

**INTERNAL AUDIT REPORT  
OF ULB  
(BARH NAGAR PARISHAD)**

**FOR THE PERIOD  
01/04/2020 TO 31/03/2021  
(ANNUAL)**

**CONDUCTED BY**

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

**From 04-04-2022 to 20-04-2022  
Report Issued on 02/05/2022**

## 1. Executive Summary

### 1. INTRODUCTION

Name of the Municipality	BARH NAGAR PARISHAD
Period covered undercurrent audit	01/04/2020 TO 31/03/2021 (Financial Year 2020-21)
Name of the Chairman of the ULB for the period under Audit.	Smt. Shakuntala Devi (01-04-2020 to 15-09-2020) Sri Rajeev Kumar (16-9-2020 to till the date of audit)
Name of Chief Municipal Officer for the period under Audit.	Sri. Janardhan Prasad Verma

### 2. Results and Findings

#### a. Strengths observed during the audit engagement:

1. Main cash book has been maintained by Barh Nagar Parishad.
2. Office infrastructure is sufficient for operation.
3. Response from officer & Staff were satisfactory.

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

1. We are not able to check the Compliance Status of AG Audit Observations for FY 2020-21 and previous as compliance report has not been prepared by the ULB.
2. Various register books of records etc. are not being prepared by the ULB such as Demand Register, statutory register with regards Survey register/files of hoardings.
3. Procurement register is not maintained by the Barh Nagar Parishad.
4. Barh Nagar Parishad is not in practice to prepare fixed asset register. Only soft copy is maintained
5. Barh Nagar Parishad is not in practice to charge depreciation
6. Advertisement Tax has not been levied by the Barh Nagar Parishad. There has not been any system developed for the levy of advertisement tax.
7. Various registers, books of records etc. are not being prepared by the ULB. Such as, Pay Roll Register, PF Register, Store Register, Capital Goods Consumable/non-consumables, Journals & Magazines, Investment Register, Bill Register, File Movement Register etc. ULB should maintain these registers as soon as possible.
8. ULB is not in practice to maintain subsidiary cash book of all scheme. Some schemes are Consolidated in the Treasury Cash Book. Such as: -14<sup>th</sup> Finance, State Plan, CM Nali Gali, CM Nal Jal, Civic Amenities, Stamp Duty, EO Salary, City Manager Mandey, Etc.
9. Municipal accounts committee has not been constituted till the date of audit.
10. Stock Register is not properly maintained by the Barh Nagar Parishad.



11. Tower list and data related to tax collected on that was not given by ULB.
12. Tax collection Receipts and Bill vouchers related to property tax collection is not given by ULB.
13. Details related to bifurcation of Income which was written in "Revenue Receipts & Others" head of Main Cash Book was not given by ULB.
14. Bank Reconciliation Statement was not prepared by ULB.
15. Data of Tally of F.Y-2020-21 and previous was not given by ULB.
16. Holding Tax of high value property was not given by ULB.
17. ULB has closed last year balance on 25/03/2020 and after audit some entries were passed in the cash book between 26/03/2020 to 31/03/2020.

### 3. Opinion

**As per Our Opinion the following improvements are required.**

- For maintenance of Required Registers.
- Separation of work in area of internal revenue collection demand generation and assessment of properties.
- In Human Recourses Management such training and rotation of employees.
- For maintenance of accounts
- For balancing of demand and collection of internal revenues.
- It requires to pay all the statutory liabilities like TDS, Royalty and GST on timely basis.
- Monthly review of delegated works.
- Compliance of Statutory Requirements.
- Documents must have been maintained throughout the year not at the time of audit.
- Finding new areas for revenue generation
- For compliance of FM manual in respect of depositing of collected amount

### 4. Audit Recommendations:

**The Recommendation of Audit Team on the Observed weakness.**

Sl No	We Recommend the followings: -
1.	Compiling the observation which is observed during the course of CAG Audit and prepare a compliance Report as quickly as possible.
2.	Barh Nagar Parishad must have to maintain fixed asset register that will help in: <ul style="list-style-type: none"> <li>• Track and identify the asset.</li> <li>• Security of the asset specifically to prevent theft.</li> <li>• Calculate depreciation annually.</li> <li>• Track gross book value and net value of asset.</li> <li>• Assists in conducting audit of assets and asset verification.</li> <li>• Help in estimating the repairs and maintenance cost.</li> <li>• Assists in estimating the future capital investment in fixed assets.</li> <li>• Comply with statutory requirements.</li> </ul>



3.	BRS should be prepared by the ULB.
4.	Recording and maintenance of Consolidated Cash Book.
5.	Complete the back logs of double entry with the help of Tibrewal Chand & Co.
6.	Constitution of Municipal Accounts Committee in the next financial year.
7.	Preparing the demand register and serve notices to the property holders to deposit the holding and other taxes which is levied but not deposited till the date.
8.	Segregation of the process related to calculation recovery & updation of demand register.
9.	Assess the measurement all properties within the jurisdiction of ULB.
10.	Follow the procedure which is prescribe in terms of depositing the tax & other charges collected.
11.	Prepare demand register in respect of Tower Tax Rent on Municipal Properties Trade License etc.
12.	Bifurcate the income in different heads from which it is related.
13.	Impose Advertisement tax as per guideline prescribed.
14.	Maintenance of the registers which is required for strengthen the internal control system.
15.	Prepare monthly receipt and payment account Journals Ledgers & Trial Balance.
16.	Prepare financial statements.
17.	Compliance of all Statutory Requirements.
18.	Timely fill the GST as well as TDS returns.
19.	Timely submit the UCs and refund the unutilized amount to the department.

#### 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.

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

#### 6. Acknowledgement:

We thank Sri. Janardhan Prasad Verma for his support during the period of our audit. We are also thankful to accountant and other staff of the Nagar Parishad for their co-operation during the period of audit.

#### 7. Management Discussion with Risk Assessment: -

Sl. No.	Observations (Sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO)Comments
1.	We are not able to check the Compliance Status of AG Audit Observations for FY 2020-21 and previous as compliance report has not been prepared by the ULB.	High	Yes	Yes	Yes	AG Audit report of F.Y-2020-21 is not received in Barh ULB
2.	Various register books of records	High	Yes	Yes	Yes	Demand Register,



	etc. are not being prepared by the ULB such as Demand Register, statutory register with regards Survey register/files of hoardings.					Statutory Registers maintained but not provided due to Absence of Cashier.
3.	Procurement register is not maintained by the Barh Nagar Parishad.	High	Yes	Yes	Yes	Procurement register maintained by each & every item in separate file.
4.	Barh Nagar Parishad is not in practice to prepare fixed asset register. Only soft copy is maintained	High	Yes	Yes	Yes	FAR should be maintained by next year.
5.	Barh Nagar Parishad is not in practice to charge depreciation	Low	Yes	Yes	Yes	Depreciation maintained in FAR by the next year.
6.	Advertisement Tax has not been levied by the Barh Nagar Parishad. There has not been any system developed for the levy of advertisement tax.	Medium	Yes	Yes	Yes	Advertisement Tax has not been levied in place of that Sairat will fulfilled.
7.	Various registers, books of records etc. are not being prepared by the ULB. Such as, Pay Roll Register, PF Register, Store Register, Capital Goods Consumable/non-consumables, Journals & Magazines, Investment Register, Bill Register, File Movement Register etc. ULB should maintain these registers as soon as possible.	Medium	Yes	Yes	Yes	Payroll register and PF register maintained in every month basis separate file. Store register is maintained and will provided dt-29-04-2022 and other register will maintained as soon as possible
8.	ULB is not in practice to maintain subsidiary cash book of all scheme. Some schemes are Consolidated in the Treasury Cash Book. Such as: - 14 <sup>th</sup> Finance, State Plan, CM Nali Gali, CM Nal Jal, Civic Amenities, Stamp Duty, EO Salary, City Manager Mandey, Etc.	Medium	Yes	Yes	Yes	All the schemes are properly maintained but it is maintained in Treasury Cash book.
9.	Municipal accounts committee has not been constituted till the date of audit.	High	Yes	Yes	Yes	Standing committee of N.P Barh is also take care as M.A committee
10.	Stock Register is not properly	Medium	No	Yes	Yes	Stock Register is



	maintained by the Barh Nagar Parishad.	m				maintained will be provided as on dt-29.04.22
11.	Tower list and data related to tax collected on that was not given by ULB.	High	Yes	Yes	No	Will be provided by Tax Daroga as on dt-30.04.2022
12.	Tax collection Receipts and Bill vouchers related to property tax collection is not given by ULB.	Medium	No	Yes	Yes	Will be provided by Tax Daroga as on dt-30.04.2022
13.	Details related to bifurcation of Income which was written in "Revenue Receipts & Others" head of Main Cash Book was not given by ULB.	Medium	Yes	Yes	Yes	By furcation of Revenue Receipts and others will be maintained by the next year and now It is maintained in cashier cash book.
14.	Bank Reconciliation Statement was not prepared by ULB.	High	Yes	Yes	Yes	It will be maintained by the next year
15.	Data of Tally of F.Y-2020-21 and previous was not given by ULB.	High	Yes	No	Yes	Tally of F.Y-2020-21 is in process.
16.	Holding Tax of high value property was not given by ULB.	High	Yes	Yes	Yes	Will be provided by Tax Daroga as on dt-30.04.2022
17.	ULB has closed last year balance on 25/03/2020 and after audit some entries were passed in the cash book between 26/03/2020 to 31/03/2020.	Medium	Yes	Yes	Yes	Due to the suspension of the E.O accounts will close on 25.03.2020 and after joining the new EO as on 07.04.2020 Accounts will be reopened

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

CA Chanakya Shree  
Partner

UDIN: 22079322APWYTD5821

Date: 25-08-2022



-SD-  
Executive Officer

Nagar Parishad Barh

Date:

Place: Barh

## 2. Auditee Profile

### 1. Introduction

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

Mr. Ritwik Anand

### 2. Administration

The present body of the ULB has taken charge on 26/03/2020. The incumbency in the key administrative and executive positions was as under:

Smt. Shakuntala Devi -Chairman (01-04-2020 to 15-09-2020)

Sri Rajeev Kumar -Chairman (16-9-2020 to till the date of audit)

Sri. Vijay Kumar Executive Officer from 26/03/2020 to till date.

### 3. Review of outstanding audit paras:

Status of Audit Observations is as under:

Sl. No.	Particulars of Audit and date of report	Total no. of audit Paras	Total no. of audit Paras where necessary improvement/ corrective measure is required	Total no. of audit Paras where recovery of cash is proposed	Total no. of audit Paras where recovery has been made	Total amount of Recovery	Total no. of outstanding para where no action has been taken	No. and Date of Compliance Report
1	AG Audit for the period 2013-14 2014-15 & 2015-16	19	17	2	0	0	19	No compliance report provided to us for verification
2	Internal Audit Report dt 29.06.2016	9	9	0	0	0	9	No compliance report provided to us for verification
3	Internal Report for the period 2015-16	10	10	0	0	0	10	No compliance report provided to us for verification



#### 4. Finance

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

Year	2018-19	2019-20	2020-21
Final/Revised Budget	4,29,40,85,662.00	87,73,36,653.00	862,121,366.00
Actual Expenditure	10,93,20,700.00	7,04,51,974.35	81273120.61
Savings (+)/ Excess (-)	4,18,47,64,962.00	80,68,84,678.65	780,848,245.44

##### II. Volume of transactions:

Period	Budgeted (2020-2021)	Previous Year (For one Year) 2019-20	Current Year (For one year) 2020-2021
Opening balance	209061305	177289310.00	250703577.45
Receipts	653060061	143866241.80	181706446.00
Total	862121366	321155551.80	432410023.45
Net expenditure	861763052	70451974.35	81273120.61
Closing balance	358314	250703577.45	351136902.84

**III. Bank Reconciliation:** -We have observed that Barh Nagar Parishad is not in practice to maintain subsidiary cash book for treasury scheme. However, bank reconciliation statement has also not been prepared by the ULB. Moreover, the balance of different bank accounts has been provided to us.

##### Details of Closing Balance:

Sr. No.	Fund Name	Bank Name Relate to Fund	Account Number Related to Bank	Closing Balance as Per Cash Book as on 31-03-2021	Bank Closing Balance as on 31-03-2021	Difference	BRS Prepared/ Not Prepared
1	BRGF	CANARA BANK	286101028667	25,053.00	25,051.00	2.00	Not Prepared
2	BRGF	PUNJAB NATIONAL BANK	569000100302396	2177233.00	2177233.00	0.00	Not Prepared
3	E-	AXIS BANK	914010020023314	8811.00	8811.00	0.00	Not





	<b>municipal body)</b>						
i)	Property tax	5885545	7942630	2796503	5885545	9947803	2796503
ii)	Other tax (levied and collected by municipal body)	0	0	2260500	0	0	2260500
b)	<b>Non-tax revenue (levied and collected by municipal body)</b>	<b>879409.00</b>	<b>1729080.00</b>	<b>185195.00</b>	<b>879409.00</b>	<b>1232408.00</b>	<b>185195.00</b>
i)	Fees & fines	0	0	6690	0	223869	6690
ii)	User Charges	879409	1729080	6391	879409	1008539	6391
iii)	Other non-tax revenue (levied and collected by municipal body)	0	0	172114	0	0	172114
2	<b>Other Revenue Receipts</b>	<b>1641655.00</b>	<b>996989.00</b>	<b>4031705.00</b>	<b>1641655.00</b>	<b>1747845.00</b>	<b>4031705.00</b>
a)	Income from interest/investments	1322355	996989	2363490	1322355	1278532	2363490
b)	Other Revenue income	319300	0	1668215	319300	469313	1668215
3	<b>Transfers/ Grants/ Assigned Revenues</b>	<b>16096665.00</b>	<b>197220.00</b>	<b>129218298.80</b>	<b>16096665.00</b>	<b>2466000.00</b>	<b>129218298.80</b>
a)	State Assigned Revenue	0	0	116480508.8	0	2466000	116480508.8
b)	State Finance Commission (SFC) Grants/ Devolution	15824445	0	315000	15824445	0	315000
c)	Octroi compensation	0	0	0	0	0	0
d)	Other State Govt. Transfer	272220	197220	0	272220	0	0
e)	Central Finance Commission (CFC) Grant	0	0	12422790	0	0	12422790
f)	Other Central Govt. Transfer	0	0	0	0	0	0
g)	Others	0	0	0	0	0	0
B.	<b>Capital Receipts</b>	<b>76040576.00</b>	<b>74908918.00</b>	<b>5374040.00</b>	<b>76040576.00</b>	<b>166312390.00</b>	<b>5374040.00</b>
1	Sale of Municipal Land	0	0	0	0	0	0
2	Loans (from State Govt. or Banks etc.)	0	0	0	0	0	0
3	State Capital	52935273	74908918	5244335	52935273	4042806	5244335



	Account Grant (under State Schemes etc.)						
4	Central Capital Account Grant (under Central Schemes etc.)	23105303	0	129705	23105303	162269584	129705
5	Other Capital Receipts	0	0	0	0	0	0

**Note 1:** - As mentioned in discussion note(point-17), bifurcation of Own Receipts of ULB was not divided into Tax Revenue and Non-tax Revenue because details related to this were not provided by ULB even after writing many letters and requests. Letters are attached with this report in *Annexure 3*.

**Note 2:** - As mentioned in discussion note, ULB has closed last year balance on 25/03/2020 and after audit some entries were passed in the cash book between 26/03/2020 to 31/03/2020. So, we have taken those entries in the first Qtr. of F.Y-2020-21.

#### V. Revenue and Capital Expenditure Information: -

Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19		2019-20		2020-21	
		2018-19 (ANNUAL)	2017-18 (ANNUAL)	2019-20 (ANNUAL)	2018-19 (ANNUAL)	2020-21 (ANNUAL)	2019-20 (ANNUAL)
	<b>Total Expenditure (1+2)</b>	<b>109,320,700.00</b>	<b>58,496,548.00</b>	<b>70,451,974.35</b>	<b>109,320,700.00</b>	<b>81,273,120.61</b>	<b>70,451,974.35</b>
1	<b>Revenue Expenditure</b>	<b>51,331,846.00</b>	<b>37,730,049.00</b>	<b>29,308,396.18</b>	<b>51,331,846.00</b>	<b>33,313,596.61</b>	<b>29,308,396.18</b>
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	30466934	32578429	27082085.54	30466934	30686457.61	27082085.54
1.2	Operation and Maintenance (O&M)	16205229	3268252	1529608.6	16205229	1572788	1529608.6
1.3	Loan repayment (Interest payments)	0	0	0	0	0	0
1.4	Others (any other revenue)	4659683	1883368	696702.04	4659683	1054351	696702.04



	expenditure which is not salaries, O&M or Interest Payment)						
2	<b>Capital Expenditure</b>	<b>57,988,854.00</b>	<b>20,766,499.00</b>	<b>41,143,578.17</b>	<b>57,988,854.00</b>	<b>47,959,524.00</b>	<b>41,143,578.17</b>
2.1	<b>All developmental works under Central/State specific schemes</b>	57539776	20766499	40594483.47	57539776	47394034	40594483.47
2.2	<b>Loan Repayments (Principal Amount)</b>	0	0	0	0	0	0
2.3	<b>Other Capital expenditure</b>	449078	0	549094.7	449078	565490	549094.7

#### VI. Status of implementation of Double Entry Accounting System:

Accounts of Nagar Parishad Barh has not been maintained on the basis of Double Entry Accounting System. The consultant for DEAS is working but no data is being provided by them for the particular period further as per previous internal audit report the accounts has not been prepared by them. The DEAS team Tibrewal Chand & Co has started their work from.17.03.2018.

- Year wise Status of DEAS are as follows;

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

- Interval of accounting entry passed in tally: Daily Basis.
- Opening Balance Sheet: Not Prepared.
- Annual Financial Statement: In Process.
- Tally License Id: Nagarparishadbarh@gmail.com
- Tally Serial No.: 786646971
- Installed in: Barh Nagar Parishad System.



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

As per section 98 of Bihar Municipal Act 2007 it is necessary for the Municipality to constitute a Municipal Accounts Committee at its first meeting in each year or as soon as may be at any subsequent meeting thereto but no Municipal Accounts Committee has been constituted by the Barh Nagar Parishad 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.40000/- per tower and annual renewal fee is Rs.10000/- per annum per tower

**Condition** –The updated details of tower installed and dues of tower tax has not been provided to us and in absence of that and we are unable to provide the quantitative details of the outstanding/dues tower taxes further these irregularities has been also discussed by the management in point 11 of the discussion note.

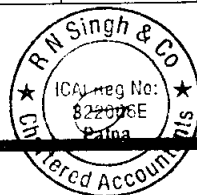
**Consequence Effect/ Impact-** Due to non-collection of Tower Tax with in prescribe time line ULB incurred interest loss and also the due to non-collection of taxes public interest has also been suffered.

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



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

S. no	Company Name	Address	Date of establishment	Amt dues up to 31-03-2020	Renewal fee	1.5% fine	Total	Collection	Dues balance
1	Jio	Ward No-17, Barh Nagar Parishad	07-08-2005	70150	10000	1202.25	81352.25	0	81352.25
2	Aircel	Ward No-23, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
3	Tata Indicom	Ward No-02, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
4	Airtel	Ward No-04, Barh Nagar Parishad	2008-09	150150	10000	2402.25	162552.3	0	162552.3
5	Airtel	Ward No-26, Barh Nagar Parishad	2006-07	120150	10000	1952.25	132102.3	0	132102.3
6	Bsnl	Ward No-10, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
7	Reliance	Ward No-17, Barh Nagar Parishad		160150	10000	2552.25	172702.3	0	172702.3
8	Airtel	Ward No-01, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
9	Bsnl	Ward No-01, Barh	-	160150	10000	2552.25	172702.3	0	172702.3



		Nagar Parishad							
10	Jio	Ward No-07, Barh Nagar Parishad	2004	290150	10000	4502.25	304652.3	0	304652.3
11	Airtel	Ward No-07, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
12	Idea	Ward No-26, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
13	Bsnl	Ward No-01, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
14	Vodafone	Ward No-23, Barh Nagar Parishad	-	160150	10000	2552.25	172702.3	0	172702.3
15	Jio	Ward No-04, Barh Nagar Parishad	2017	50150	10000	902.25	61052.25	0	61052.25
16	Jio	Ward No-10, Barh Nagar Parishad	2017	50150	10000	902.25	61052.25	0	61052.25
17	Jio	Ward No-03, Barh Nagar Parishad	2017	50150	10000	902.25	61052.25	0	61052.25
<b>Total</b>				<b>2382550</b>	<b>170000</b>	<b>38288.25</b>	<b>2590838</b>	<b>0</b>	<b>2590838</b>

(ii) **Advertisement Tax:**

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

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



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

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

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

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

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

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

**Condition** - Tax Amount is not deposited timely into Bank. Tax amount Should be deposited in the bank on the same day or by the next working day. All the data related to Tax collection was not provided by the Barh Nagar parishad (Asking letters was attached) and the data which are provided, taxes are deposited on the same day or on next working day.

**Consequence / Effect / Impact** – Due to lack of data we cannot say that all collections of taxes are deposited in bank timely or not and if there is delay in non-deposit of Tax on due time, ULBs will suffer from Revenue Loss in the form of Bank Interest which could have been earned on these Receipts. Further this will be 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** –Whenever audit is going on the data should be provided by the ULB. And even it also seems that data were only arranges at the time of audit only. And 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.

**(iv) Holding & Property Tax Collection:**

**Audit Objective**– As per Point No. – 5.00 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** – All the data related to Tax collection was not provided by the Barh Nagar parishad (Asking letters was attached) and the data which are provided, taxes are deposited on the same day or on next working day.



**Consequence / Effect / Impact-** Due to lack of data we cannot say that all collections of taxes are deposited in bank timely or not and if there is delay in non-deposit of Tax on due time, ULBs will suffer from Revenue Loss in the form of Bank Interest which could have been earned on these Receipts. Further this will be 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-** Whenever audit is going on the data should be provided by the ULB. And even it also seems that data were only arranges at the time of audit only. And 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.

**(V) Market Shop Rent collection: -**

**Audit Objective-** As per Point No. – 5.00 of TOR

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

**Condition -**We have observed that the collection of shop rent is not in vogue at the ULB level.

**Consequence / Effect / Impact-** Due to non-collection of rent 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.

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

- No observation found during the course of audit. Further the detail of some cases checked from file during the course of Audit.

Date of payment	Particulars	Number of cheques	Amount of Cheque
27-05-2020	Payment to Amrendra Paswan for Desktop	3245 (PNB-3282)	36400.00
05-08-2020	Payment to Vikash Kumar For sanitizer	224780 (PNB-3282)	30186.00



	Machine		
13-08-2020	Payment to S kumar Fr ward-22 Nal jal scheme	CFMS	697019.00
29-11-2020	Advance payment to Amrendra Paswan for Mish. work	224793 (PNB-3282)	75000.00
01-12-2020	Payment to rana yashwant singh for construction W-05	CFMS	508247.00
01-12-2020	Payment to rana yashwant singh for construction W-06	CFMS	508247.00
20-01-2021	Payment to Fueleshwar petrol pump	CFMS	155058.00
05-02-2021	Payment to Fueleshwar petrol pump	CFMS	172128.00
17-02-2021	Payment to Tarun kumar for Construction work of Ward-10+7	CFMS	1114984.00

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

Property / Holding tax are assessed by the ULB. There for property tax on Minimum 20 high value could be determined.

S. No.	Owner Property Name	Fathers Name	Ward No	Carpet Area	Annual Property Tax.	Residential/Com/ot her
1	Dhaneshwari devi	Late Jagdish nath singh	01	1273 sq,fit	2086	Residential
2	Mira devi	Madan mohan Prashad	01	1476 sq,fit	2418	Residential/comm.
3	Vijay prakash	Late jagdish nath singh	01	2053	4200	Residential/comm.
4	Gopal kumar	Late nageshwar prashad singh	01	21089	3452	Residential
5	Mithilesh prashad singh	Late kedar singh	01	17329	2268	Residential
6	Sushila devi	Late kedar singh	02	60	17201	Commercial
7	Prashann kumar	Late sharda raman singh	02	3372	2622	Commercial



8	Sanjay kumar	Late sharda raman singh	02	4416	4851	Residential/commercial
9	Dharmshila devi	Late vishwanath prashad jaiswal	02	924	1849	Residential/commercial
10	Jamilur rehman brgair	Bhojiur rehman	02	1715	3374	Commercial/residential
11	Surendra prashad shah	Late babu shiv lal shah	09	3238	3964	Commercial
12	Naveen kumar	Late rameshwar prashad	10	9 ½	23582	Commercial
13	Peris society Barh	Late rameshwar prashad	03	5769	8896	Commercial
14	Saryug yadav	Late ram kishun yadav	03	1194	890	Commercial/residential
15	Suresh prashad yadav	Late ram kishun yadav	03	852	1204	Commercial/residential
16	Kithari prashad singh	Late lal babu singh	04	3929	9373	Commercial
17	Peris society Barh	Late lal babu singh	04	3935	57946	Commercial
18	Virendra kumar	Late shiv lal	09	5877	5638	Commercial
19	Ramnandan das	Karta kabi das	09	44431	388646	Commercial
20	Rana sudhir singh	Late ganesh singh	10	40	5854	Commercial

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

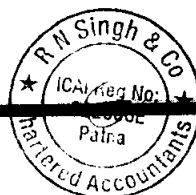
Self-Assessment System (SAS) of Property Tax has not been appropriately implemented in Barh Nagar Parishad. Also, we have found that assessee is very less aware of that. ULB should conduct time to time awareness program to make people aware of SAS.

#### Part-B (Non-Monetary Implication):

**All Audit objections/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).





- Entry in Main Cash Book of Incomes are not defined properly all the incomes accept Grants& schemes are written in only one head that is “Revenue Receipts and others”.
  - Cashbook is not maintained on day-to-day basis which is not proper as per Bihar Municipal Accounting Manual. It should be prepared& closed on daily basis.
2. After analyzing operating control, it was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.
  3. During verification of property tax collection receipt and tax deposit receipt we have not provided the details that may be leads to manipulation of deposition date and durations.

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

However, we have checked the payments made to contractor during the FY\_2020-21 and observed that all the statutory deductions made during this period has been deposited to their concerned department within due date. Further the detail of some cases checked from file during the course of Audit are as followed.

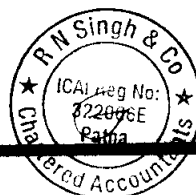
- Return of TDS & GST has been filed for the F.Y -2020-21.

Date of payment	Description	Amount paid	GST deducted
15-07-2020	Payment to Md. KMK for Quarantine center	214039.00	31910.00

**g. Deficiency in pay-roll system: -**

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

Sl. no.	Month of salary	Description	Amount
1	May	Salary Payment of Strike period	362336.00
2	May	Salary Payment of	362336.00



		Sweeper staff Nalagala	
3	June	Payment of EO Salary	120000.00
4	June	Salary Payment of E.O	68281.00
5	July	Salary Payment of Contract staff.	83795.00
6	July	Salary Payment of sweeper	371903.00
7	October	Salary Payment of NP Staff	138615.00
8	October	Salary Payment of NP sweeper	144720.00
9	October	Salary Payment of sweeper Mandey	422280.00
10	November	Salary Payment of City Manager	70249.00

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

We are providing all help to the ULB so that UC shall be prepared on time and submitted to UD&HD. Further, the details of UC Pending (in Lakhs) are as follows and same has been also attached as *Annexure-2*: -

S. No.	Name of the Scheme	Financial Year	Amt. Allotted	UC's Pending
1.	14 <sup>th</sup> Finance	2017-18	104.44	104.44
2.	5 <sup>th</sup> Finance	2016-17	236.23	236.23
3.	Path Puliya Nirman	2017-18	6.44	6.44
4.	EO Salary	2017-18	10.00	10.00
5.	City manager salary	2018-19	3.94	3.94
<b>TOTAL</b>				<b>361.05</b>

**i. Physical verification of inventory/stores: -**

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

**j. Advances their adjustment & recovery: -**

No advanced and recovery register is maintained by the Barh Nagar Parishad. Advances are given to the employees without any requisition form. Approval is given by the executive officer on the concerned file. After the submission of bills concerned advances are adjusted with the concerned files. ULB does not summery details of advances given to the Employees.



**k. Comment on management of Fixed and other Assets:**

Fixed Assets Register have not been maintained in concerned ULB and in the absence of above register; it is difficult to verify the same. However, fixed asset register is being prepared by DEAS team but it's not finalized till the date of audit.

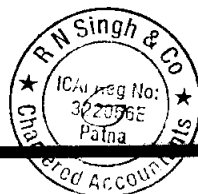
**l. Report on compliance of financial guidelines of schemes of MOHUA and UD & HD GoB: -**

Some of the financial guidelines of schemes of MOHUA and UD & HD GoB have not been complied by the ULB. Such cases have been discussed in detailed audit report.

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

**PART – C (Other)**

Sl. No.	Particular	Remarks/ Observation
a.	Status of adequacy and appropriateness of the documentation approvals compliance of procedures etc. of all payments on or above Rs.10000.	No Irregularities Found in this regard.
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.15000/-.	No irregularities have been found in the procurement process during this quarter. Further Procurement register has not been maintained.
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 which are discussed in detailed audit report.
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"><li>• TDS have not been deposited appropriately.</li><li>• Royalty &amp; Labor Cass has not been deposited appropriately.</li><li>• GST liability has not been settled within due date specified.</li></ul> Penalty and Interest may be levied on ULB as per Statutory Laws.



e.	Whether all the C&AG audit & Internal audit Paras has been complied by the ULBs	No AG & Internal audit has not been complied by the ULB. As Compliance report of the same has not been prepared by the ULB till the date of audit we are unable to check the exact status of compliance of the same.
f.	Any Other deficiencies noticed during the audit to improve internal control systems	It was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time provide and review the service efficiently which is the main function of ULB preparation of books and records on time etc.



## 4. Detail Audit Observations

<b>RISKASSESSMENT</b>							
	Name of the ULB	NAGAR PARISHAD BARH					
Sr. No.	Observations	Risk Rating	Design Gap	System gap	Operating Gap	Mgt. Comment	Auditor Recommendation
<b>DEMAND GENERATION:</b>							
1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	<b>HIGH</b>	No	Yes	Yes	There is scarcity of manpower in the ULB; however we will comply in the near future.	Demand/Assessment register should be appropriately maintained ward wise with all required details with previous dues assessment year wise before preparation of BUDGET of ULB.
2.	Collusion with Citizen regarding Assessment.	<b>MEDIUM</b>	No	Yes	Yes	We are trying our best to comply the same in near future.	Management should hire Independent Person or Organization for assessment of properties.
3.	Non-Updating Various Register like hand book, DCB register, Assessment registered.	<b>MEDIUM</b>	No	No	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date. Assessment Register has not been maintained.
4.	Others	-	-	-	-	-	-
<b>RECEIPTS AND BANKING:</b>							
1.	Error in collections, loss of receipts and perpetrated frauds	<b>HIGH</b>	Yes	Yes	Yes	It will be taken care in future.	Management should ensure implementation of the system to serve notice to the property holders who are not depositing the holding tax. Further, management should ensure that the amount which is collected has to be deposited as per prescribed norms.



2.	Non-updating various register like hand book, DCB register, cash book, etc.	MEDIUM	No	No	Yes	It will be taken care in future.	Hand Book & DCB register are not up to date. It should be updated on daily basis.
3.	Collusion with the citizen and the ULBs staff to make wrong assessments of income	HIGH	No	No	No	There is scarcity of manpower in the ULB; however we will comply in the near future.	Management should segregate the work regarding collection, demand initiation, notice serving, balancing of demand and collection register, and assessment of properties.
4.	Others	-	-	-	-	-	-

#### **REVENUE EXPENDITURE:**

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

#### **ESTABLISHMENT EXPENDITURE:**

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



5.	Perpetrated fraud (Like payment more than one time to same or ghost employee)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like salary register, PF register, Service book/record, advance register, etc.	HIGH	Yes	Yes	Yes	It will be taken care in future.	These registers are not updated on daily basis. Registers should be maintained as quickly as possible.
7.	Others	-	-	-	-	-	-

### CAPITAL EXPENDITURE:

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

### PROCUREMENT AND INVENTORY:

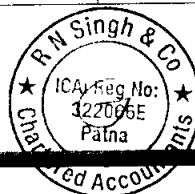
1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication/Procedural error	HIGH	No	No	No	-	No Such cases found.
4.	Collusion with	HIGH	No	No	No	-	No Such cases found.



	contractor						
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. Registers should be maintained as quickly as possible.
7.	Others	-	-	-	-	-	-

**GRANT AND LOANS AND UTILISATION THEREOF:**

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

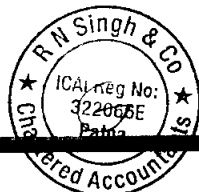


**FIXED DEPOSITS AND INVESTMENTS:**

1.	Not deposited at appropriate time (loss of revenue)	HIGH	Yes	Yes	Yes	It will be taken care in future.	No tradition of Fixed Deposit & Investments in NAGAR PARISHAD BARH. Management should invest or open swipe account to get more interest income.
2.	Loss of Investment certificate	HIGH	No	No	No	-	-
3.	Non fulfillment of condition part thereto	MEDIUM	No	No	No	-	-
4.	Collusion with bank officials to invest at lower rate	HIGH	No	No	No	-	-
5.	Deposit into Current account	MEDIUM	No	No	No	-	-
6.	Non-updating various register like investment register, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Investment Register, Bank Book has not been maintained/up to date by the ULB. It should be maintained on daily basis.
7.	Others	-	-	-	-	-	-

**LOANS AND ADVANCES:**

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



	book, etc.						maintained on daily basis.
7.	Others	-	-	-	-	-	-

## List of Important Registers

Name of the ULB		NAGAR PARISHAD BARH			
RISK RATING:		MEDIUM			
CAG OBSERVATIONS STATUS		AVAILABLE			
		PERIOD: 01/04/2020 to 31/03/2021			
Sl. No.	Particulars	Audit Observation	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Cash Book	General Cash Book & Subsidiary Cash Book has been maintained by the ULB but entry made in cash book was not on real time basis.	Due to non-updation of cash book on real time basis there may be chance of making back dated entry. This may lead to fraud & defalcation.	There is scarcity of manpower in the ULB; however we will comply in the near future.	Not Resolved
2.	Ledger	Ledger is being prepared by DEAS team in tally not by ULB.	Due to this segregation of head wise balance is difficult. It becomes difficult to prepare appropriate financial statement.	It will be taken care in future.	Not Resolved
3.	Journal	Journal Register has not been maintained.	Due to this amount receivable & payable is not ascertainable. Advances have been accounted as income & expenditure.	It will be taken care in future.	Not Resolved



4.	Register for Journal/ Magazines/Newspapers	Not-Maintained	This may lead to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	Register for Temporary Advances	Not-Maintained	It may lead to fraud & Defalcation.	It will be taken care in future.	Not Resolved
6.	Register of Money Orders /Bank Draft Received	Not Maintained	It may lead to dishonor of DD received or misplace of DD.	It will be maintained from next financial year.	Not Resolved
7.	Cheque Issue Register	Maintained	-	-	-
8.	Register of Remittances made into bank	Not Maintained	It may also lead to dual payment and further create difficulty to prepare BRS.	It will be maintained from next financial year or as earlier possible.	Not Resolved
9.	Bank Passbook	Maintained	-	-	-
10.	Register of Bank drafts Dispatched	Not-Maintained	It may lead to dishonor of DD received and further create difficulty to prepare BRS.	It will be maintained from next financial year.	Not Resolved
11.	Bill Register	Not-Maintained separately, bills are attached in their respective files only.	It may lead to fraud & Defalcation.	It will be taken care in future.	Not Resolved
12.	Establishment Register	Maintained	-	-	-
13.	Stock Register	Not-Maintained	It may lead to mis-utilization of Stock items.	It will be taken care in future.	Not Resolved
14.	Capital Goods/Consumable articles, non-consumable articles and	Not-Maintained	It may lead to misplacement of Capital Goods/Consumable	It will be taken care in future.	Not Resolved



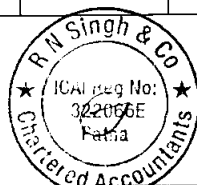
			articles & non-consumable article.		
15.	<b>Statutory Deduction Register</b>	Not-Maintained in register only prepared in excel sheet head wise but not authorized.	It may lead to statutory irregularities. Delay in deposit of deducted amount further lead to interest @ 1.5% per month. Further, filling of return may be affected.	It will be taken care in future.	Not Resolved
16.	<b>Fixed Assets Register</b>	Maintained	-	-	-
17.	<b>Grant Register</b>	Not-Maintained	It may lead to delay in preparation and submission of UC. It may also affect the utilization of fund.	It will be taken care in future.	Not Resolved
18.	<b>Scheme Register</b>	Maintained	-	-	-
19.	<b>Monthly accounts of Receipts/Payments</b>	Maintained	-	-	-
20.	<b>Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance</b>	Not-Maintained	It may lead to fraud & Defalcation.	It will be taken care in future.	Not Resolved
21.	<b>Dispatch Register</b>	Maintained	-	-	-
22.	<b>File Register</b>	Not-Maintained	It may lead to misplacement of files.	It will be taken care in future.	Not Resolved
23.	<b>Any other (Name of the register)</b>	-	-	-	-

## Cash and Bank

<b>Name of the ULB</b>	<b>NAGAR PARISHAD BARH</b>
<b>RISK RATING:</b>	<b>MEDIUM</b>
<b>CAG OBSERVATIONS STATUS</b>	<b>AVAILABLE</b>



		<b>PERIOD: 01/04/2020 to 31/03/2021</b>				
<b>Sl. No.</b>	<b>Particulars</b>	<b>Audit Observation</b>	<b>Amount Involved</b>	<b>Associates Risk</b>	<b>MGT. Comment</b>	<b>Status (Resolved/ or not)</b>
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.	Draft/Receipt dishonored registers are maintained.	-	It may lead to dual payment and further create difficulty to prepare BRS.	It will be taken care in future.	Not Resolved
3.	Whether banking transactions (Receipts & Payments) are matched with cashbook, Cheque issue register, collection register, etc., Verify the same with Bank statement & BRS,	Matched.	-	-	-	-
4.	Whether cheque issue register are Matched with	Matched	-	-	-	-
5.	Whether proper steps has been taken for dishonored cheque, it was realized in cash or not,	No such cases found.	-	-	-	-
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	16	-	-	-	-
10.	Original copy of cancelled receipt is attached with duplicate copy with "CANCELLED" marked on it.	No such cases found.	-	-	-	-
11.	Liability for stale cheques account review is done and necessary reversal entries are passed	No such cases found.	-	-	-	-
12.	Any other	-	-	-	-	-

### Public Works

Name of the ULB		NAGAR PARISHAD BARH				
RISK RATING:		MEDIUM				
CAG OBSERVATIONS STATUS		AVAILABLE				
		<b>PERIOD: 01/04/2020 to 31/03/2021</b>				
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 & p.a. gen. 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 account ant 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 lead to fraud & Defalcation.	It will be prepared in future.	Not Resolved
	Date of Issue,	No	-	-	-	Not Resolved
	Name of sub ordinate,	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 areas per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-



## Cash Book

<b>Name of the ULB</b>	<b>NAGAR PARISHAD BARH</b>					
<b>RISK RATING:</b>	<b>MEDIUM</b>					
<b>CAG OBSERVATIONS STATUS</b>	<b>AVAILABLE</b>					
	<b>PERIOD: 01/04/2020 to 31/03/2021</b>					
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,	-	-	-	-	
2.	Whether posting of receipt & payment side of cash book are properly maintained & it was matched with proper evidence like Receipt Voucher, Cheque issue Register, Bank Statement, etc.,	Posting of receipt & payment side of cash book are properly maintained but we are unable to match with Receipt Vouchers Register as it is not being maintained by the ULB.	-	It may lead to dual recording of receipts & payment and further create difficulty to prepare BRS.	It will be taken care in future.	Not Resolved
3.	Whether posting in on daily basis,	No	-	Some entries may be forgotten.	It will be taken care in future.	Not Resolved
4.	Whether there is any clerical error (casting or/and posting error, etc.) or not,	Yes	-	It may lead to over & under stating of income, expenditure, opening and closing	It will be taken care in future.	Not Resolved



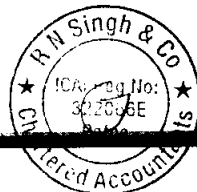
				balance.		
5.	Whether any delay in deposit of amount of collection by cashier,	In most of the cases any amount collected is deposited about a week delay.	-	It lead to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
6.	conduct physical verification of cash and report heavy cash balance if any	No discrepancies found in this regard.	Not Resolved	Not Resolved	Not Resolved	Not Resolved
7.	Any Other	No	-	-	-	-

## Collection

	<b>Name of the ULB</b>	<b>NAGAR PARISHAD BARH</b>				
	<b>RISK RATING:</b>	<b>MEDIUM</b>				
	<b>Name of Tax Collector</b>	<b>Anil Kumar</b>				
		<b>PERIOD: 01/04/2020 to 31/03/2021</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether collection procedure are as per guidelines/direction of ULB,	Yes	-	-	-	-
2.	Whether collections are made on the basis of Demand & Collection Register,	Demand & Collection register has not been maintained properly.	-	It may lead revenue loss to the ULB.	It will be maintained properly in future.	Not Resolved
3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB/state government & it should be clear mentioned of different head & not any alteration, & the carbon	Yes	-	-	-	-

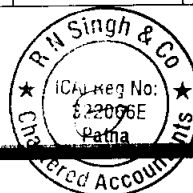


	copy of receipt vouchers are properly vouched so that no any variation in posting the same,					
4.	Whether collections are bifurcated in different heads as required,	Yes	-	-	-	-
5.	Whether a separate bank account has been maintained for each circle,(for PMC only)	-	-	-	-	-
6.	Whether all collections 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 & bank do next working day or there is any teaming & lading,	In most of the cases any amount collected is deposited about a week delay	-	It lead to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
8.	Whether no any collection are directly expended without prior approval,	No such cases found.	-	-	-	-
9.	Whether collections are made by all the holding fall under the same TC or Civics Centre,	No, Collections were not made by all the holding.	-	It will affect municipality fund.	It will be taken care in future.	Not Resolved
10.	Whether government share of collections (like Education cess & health cess)are properly & timely deposited in its own account, (if applicable)	No Such cases found.	-	-	-	-
11.	Whether there is any short/non collection or short deposit or not deposit,	No Such cases found.	-	-	-	-
12.	Whether penalty (@2% P.M/1.5%) has been	Yes	-	-	-	-

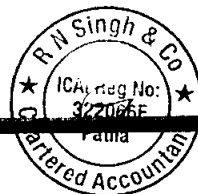




		maintenance of Demand Register.				
2.	Whether determination of demand is on manual or computerized way, & it would be as per updated rules, regulation, guidelines & other required details for proper calculation,	ULB is not being in practice to raise the demand. No proper details are recorded in the manual register.	-	It may lead revenue loss to the ULB.	It will be taken care in future.	Not Resolved
3.	Whether data for calculation is correct & properly verified by appropriate authority/Internal Auditor by way of physical survey,	No verification is being conducted by appropriate authority however we have done physical survey of 20 high value properties and no variance found.	-	-	-	-
4.	Whether revision of valuation of holding properly made after specified period	No, revision of valuation of holding is being not made after specified period.	-	It may lead to revenue losses.	It will be taken care in future.	Not Resolved
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 lead 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	Yes	-	-	-	-



	responsibility,					
9.	Whether there is proper distribution of responsibility for calculation, recovery & updation of register for demand, so that no single person have control on two or process at the same time,	Due to lack of Manpower all these work has been controlled single handedly.	-	It may lead to fraud & Defalcation.	Need more skilled employees	Not Resolved
10.	Whether there is any under/no assessment,	No	-	-	-	-
11.	Whether there is appropriate measures (As Per section 155 & 158 of BMA, 2007) are adopted for recovery of Government/bid dues,	Appropriate measures have not been taken for recovery of Government Dues.	-	It may lead to revenue losses.	It will be taken care in future.	Not Resolved
12.	Whether notice for demand has been made in prescribed format (As Per BMAR) & as per rules & regulations,	No notices of demand are being served.	-	It may lead to revenue losses.	It will be taken care in future.	Not Resolved
13.	Whether penalty (@2% P.M/ 1.5%) has been charged on late payment,	Yes	-	-	-	-
14.	Whether Demand, Collection & Balance Register has been prepared on daily basis for all receipts or not, & it would be authorized by proper authority or not,	Not Maintained in prescribed format & also not updated.	-	It may lead to revenue losses.	It will be taken care in future.	Not Resolved
15.	Whether there are adequate safe guard 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	No Such cases found.	-	-	-	-



	customer/holding w.r.t. ,assessment, payment, etc.					
18.	Any Other	No	-	-	-	-

## Establishment

	<b>Name of the ULB</b>	<b>NAGAR PARISHAD BARH</b>				
	<b>RISK RATING:</b>	<b>MEDIUM</b>				
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 with in sanctioned limit,	Yes	-	-	-	-
2.	Whether service log book has been Maintained & up to date or not,	Not Maintained	-	It may lead to over/less payments.	It will be taken care in future.	Not Resolved
3.	Audit whether a part 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 acquaint stroll of employee who have been paid in cash,	Service book not prepared.	-	It may lead to over/less payments.	It will be taken care in future.	Not Resolved
4.	Whether each employee has unique identification number & it has been 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	Service Book not	-	It may lead to	It will be taken care	Not Resolved



	payable has been authorized by the proper person,	maintained.		over/less payments.	in future.	
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 lead to over/less payments.	It will be taken care in future.	Not Resolved
8.	Whether undistributed amount of pay & allowance are not for more than 3 months as cash in hand,	No Such cases found.	-	-	-	-
9.	Whether disbursement of pay & allowance are duly recorded in books & accepted by employee specifying separate head 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 lead 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,	Only Provident Fund has been deducted. TDS not deducted.	-	It may lead to levy statutory	It will be taken care in future.	Not Resolved



				penalty/int. erest.		
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 there -of.	No Such cases found.	-	-	-	-
15.	To check salary bills.	Salary Bills not prepared.	-	It may lead 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 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 break- up of the amount of bill and all adjustments such as deduction of PF, TDS and other advances and loans etc.	Not prepared.	-	It may lead to over/less payments.	It will be taken care in future.	Not Resolved
20.	Check Retirement benefit to employee	No Such cases found.	-	-	-	-
21.	Personnel Appointments and to see whether all records are updated from time to time.	No Such cases found.	-	-	-	-
22.	Dismissal and Resignation/Termination	No Such cases found.	-	-	-	-
23.	Temporary workers	No Such cases found.	-	-	-	-



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

## Grant

	Name of the ULB	NAGAR PARISHAD BARH				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Maintenance/Updation register regarding details of funds received and expenditure.	Yes	-	-	-	-
2.	Any diversion/re-appropriation of funds not covered under the provision of BMA, 2007 should be pointed out for remedial action.	No Such cases found.	-	-	-	-
3.	To check whether utilization certificate is for actual utilization of funds received.	Yes	-	-	-	-
4.	It should also be checked that utilization certificate	We have found some	-	It may lead to mis-	With the guidance of	In Process



	is issued as per prescribed time frame given in the Manual and issue of UCs is not delayed.	cases where UCs is not prepared on time. However we have guided to prepare it.		utilization of fund.	internal auditor, we have started preparing UC's. It will be submitted to department very soon.	
5.	Internal Auditor should also check whether expenditure incurred on each activity does not exceed the budget.	No Such cases found.	-	-	-	-

## Payment of bills of contractors

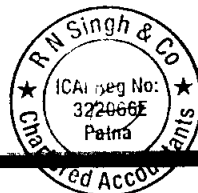
	Name of the ULB	NAGAR PARISHAD BARH				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Original bill duly signed by contractors is submitted.	Yes	-	-	-	-
2.	Contractor has put his initials in all cuttings and corrections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



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

## Receipt Voucher

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



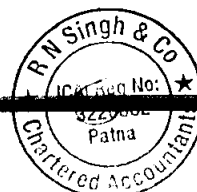
6.	Log book/ Register maintained at printing press regarding printing of "Receipt Vouchers".	Checked	-	-	-	-
7.	Verify that "Receipt Vouchers" received & their storing, having Same quantity & serial numbered which was actually dispatched & proper recording of the same along with issue,	Yes	-	-	-	-
8.	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	Yes	-	-	-	-



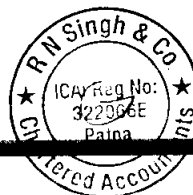
	original& Carbon copy,					
14.	Verify whether reversible carbon has been used during receipt.	Yes	-	-	-	-
<b>Other Revenue:</b>						
1.	Advertisement Tax	No System Developed for collection of advertisement tax.	-	It will affect municipal fund.	System will be developed very soon.	Not Resolved
2.	Tower Tax	No data is provided related to that	-	-	-	-
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 BARH				
RISK RATING:		MEDIUM				
		PERIOD: 01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether payment is on the basis of Sanction / work order letter & incurred by authorized person.	Yes	-	-	-	-
2.	Whether payment is made through prescribed format.	Yes	-	-	-	-



3.	Whether payment is made without any undue delay or whether any cheque issued are promptly issued to the respective person.	Yes	-	-	-	-
4.	Whether there is bifurcation of responsibility towards person making payment & person preparing MB, receipt of goods , maintenance of payment file, etc.	Yes	-	-	-	-
5.	Whether updation of accounts/books are on proper & timely basis,	Yes	-	-	-	-
6.	Whether authorized person verify & sign the document involve,	Yes	-	-	-	-
7.	Whether data base for the same has been properly maintained & safeguard measures are taken,	No database has been maintained by the ULB.	-	Important information may be lost or stolen.	We will take necessary step to implement the DBMS is near future.	Not Resolved.
8.	Whether exact amount (no any over payment) are paid and verified by supporting document, & no any collusion with party,	Yes	-	-	-	-
9.	Whether register for settlement of service bill has been maintained and up to date,	Yes	-	-	-	-
10.	Whether payment made to the same to whom it might be payable and no any second claim in this regard,	Yes	-	-	-	-



11.	Whether payment has been	Yes	-	-	-	-
12.	Whether the expenditure are made with a period & amount as sanctioned,	Yes	-	-	-	-
13.	Whether there is undue rush of expenditure at the end of financial year,	No	-	-	-	-
14.	Whether payment has to be made after confirmation from store,	Yes	-	-	-	-
15.	Whether payment for repairs, etc., has to be made on the basis of logbook maintained,	No Such cases found.	-	-	-	-
16.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-
17.	Confirm whether goods/assets received/accepted on or before 31 <sup>st</sup> 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	-	-	-	-
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## Statutory Requirement

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



regulatory authority for non-compliance.					
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## Tender Details (Work Order Wise )

Name of the ULB		NAGAR PARISHAD BARH				
RISK RATING:		MEDIUM				
Work order No.		-				
		<b>PERIOD: 01/04/2020 to 31/03/2021</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts.	Yes	-	-	-	-
2.	To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents.	Yes	-	-	-	-
3.	The important guidelines relating to earnest money, delivery schedule, payment terms, performance warranty/guarantee, inspection, arbitration, liquidated damages/penalty for delayed supplies, purchase on risk and cost were incorporated in the tender documents for safeguarding the interest of corporation.	Yes	-	-	-	-
4.	The purchase proposal was approved by the	Yes	-	-	-	-



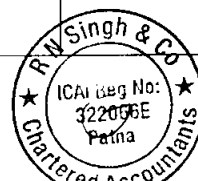
	<b>competent authority. as per delegation of powers</b>					
5.	<b>Indent for purchase indicates the details of quantity required, last purchase rate, period for which stores are needed and name of consignee.</b>	Not in prescribed format.	-	There may be chances of fraud & defalcation.	It will be taken care in future.	Not Resolved.
6.	<b>Approval of mode of procurement</b>	Yes	-	-	-	-
7.	<b>The tender documents are prepared properly and description of items to be procured, quantity and estimated value should be indicated.</b>	Yes	-	-	-	-
8.	<b>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.</b>	Yes	-	-	-	-
9.	<b>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, &amp; European Union etc.)</b>	Yes	-	-	-	-
10.	<b>To check whether bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available.</b>	Yes	-	-	-	-
11.	<b>To check whether contract was awarded to the lowest evaluated responsive bidders who fulfilled qualification requirements, specified in the tender's</b>	Yes	-	-	-	-



	documents.					
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.	Stock/Asset Register has not been maintained to record the same.	-	There may be chances of misplacement goods/stores.	It will be taken care in future.	Not resolved.
15.	Whether any complaint was received regarding procurement and payment and existence of mechanism for redressal of Complaints	Yes	-	-	-	-

## Vehicle Log Book

Name of the ULB		NAGAR PARISHAD BARH				
RISK RATING:		MEDIUM				
		PERIOD: 01/04/2020 to 31/03/2021				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether logbook has maintained or not & up to date with proper details like journeys, work undertaken, covering route, visited place, kilometer, etc.,	Yes	-	-	-	-



2.	Whether logbook of journey is maintained in detail & signed by the officials using them,	Yes	-	-	-	-
3.	Whether it should be used for official purpose, otherwise charges are recoverable,	Used only for official purpose.	-	-	-	-
4.	Whether details of fuel for the same has been maintained in log book,	Yes	-	-	-	-
5.	Whether full details of repairs have been maintained & it have been through authorized center,	Yes	-	-	-	-
6.	Whether authorized person have proper check over logbook.	Yes	-	-	-	-

## Fixed Assets

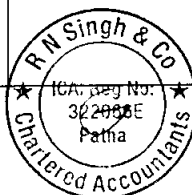
Name of the ULB		NAGAR PARISHAD BARH				
RISK RATING:		MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Status on Maintenance of Fixed Assets Register	Not Maintained	-	It may lead to misplacement of assets.	Being Prepared by DEAS Team.	Not Resolved
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Appropriate details are not mentioned in the fixed Assets register	-	-	Being Prepared by DEAS Team.	Not Resolved



4.	all fixed assets are acquired only after obtaining approval of the concerned authority	Yes	-	-	-	-
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	Done	-	-	-	-
6.	Depreciation is provided on each class of fixed assets at the prescribed rates	No Depreciation is provided.	-	It lead 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 BARH				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	All permanent changes made in the assessment of buildings and lands have been recorded in this register with reference to the monthly lists, Register of Revision Petitions, Register of Appeal Petitions, and Register of Writes-off.	No assessment has been done from the date of imposition of holding tax.	-	It may lead to revenue loss.	It will be taken care in future.	Not Resolve
2.	Demands of current year and previous year have been reconciled with reference to the	No reconciliation is being made due to demand register has not been prepared.	-	It may lead to revenue loss.	It will be taken care in future.	Not Resolve



	above details					
	<b>Register of Suits</b>					
1.	All suits filed by the municipality for recovery of any sum due are entered.	Register of Suits filed by ULB has been maintained by the ULB.	-	-	-	-
2.	All suits filed against the municipality are entered	-	-	-	-	-
3.	Sanction from the Council obtained for filing/defending the suit	-	-	-	-	-
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 favor of municipality.	No Such cases found	-	-	-	-

**General Observations: -**

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

**For R.N. Singh & Co.  
Chartered Accountants**

  
CA Chanakya Shree  
Partner  
Mem No: 079322  
FRN: 322066E



**Nagar Parishad Barh**

**Discussion Note of Annual For the F.Y- 2020-21**

Qualifications/Observations	Management Comments
1. We are not able to check the Compliance Status w.r.t. Audit Observations for FY 2020-21 and previous as compliance report has not been prepared by the ULB.	All Audit Report of FY 2020-21 is not received in Barh ULB.
2. Various register books of records etc. are not being prepared by the ULB such as Demand Register, statutory register with regard to Survey register files of hoardings.	Demand Register, statutory Register is maintained but not provided due to absence of intimation. You can see as audit report.
3. Procurement register is not maintained by the Barh Nagar Parishad.	Procurement register maintained by each of every item. separate file maintained.
4. Barh Nagar Parishad is not in practice to prepare fixed asset register. Only soft copy is maintained.	FAR maintained in soft copy. Hard copy maintained by next Audit.
5. Barh Nagar Parishad is not in practice to charge depreciation on fixed assets.	Depreciation maintained in FAR. also next month see in next Audit.
6. Advertisement Tax has not been levied by the Barh Nagar Parishad. There has not been any system developed for the levy of advertisement tax.	Advertisement tax is not levied in place of Ad. tax Saurat will be full time.
7. Various registers, books of records etc. are not being prepared by the ULB. Such as, Pay Roll Register, PF Register, Store Register, Capital Goods Consumable non-consumables, Journals & Magazines, Investment Register, Bill Register, File Movement Register etc. ULB should maintain these registers as soon as possible.	Pay Roll Register and PF Register maintain in every month basis separate file. Store Register is maintained. and will be provided dt- 29/04/2022, and other register will be maintained as soon.
8. ULB is not in practice to maintain subsidiary cash book of all scheme. Some schemes are Consolidated in the Treasury Cash Book. Such as:- 14 <sup>th</sup> Finance, State Plan, CM Nali Gali, CM Nali Jal, Civic Amenities, Stamp Duty, EO Salary, City Manager Mandey, Etc.	All the scheme one property maintain but H's maintained in Treasury Cash Book.
9. Municipal accounts committee has not been constituted till the date of audit.	standing committee of M.P. Barh. is also take care as M.A. Committee.
10. Stock Register is not properly maintained by the Barh Nagar Parishad.	Stock Register is maintained. will be provided as on dt. 29/04/2022.

*[Handwritten signature]*

*[Handwritten signature]*



- 12. Lower list and data related to tax collected on that was not given by U.I.B.
- 13. Tax collection Receipts and Bill vouchers related to property tax collection is not given by U.I.B.
- 14. Details related to bifurcation of Income which was written in "Revenue Receipts & Others" head of Main Cash Book was not given by U.I.B.
- 15. Bank Reconciliation Statement was not prepared by U.I.B.
- 16. Data of Tally of F.Y.-2020-21 and previous was not given by U.I.B.
- 17. Holding Tax of high value property was not given by U.I.B.
- 18. U.I.B has closed last year balance on 25/03/2020 and after audit some entries were passed in the cash book between 26/03/2020 to 31/03/2020.

will be provided by Tax Dwyga  
 as on 30/04/2022  
 99

will be maintained in Cash Book and by suspension of Revenue Receipts & others will be written in the next year. will be written in the next year.

Tally of F.Y. 2020-21 is in process.

will be provided by Tax Dwyga.  
 as on 30/04/2022.

Due to the suspension of the E.O. account will closed on 25/03/2020 and after the expiry the new E.O. as on 07/04/2020 account will be Reopen.

*[Handwritten signature]*

*[Handwritten signature]*

EXECUTIVE OFFICER  
 Nagar Parisud North (Patna)



**NAME OF PENDING USs - NAGAR PARISHAD BARRH**

Details of transactions and explanation given by Nagar Parishad Barrh and records examined by us related to the year 2016-17. Total amount pending during the year 2016-17, Rs. 236.23 lakh of UC has not been submitted to the Government of Bihar.

Sl. No.	Description	Amount ₹	Amount of UC	UC Pending	Letter No. & Date of Submission
	1. Balance	236.23	236.23	236.23	354/29.03.2017
	<b>TOTAL</b>	<b>236.23</b>	<b>236.23</b>	<b>236.23</b>	

**EXECUTIVE OFFICER,  
Nagar Parishad Barrh (Patna)**

*for extension*

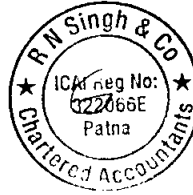


**NAME OF PENDING USs – NAGAR PARISHAD BARH**

As per information and explanation given by Nagar Parishad Barh and records examined by us related to audit of Rs. 120.88 lakh of UC during the year 2017-18, Rs. 120.88 lakh of UC has not been submitted (with department), Detail, are given:

S. No.	Name of the beneficiary	Allocation	Amount of UC	UC Pending	Letter No. & Date of Submission
1	14098 (Barh) Patna (Barh)	104.44	104.44	104.44	97/24.01.2018
2	Barh	6.44	6.44	6.44	31/27.07.2017
3	Barh	10	10	10	125/28.02.2018
	<b>TOTAL</b>	<b>120.88</b>	<b>120.88</b>	<b>120.88</b>	

**EXECUTIVE OFFICER**  
Nagar Parishad Barh (Patna)



NAME OF PENDING USs – NAGAR PARISHAD BARH

As per information and explanation given by Nagar Parishad Barh and records examined by us related to fund of Rs. 3.94 lakh Allotted during the year 2018-19, Rs.3.94 lakh of UC has not been submitted to the department, Details are given.

Sl no	Name of scheme	Allotment fund	Amount of UC	UC Pending	Letter No. & Date of Submission
1	City Manager Salary	1.97	1.97	1.97	90/29.11.2018
2	City Manager Salary	1.97	1.97	1.97	08/24.05.2018
	<b>TOTAL</b>	<b>3.94</b>	<b>3.94</b>	<b>3.94</b>	

*For 28/04/2022*

**EXECUTIVE OFFICER**  
Nagar Parishad Barh (Patna)



20/11/2017

To

The Executive Officer,  
Barr Magan Panchayat  
Barr, Patna.

Sub - Request for documents for audit purpose.

Dear Sir

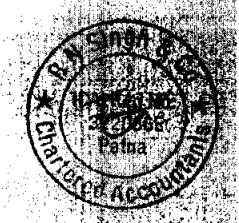
For the audit purpose of the Barr Magan Panchayat documents

As per  
Memorandum

- 1) Demand Register
- 2) Collection Register
- 3) Collection Receipt & Details
- 4) ...
- 5) Basic Statement of BRS with all the Passbook.
- 6) Utilisation Certificate
- 7) List of houses & tax collected on them
- 8) Details of Holding tax collection.

Please provide the same for the next day.

Authorized Auditor.  
Ritwik Thakur  
R. N. SINGH & CO.  
Patna - 800001



Date 05/04/2022

340  
05/04/22

To

The Executive Officer  
Bank Naya Patna  
Bank, Patna

Subj: - Requirement of document for Audit Purpose

Dear Sir

For the Audit purpose I need these documents.

27/4/22

- 1) Demand Register
- 2) Receipt Register
- 3) Collection sheet & details related to that
- 4) Bank Statement & BRS with all the passbook
- 5) List of source of tax collected on them
- 6) Details of holding tax
- 7) Date of sale (cashier base) for FY 2020-21 for analysis purpose.
- 8) List of high value Holding tax property.

Please provide the above documents for the necessary day.

R.N. Singh & Co

05/04/22

R.N. SINGH & CO.

Patna - 800001



Date: 06/04/22

7/10  
06/04/22

... for the purpose.

... need these documents, ... these documents from ... applications

... same as on the very ... (2022)

... collection Receipts & Bill vouchers. Related

... Statement of FY-2021

... tax collected on them

... Holding tax collection.

... of Income Receipts ... (Main)

Authorized Director

...

06/04/22

R.N. SINGH & CO.

...



No. 27/07/2022

To, **MR. R.N. SINGH & CO.**

The Chartered Accountants  
Bhat, Bhat & Bhat  
Karnal, UP.

Subject: Requirement of documents for audit purpose

Dear Sirs,

As you know for the audit purpose I required these mentioned documents and I already asking you since 04/04/2022 but you have not provided me the documents. Kindly provide these documents for the next day.

- ① Income Register
- ② Collection
- ③ Tax collection Receipts & Bill Vouchers related to that
- ④ List of tower & tax collected on them
- ⑤ Details of Holding tax collection
- ⑥ Details related to high collector of Income Receipts of cash book (Main)
- ⑦ Log book of vehicles & details of Insurance

Authorized Auditor

R.N. Singh

07/07/2022

**R.N. SINGH & CO.**  
Patna - 800001



27/7/22

To  
The Director  
Revenue Department  
Kuala Lumpur

Subject: Audit of F.Y 2020-21

Dear Sir,  
Reference is made to the decided date (07/04/22) for the submission of the data that was provided prior to the audit. The data & documents are being provided as we are conducting the audit and already one year has passed. At the end of F.Y 21-22 so, the data & documents of F.Y-20-21 is prepared only at the end of the year.

In the list of audit I shared the list of documents that are required for reporting. As of the date I didn't receive any response. I have written several letters on 03/01/22, 03/01/22, 06/04/22 and 07/04/22 but I haven't got any satisfactory response or any needfull action taken.

The list of the data & documents which is provided by the ULB (Bach Wagon provided) for the audit of F.Y. 2020-21 and provided as follows:

- 1. Collection Registers
- 2. Tax Collection Receipts & Bill
- 3. List of 20 high value

of Government which  
of others' lead

... (Inherent  
I am going to  
the financial  
Nagan Parishad)  
...

