG-01225	JOHN PASCAL, JOSEPH PASCAL	456.06
13	9	RAMNAG-01219	BHARAT KUMAR AGARWAL	8,450.57
14	8	RAMNAG-01218	BHARAT KUMAR AGARWAL	9,641.87
15	5	RAMNAG-01000	RAMAWATI DEVI	4,964.53
16	16	RAMNAG-00984	ANIL KUMAR	2,735.77
17	16	RAMNAG-00983	ANJU DEVI	3,419.72
18	9	RAMNAG-00925	DIPU KUMAR MODANWAL	3,616.25
19	16	RAMNAG-00867	Raju Prasad Nag	1,491.87
20	6	RAMNAG-00768	PRADEEP KUMAR AGRAWAL	30,788.69
21	9	RAMNAG-00754	MD. HASNAIN	2,509.82
22	5	RAMNAG-00373	JOKHU DAS	1,069.13
23	21	RAMNAG-00682	RAJESH KUMAR JAISWAL	1,499.35
24	21	RAMNAG-00654	RAZAK MIYAN	96.01
25	21	RAMNAG-00565	SAKIL AHMAD	109.62
26	20	RAMNAG-00542	VINOD PRASAD	1,294.56
27	21	RAMNAG-00526	ANIL KUMAR	545.22
28	21	RAMNAG-00519	PRADIP SAH	508.64
29	21	RAMNAG-00517	VINOD KUMAR	626.40
30	5	RAMNAG-00341	SANJAY PANDEY	1,796.30
31	21	RAMNAG-00516	BALIRAM THAKUR	578.79
32	21	RAMNAG-00513	LALBABU PRASAD	350.78
33	1	RAMNAG-00509	Shamsad Ali	13,538.98
34	20	RAMNAG-00431	RAJESH RAI	3,892.61
35	16	RAMNAG-00428	NURAL HODA KURAISHI	5,753.44
36	20	RAMNAG-00426	JITENDRA PRASAD	3,161.14
37	16	RAMNAG-00422	SHEKH HASARAT MOHANI	12,394.67
38	16	RAMNAG-00417	Manoj Kumar Soni	3,112.51
39	20	RAMNAG-00312	SHEKH SAGIR	4,007.59
Total				2,71,846.13



Report on field Survey of 20 high value (Nagar Parishad Ramnagar)

Sl. No	Owner Property Name	Holding Number	Ward No.	Type of construction	Taxable area	Rate/sq ft	Annual rent	Annual Property Tax@9%	Housing Commercial
1	ST.Xavier's Mission	RAMNAG-0075	8	RCC	4557	20	91140	8202.6	Commercial
2	Arun Kumar Agrawal	RAMNAG-0093	8	RCC	2480	20	49600	4464	Commercial
3	Umesh Singh	RAMNAG-0042	20	RCC	1701	8	13608	1224.72	Residential
4	Rajesh Rai	RAMNAG-0043	20	RCC	1984	20	39680	3571.2	Commercial
5	Sagir Ahmad	RAMNAG-0073	6	RCC	1547	10	15470	1392.3	Commercial
6	VASHIRUL HAQUE	RAMNAG-0126	8	RCC	1200	20	24000	2160	Commercial
7	PRADEEP KUMAR AGR	RAMNAG-0076	6	RCC	1220.8	20	24416	2197.44	Commercial
8	Ray Rajendraa Sharma	RAMNAG-0136	20	RCC	2320	20	46400	4176	Commercial
9	Badal Kumar Kaushik Chh	RAMNAG-0008	1	RCC	528	20	10560	950.4	Commercial
10	Bharat Kumar Agarwal	RAMNAG-0121	8	RCC	1200	20	24000	2160	Commercial
11	Bharat Kumar Agarwal	RAMNAG-0121	9	RCC	1120	20	22400	2016	Commercial
12	Madhav Chandra Devnath	RAMNAG-0131	8	ACC	1468.8	17.4	25557.12	2300.1408	Commercial
13	Nek Mohammad	RAMNAG-0007	1	ACC	1561.6	17.4	27171.84	2445.4656	Commercial
14	Krishna MurariKemka	Kishorilal Kemka	20	RCC	6960	20	139200	12528	Commercial
15	Arjun vikram Sah	Mohan Vikram Sah	6	RCC	4559	8	36472	3282.48	Commercial
16	Panna lal sah	Ragunath sah	5	RCC	5088	20	101760	9158.4	Commercial
17	Meera Sah	Sanat Vikaram Sah	3	RCC	7345	5	36725	3305.25	Residential
18	Pawan Kr Sarawagi	Mohalal Sarawagi	6	RCC	6200	20	124000	11160	Commercial
19	Babuni Devi	Rajender Pd Gupta	5	RCC	2477	20	49540	4458.6	Commercial
20	Gaiyani Devi	Ishwari Pd	8	RCC	3000	20	60000	5400	Commercial

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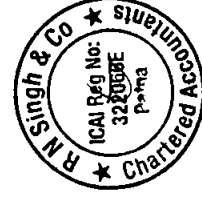
रामनगर नगर परिषद

महालेखाकार (बिहार) से प्राप्त सूची में से 5 करोड़ से अधिक राशि के लंबित उपयोगिता प्रमाण पत्र सम्बन्धी स्वीकृत्यदेश के विरुद्ध लेबित उपयोगिता प्रमाण पत्र की राशि की सूची (वित्तीय वर्ष 2019-20 से 2020-21)

Sr. No.	Name of Scheme	वित्तीय वर्ष	स्वीकृत्यदेश संख्या एवं तिथि	आवृत्त राशि	निकासी की गई राशि	व्यय की गई राशि	निकासी के विरुद्ध व्यय के उपरंत अवशेष राशि	समर्पित उपयोगिता प्रमाण पत्र की राशि	विभाग द्वारा महालेखाकार को समाप्त होने हेतु भेजे गए उपयोगिता प्रमाण पत्र का फाक एवं दिनांक	पी. एच. खाता में जमा अवशेष राशि
	3	2	4	5	6	9	10	12	15	20
1	नागरिक सुविधा मद	2019-20	47/06-08-2019	63.52	63.52		63.52	0.00	Not Submitted	63.52
2	पेशाकर मद	2019-20	51/09-08-2019	22.35	22.35		22.35	0.00	"	22.35
3	पंचम राज्य वित्त आयोग	2019-20	53/13-08-19	195.78	195.78		195.78	0.00	"	195.78
4	पंचम राज्य वित्त आयोग	2019-20	57/13-08-2019	189.16	189.16		189.16	0.00	"	189.16
5	वार्ड पार्षद के भत्ता	2019-20	82/20.09.2019	3.84	3.84		3.84	0.00	"	3.84
6	14वें वित्त आयोग	2019-20	128/27-11-2019	141.54	141.54		141.54	0.00	"	141.54
7	14वें वित्त आयोग	2019-20	3974(38) /30.07.2019	141.53	141.53		141.53	0.00	"	141.53
8	कार्यपालक पदाधिकारी का वेतन मद	2019-20	3999(42) /30.07.2019	2.20	2.20		2.20	0.00	"	2.20
9	सहायक अनुदान	2020-21	334/12.3.2021	3.84	3.84		3.84	0.00	"	3.84
10	स्वच्छता अनुदान	2020-21	344/13/3.2021	31.77	31.77		31.77	0.00	"	31.77
11	15 वें वित्त	2020-21	351/15.03.2021	136.12	136.12		136.12	0.00	"	136.12
12	15 वें वित्त	2020-21	352/15.03.2021	136.12	136.12		136.12	0.00	"	136.12
13	नाली गली	2020-21	355/15.03.2021	25.26	25.26		25.26	0.00	"	25.26
14	नाली गली	2020-21	356/15.03.2021	45.48	45.48		45.48	0.00	"	45.48
15	15th Finance	2020-21	146/11.11.2020	135.28	135.28		135.28	0.00	"	135.28



16	15th Finance	2020-21	147/11-11-2020	135.28	135.28	135.28	135.28	0.00	"	0.00	135.28
17	प्रधानमंत्री आवास योजना	2020-21	9/16-07-2020	6.00	6.00	6.00	6.00	0.00	"	0.00	6.00
18	पथ एवं पुलिया निर्माण	2020-21	248/11-02-21	133.19	133.19	133.19	133.19	0.00	"	0.00	133.19
19	BLC परियोजना	2020-21	255/18-02-21	20.80	20.80	20.80	20.80	0.00	"	0.00	20.80
20	पेशाकर	2020-21	405/18-03-21	31.83	31.83	31.83	31.83	0.00	"	0.00	31.83
21	15 वे वित्त आयोग	2020-21	295/02-03-21	135.70	135.70	135.70	135.70	0.00	"	0.00	135.70
22	15 वे वित्त आयोग	2020-21	296/02-03-21	135.70	135.70	135.70	135.70	0.00	"	0.00	135.70
23	HFA	2020-21	307/06-03-21	9.60	9.60	9.60	9.60	0.00	"	0.00	9.60
24	कार्यपालक पदाधिकारी के वेतानादी भुगतान	2020-21	31/25-04-20	6.00	6.00	6.00	6.00	0.00	"	0.00	6.00
25	पंचम राज्य वित्त आयोग	2020-21	36/13-05-20	121.64	121.64	121.64	121.64	0.00	"	0.00	121.64
26	15वाँ वित्त आयोग	2020-21	50/26-05-20	272.14	272.14	272.14	272.14	0.00	"	0.00	272.14
27	जल जीवन हरियाली	2020-21	177/18.01.2021	7.11	7.11	7.11	7.11	0.00	"	0.00	7.11
28	पथ एवं पुलिया निर्माण	2020-21	187/27.01.2021	96.90	96.90	96.90	96.90	0.00	"	0.00	96.90
Total:-				2385.68	2385.68	2385.68	2385.68	0.00	0.00	0.00	2385.68



Handwritten signature and date: 20/12/20

Management Discussion with Risk Assessment:
NAGAR PARISHAD RAMNAGAR
FOR THE YEAR ENDED 31.03.2021 (ANNUALLY)
Supplementary Disc. Note

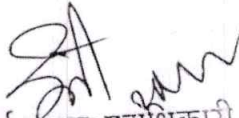
1. Current year Opening balance of Cash book is not matched with closing of Previous Year and also Transaction recorded in cashbook is not understandable and the same has been provided up to mid of Feb 2021.
2. Bank balance of all account and treasury in quarter basis have not been provided. I had demanded many times the same.
3. Statutory Deduction made at the time of payment has not been provided in payment basis and date wise. So we are unable to segregate in quarter basis deduction.
4. Cash book has not been maintained in chronological order and also there are more pages blank between 2 transactions. It may adjust the future transaction in previous date.

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



CA Chanakya Shree
Partner
M. No: -079322




कार्यपालक अधिकारी
Nagar Parishad Ramnagar
Date: _____
Place: _____, बिहार