

INTERNAL AUDIT REPORT
OF ULB
(NARKATIAGANJ NAGAR PARISHAD)

FOR THE PERIOD

01.04.2021 to 31.03.2022
(Annual for the FY_2021-22)

CONDUCTED BY

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

From 01.07.2022 to 04.07.2022
Report Issued on 26.09.2022

1. Executive Summary

1. INTRODUCTION

. Name of the Municipality	NARKATIYAGANJ NAGAR PARISHAD
. Period covered under current audit	Annual (F.Y. 2021-22)
. Name of the chairman of the ULB for the period under Audit	Sri. Radhe Shyam Tiwari
. Name of Chief Municipal Officer for the period under Audit	Mr. Md. Sahil Ansari

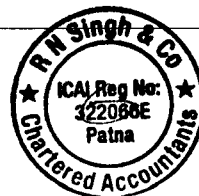
2. Results and Findings

• Strengths observed during the audit engagement

- (a) All transactions have supporting documents.
- (b) Office infrastructure is sufficient for operation.
- (d) Subsidiary Cash book has been maintained.
- (e) General Cash book has been maintained.
- (g) All the transaction entered in General cash book has written with clarity and in legible manner.

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

- (a) Collections made by Narkatiyaganj Nagar Parishad has not deposited in to Bank within the prescribed time.
- (b) All the moneys have not brought to account on the same days.
- (c) Utilization certificate has not been prepared as per the prescribed Schedule time by the ULB.
- (d) Monthly Receipts and payments has not been prepared which is to be required as per the Rule 120-121.
- (e) Tower tax has not been collected, since the establishment of the ULB even though number of tower is 20 as on 31.03.2022. Thus total outstanding tax amount is Rs. 1588000.00/-
- (f) We are unable to check compliance report of the previous Internal Audit and AG report due to non-provided of the Compliance report to us by the ULB.
- (g) Demand and Arrear register has not been updated by the ULB hence we are unable to quantify the amount of the outstanding Property/Holding tax, Advertisement tax, Tower tax, Rent on municipal property sairat etc.
- (h) Daily Collection Register (Revenue receipt wise) has not been maintained in satisfactory format.
- (i) Property / Holding tax has not been assessed on property by the ULB from Financial Year 2015-2016 Due to which we are unable to identify those property holders who are not paying property tax from long time.
- (j) File Movement register has not been maintained.
- (k) Procurement register has not been prepared by the ULB for all the Procurements above Rs 15,000.
- (l) Resources of the ULB have been not utilized in Economic and efficient manner. (like public toilets have been made by the ULB but these are not in usable for the public due to Lock by the ULB)
- (m) Compliances of the income tax by the ULB is not appropriate.
- (n) V.S.C & Co. have been appointed for the Double entry accounting system and Preparation of the financial statements but Neither Double entry accounting system nor financial statements have been completed for audit at the ULB.



3. Opinion

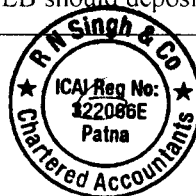
As per Our Opinion the following improvements are required.

- ULB is not working properly, even internal control is poor.
- Revenue collection of the ULB is very poor it has scope to increase to much higher level.
- All cash collection from source of revenue are not deposited in the bank on same day. It should be deposited in the same day as per the Bihar Municipal Act.
- Due to lack of manpower, there is delay in performing day-to-day work.
- There should be proper segregation of duties to perform day-to-day work in efficient manner.
- We find that rules and regulation are there but ULB is not following them properly.
- Most of the Books of Accounts as prescribed by BMAR are not maintained by the ULB.
- There is time lapse lapses in deduction and deposit of statutory dues, such as GST, Royalty, TDS, Labour Cess etc.
- Bank wise cash book should be maintained for each Scheme.
- Utilization certificate should be prepared for each scheme with in prescribed time line.

4. Audit Recommendations

The Recommendation of Audit Team on the Observed weakness.

SL No	We Recommend the followings:-
1.	ULB should maintain all the book of accounts, register, records etc. as prescribe in Bihar Municipal Accounts Act, Manual and Rules and same should be regularly verified by the executive Officer.
2.	ULB should prepare receipt and payments accounts on monthly basis. Due to which it become very easy to find out how much fund has been received by the ULB.
3.	ULB must have to refund the unutilized amount to the Urban Development & Housing Department.
4.	ULB have to be statutory returns with in prescribe time line and deposit the deducted amount as specified in statutory law.
5.	As per Rules 22(1) of Bihar Municipal Accounting Rules, 2014 Tax Collected has to be deposited on same day or latest before noon on the following working day.
6.	Executive Officer is required to verify the Collection and deposited of revenue on the regular basis due to which Accurate balances, Prevents thefts ,Prevents mistake can be avoided.
7.	ULB should maintain log book of vehicles & generator so that consequently its analysis is possible.
8.	Meeting of Municipal Account Committee are required to be held regularly to analyze the progress of various activities and accounting procedure.
9.	ULB should prepare summary of daily collection in form GEN-13.
10.	ULB should update demand and arrear register of holding tax as soon as possible.
11.	ULB should maintain DCR register separately for each head of its own revenue sources for appropriate internal control and also for appropriate disclosures of books of accounts.
12.	ULB should asses the Holding/property tax every year & do survey for the assessment of the same.
13.	ULB should collect all the outstanding dues like Mobile tower tax, Holding/Property tax advertisement tax as soon as possible.
14.	All the statutory dues deducted by the ULB should deposit with in due date .So that Penalty



	and interest can be avoided.
15.	Resources of the ULB is required to be made in Economic and efficient manner.
16.	ULB is required to compliance all of the irregularities observed during the current as well as previous Internal Audit and AG audit.

5. Comments from Management.

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

Detailed discussions on this are given in *Discussion Note*

6. Acknowledgement: -

We thank Mr. Md. Sahil Ansari (Executive Officer), for his support during the period of our audit. We are also thankful to Head Accountant and Najir/accountant and other staff of the Nagar Parishad for their co-operation during the period of audit.

7. Management Discussion with Risk Assessment.

S. No.	Audit Observations	Risk Rating	Design Gap	System Gap	Operating Gap	Management Comment
1	Bank Reconciliation Statement has not been prepared by the ULB.	Medium	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
2	Opening & Closing of Main Cash Book has not been done on day-to-day basis. It should be closed on daily basis. Receipt of only Rs. 6,60,000 has been recorded.(4 th Qtr) Cash Book hasn't been authorized by the Executive Officer.	High	No	Yes	Yes	Noted for future reference.
3	During the course of audit it was found that relevant authority hasn't authorized overwriting, erasing transactions, etc. in Cash-Book.	High	Yes	Yes	Yes	Noted for future reference.



4	<p>Vinod Singhal & Co (L.L.P) has started doing Double Entry accounting System (DEAS) but it is in process & incomplete, it is not in auditable position.</p> <p>2017-18 : Completed 2018-19 : Completed 2019-20 : Completed 2020-21 : Completed 2021-22 : In Process</p>	Medium	No	No	Yes	This will be communicated with DEAS team and sorted out quickly.
5	<p>During verification of property tax related documents, we have founds many property holders that are not paying property tax from a long time. ULB should take necessary action for recovery of the same.</p> <p>(Annexure Attached)</p>	High	Yes	Yes	Yes	We will issue notice for recovery of the same. & Awareness Programme has been conducted (like Mic Announcement & Setting Camp)
6	<p>During verification of Property Tax Collection Receipt and Tax Deposit Receipt we have found that property tax collected by the tax collector is not deposited to the bank on the same date.</p> <p>(Annexure Attached)</p>	High	Yes	Yes	Yes	Due to lack of manpower it is not possible but we will try to sort it out.
7	<p>Demand Register is not updated by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc.</p>	High	No	No	Yes	It will be updated in future.



8	Property Tax hasn't been assessed from a very long time leading to less collection of Holding Tax by the ULB.	Medium	Yes	Yes	Yes	We will assess the tax rate after the guidelines issued by UD & HD.
9	Mobile Tower Tax has not been collected by the ULB. (Annexure Attached)	High	No	No	No	The system is now online.
10	Advertisement Tax has not been levied by the ULB. There has not been any system developed for the levy of advertisement tax, , etc.	Medium	Yes	Yes	Yes	Advertisement Tax is now being collected.
11	Various registers, books of records etc. are not being prepared by the ULB. Such as Journals & Magazines, Investment Register, File Movement Register etc. ULB should maintain these registers as soon as possible.	Medium	Yes	Yes	Yes	Noted for future reference.
12	ULB has not been in practice to prepare Monthly Receipt & Payment Accounts, Journals, Ledgers & Trial Balance.	High	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
13	ULB has not been in practice to prepare Financial Statements.	High	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
14	Details of Directives issued by UD&HD has not been provided to us during the course of audit, so we are unable to check compliance of the same.	Low	Yes	Yes	Yes	Noted for future reference.
15	As per the guidelines of the UD&HD Utilization Certificates for various Allotment should be submitted within 18	High	Yes	Yes	Yes	UC Submission is in Process. UC of Rs. 2,53,33,000.00 has been




	months of the allotment to the respective departments but we observed that UC of an amount of Rs. 3,53,33,000.00 (2019-20 to 2021-22) are pending to be submitted to the respective departments. (Annexure Attached)					submitted.
16	We observed that no physical verification is being conducted at the level of ULB for the fixed assets which is purchased by the ULB. Further, no depreciation is being charged in the books of account.	Medium	Yes	Yes	Yes	It will be implemented soon.
17	Compliance Report has not been prepared by the ULB regarding the observation of AG Audit (2015-16 & 2016-17) and Internal Audit, due to this we are unable to verify the same.	High	No	No	Yes	All compliances have been submitted
18	Grant & Procurement Register hasn't been maintained by the ULB.	Medium	Yes	Yes	Yes	It will be maintained in future.
19	No Professional Tax or any other statutory deductions have been made while making salary payment to EO.	Medium	No	Yes	Yes	Self ITR Filing by EO.
20	Details of Frauds/Legal Cases against or by the ULB wasn't provided during the course of Audit.	High	No	No	Yes	NO Such cases.
21	We found that there has been irregularity in deposit of statutory deductions such as, Income Tax, Labour Cess, Royalty, etc. (Annexure Attached)	Medium	Yes	Yes	Yes	Noted for future reference.



22	There is difference of Rs. 26,91,349 in opening balance of F.Y. 2021-22 as per Internal Audit Report (2020-21) and as per Cash Book.	High	Yes	Yes	Yes	The difference is being brought forward from previous financial year.
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For **R. N. SINGH & CO.**
Chartered Accountant
ICAI Reg.No:322066E


CA Chanakya Shree
Partner

M. No: -079322

FRN: 322066E

UDIN No: 22079322AYREQG9722

Date: 07-10-2022



2. Auditee Profile

1. Introduction

The Internal Audit of (Bagaha Nagar Parishad) covering the period from 01.04.2021 to 31.03.2022 was conducted by following persons under guidance of TL CA Ashok Kumar Pandey and MAE CA Birendra Kumar Singh.

- i. Mr. Anuj Kumar Paswan
- ii. Mr. Gunjan Baitha

2. Administration

The present body of the ULB has taken charge on 7th July 2021 the incumbency in the key administrative and executive positions was as under:

Sri Radhe Shyam Tiwari (Chairman) from 10th June 2017 to till date.

Smt. Rita Kumari (Executive Officer) from 04th July 2020 to 6th July 21.

Mr. Sahil Ansari (Executive Officer) from 07th July 2021 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 Report, 2016-17 & 2017-18	20	20	6	0	0	20	
2.	Internal Audit Report 19-20.	As per the Discussion note ULB has not received <i>Internal Audit Report from the Department. Hence unable to prepared compliance report of such audits.</i>						



4. Finance

I. Budgetary provisions and expenditure for the last three years

Year	2019-20	2020-21	2021-22
Final/Revised Budget	91,20,32,000.00	95,38,80,000.00	1,04,88,09,800.00
Actual Expenditure	7,28,14,585.00	3,07,07,204.00	9,40,02,401.00
Savings(+)/ Excess(-)	83,92,17,415.00	92,31,72,796.00	95,48,07,399.00

II. Volume of transactions

Period	Budgeted (2021-22)	Previous Year (For one Year) 2020-21	Cumulative for the current period
Opening balance	386326178	354533050	448339742
Receipts	1137413500	197985659	94002401
Total	1523739678	552518709	542342143
Net expenditure	1048809800	104178967	227138480
Closing balance	474929878	448339742	315203663

III. Bank Reconciliation: -

Since different scheme has been maintained in single cashbook therefore segregation of balances of different Scheme as on 31.03.2022 cannot be determined. Similarly, since through one bank account different schemes are being operated the bank balance of a particular scheme on a particular date cannot be determined. Bank Reconciliation Statement has not been prepared by the ULB.

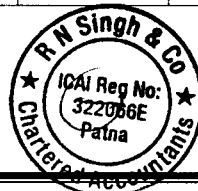
Details of closing balance

SI No	Name of Scheme/Item	Bank Name /Account No.	Balance as per Pass Book as on 30.06.2021	Balance as per Cash Book on 30.06.2021	Differences	BRS Prepared/ Not Prepared

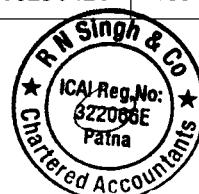
The appropriate details required for reporting purpose has not been provided to us during the course of audit and the irregularities in this regard has been also mentioned in the discussion note at point no. 1.

IV. Revenue & Capital Receipts Information : -

Income Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2019-20		2020-21		2021-22	
		2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)	2019-20 (Annual)	2021-22 (Annual)	2020-21 (Annual)
	Total Receipts (A+B)	103046273	128827695	197985659	103046273	94002401	197985659
A.	Revenue Receipts (1+2+3)	23010195	61101967	102953495	23010195	84418079	102953495
1.	Own Revenue Receipts (a+b)	6457044	58903717	58211420	6457044	4114411	58211420



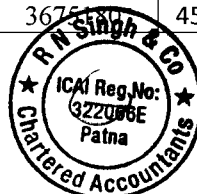
a)	Tax Revenue (levied and collected by municipal body)	6336386	957124	13245263	6336386	4114411	13245263
i)	Property tax	6336386	10461523	10461523	6336386	3998632	10461523
ii)	Other tax (levied and collected by municipal body)	--	2783740	2783740	--	115779	2783740
b)	Non-tax revenue (levied and collected by municipal body)	120658	575555	44966157	120658	0	44966157
i)	Fees & fines	120658	--	--	120658	0	--
ii)	User Charges	--	--	--	--	0	--
iii)	Other non-tax revenue (levied and collected by municipal body)	--	44966157	44966157	--	0	44966157
2	Other Revenue Receipts	14045807	2890547	2890547	14045807	2371856	2890547
a)	Income from interest/investments	3986654	2890547	2890547	3986654	2246401	2890547
b)	Other Revenue income	10059153	--	--	10059153	125455	--
3.	Transfers/ Grants/ Assigned Revenues	2507344	41851528	41851528	2507344	77931812	41851528
a)	State Assigned Revenue	--	--	--	--	0	--
b)	State Finance Commission (SFC) Grants/ Devolution	1877344	15538124	15538124	1877344	0	15538124
c)	Octroi compensation	--	--	--	--	0	--
d)	Other State Govt. Transfer	630000	--	--	630000	27977480	--
e)	Central Finance Commission (CFC) Grant	--	--	26313404	--	0	26313404
f)	Other Central Govt. Transfer	--	--	--	--	49954332	--
g)	Others	--	--	--	--	0	--
B.	Capital Receipts	80036078	110872396	95032164	80036078	9584322	95032164
1	Sale of Municipal Land	--	--	--	--	0	--
2	Loans (from State Govt. or Banks etc.)	--	--	--	--	0	--
3	State Capital Account Grant	48968457	81812173	16230421	48968457	0	16230421



	(under State Schemes etc.)						
4	Central Capital Account Grant (under Central Schemes etc.)	31068457	29060223	78801743	31068457	0	78801743
5	Other Capital Receipts	--	--	---	--	9584322	---

V. Revenue and Capital Expenditure Information :-

Expenditure Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2019-20		2020-21		2021-22	
		2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)	2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)
	Total Expenditure (1+2)	72814585	46624448	104178967	72814585	227138480	104178967
1	Revenue Expenditure	26410193	15172959	67425787	26410193	82825771	67425787
1.1	Administrative Expenses, Establishment and Salaries (All Departments- Regular and Contractual Staff)	16814394	9929581	13928897	16814394	38382171	13928897
1.2	Operation and Maintenance (O&M)	6446173	2898747	---	6446173	13828630	---
1.3	Loan repayment (Interest payments)	--	--	--	--	0	--
1.4	Others (any other revenue expenditure which is not salaries, O&M or Interest Payment)	3149926	2344631	53496890	3149926	30614970	53496890
2.	Capital Expenditure	46404392	31451489	36753180	46404392	144312709	36753180
2.1	All	45906951	31451489	36753180	45906951	13310260	3675180



	developmental works under Central/State specific schemes					1	
2.2	Loan Repayments (Principal Amount)	--	--	--	--	0	--
2.3	Other Capital expenditure	497441	--	--	497441	11210108	--

VI. Status of implementation of Double Entry Accounting System

Vinod Singhal & Co. (Jaipur, Rajasthan & Patna) has been appointed for the Double Entry Accounting System, and the followings are the status of double entry accounting system-
Year wise Status of DEAS are as follows;

- FY- 2016-17: Completed
- FY- 2017-18: Completed
- FY- 2018-19: Completed
- FY- 2019-20: Completed
- FY- 2020-21: Completed
- FY- 2021-22: In Process

- Interval of accounting entry passed in tally: Daily Basis
- Opening Balance Sheet: Not Prepared.
- Annual Financial Statement: Not Prepared.
- Tally License Id: NAGARPARISHADNARKATIAGANJ1972@GMAIL.COM
- Tally Serial No.:766646991
- Installed in: Narkatiaganj Nagar Parishad System.

VII. Status of Municipal Accounts Committee; -Narkatiaganj Nagar Parishad has not been constituted Municipal Accounts Committee under section 98 of the Municipal Act, 2007. It is necessary for the municipality to constitute a Municipal Accounts committee at the first meeting in each year as soon as possible may be at the subsequent meeting there to.

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 fee, 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. 40,000/- per tower and annual renewal fee is Rs. 10000/- per annum per tower

Condition –As per details provided to us there are total 20 Twenty Mobile Towers registered with this ULB up to 31.03.2022 and **Rs. 1588000.00/-** has not been collected till the date of audit from these tower operators as Tower Tax.

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

Cause – We observed that due to lack of proper follow up and monitoring of activities of concerned person of the ULB on regular interval. The ULB has 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 N o.	Company Name	No of Tower	Dues as on 31.03.2021	Renewal Fee	Total	Penalty	Collection	Dues as on 31.03.2022
1	ATC	3	134000	30000	164000	15000	-	179000
2	TATA	1	84000	10000	94000	5000	-	99000
3	AIRTEL	5	340000	50000	390000	25000	-	415000
4	AIRCEII	4	376000	40000	416000	20000	-	436000
5	RELIANCE	2	102000	20000	122000	10000	-	132000
6	GIL	1	84000	10000	94000	5000	-	99000
7	BHARTIYA INFRATECH	1	84000	10000	94000	5000	-	99000
8	IDEA	1		10000	10000	5000	-	15000
9	TELENIER	2	84000	20000	104000	10000	-	114000



		20	1288000	200000	1488000	100000	0	1588000
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(ii) **Advertisement Tax**

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

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

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

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

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

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

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

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

Condition - During the verification of the property tax collection receipt and deposit receipt, first property tax collected by the tax collector deposited to the inspector and inspector deposit same amount in the next days or after same days. Due to this there is double gap between tax collection and tax deposit and also daily cash register is either not prepared or not up to date.

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

Details of some of the cases checked property tax collection by tax Inspector and deposition.

Receipt No.	Receipt Date	Amount	Amount Deposited	Date of Deposit
7350-7359	26.4.21 to 29.6.21	16,154.00	16,154.00	12.7.21
7360-7370	7.7.21 to 29.7.21	31,866.00	31,866.00	31.7.21
7371-7374	2.8.21 to 17.8.21	10,566.00	10,566.00	26.7.21
7375-7380	27.8.21 to 12.9.21	16,780.00	16,780.00	13.9.21
7381-7390	16.9.21 to 29.9.21	24,050.00	24,050.00	29.9.21



7391-7400	1.10.21 to 9.10.21	12,269.00	12,269.00	9.10.21
7801-7812	11.10.21 to 30.10.21	21,984.00	21,984.00	30.10.21
7813-7825	9.11.21 to 29.11.21	44,366.00	44,366.00	30.11.21
7826-7833	1.12.21 to 30.12.21	48,022.00	48,022.00	3.1.22
7834-7900	2.1.22 to 11.2.22	111,111.00	111,111.00	14.2.22
8001-8056	15.2.22 to 28.2.22	147,032.00	147,032.00	4.3.22
8057-8100	2.3.22 to 8.3.22	82,594.00	82,594.00	8.3.22
8201-8300	10.3.22 to 21.3.22	265,128.00	265,128.00	21.3.22
8501-8600	22.3.22 to 27.3.22	247,216.00	247,216.00	28.3.22
8801-8900	28.3.22 to 31.3.22	530,764.00	530,764.00	20.4.22

(iv) Holding & Property Tax Collection: -

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

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

Condition– Property Tax is collected by the tax collector from all wards.

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

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

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

Details some of the Holding Tax Arrears /Outstanding.

S. No.	Name of Property Owner	Ward No.	Annual Tax	Total Dues
1	Sanjay Kumar	01	4,888.00	40,375.00
2	Ajay Jaiswal	01	3,527.00	29,133.00
3	Harina Roy	03	6,943.00	57,349.00
4	Brij Yadav	04	5,004.00	41,333.00
5	Kanhaiya Prasad	16	17,334.00	143,178.00
6	Bindeswari Shah	05	530.00	4,378.00
7	Irsad Alam	05	592.00	4,890.00
8	Syed Tarbej	05	1,342.00	11,085.00
9	Sambhu Saran Arya	14	3,550.00	29,323.00
10	Ashok Srivastava	20	1,905.00	15,735.00

(v) Market/Shop Rent Collection: –

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



Criteria– Non-Collection of Market/Shop Rent and imposition of late fine by the concerned ULB.

Condition– ULB has no any own shop in their Nagar Parishad.

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

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

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

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

- No observation found during the course of audit.
- Details of some case checked during the course of Audit.

Date	Particular	Amounts	Remarks
09.10.21	Rai Associates	340553	Bleaching Powder
08.03.22	New Kamal Hotel	13040	Snacks

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

Report on field survey of 20 high value properties

S. No.	Property Owner's Name	Ward No.	Type of Construction	Carpet Area	Rate	Annual Tax	Residential/ Commercial
1	Vinay Prasad Jaisawal	1	RCC	842	43	4888	Commercial
2	Ajay Jaiswal	1	RCC	1248	29	3527	Commercial
3	HarinarayanSah Prasad	3	RCC	1196	43	6943	Commercial
4	Brijesh Yadav	4	RCC	862	43	5004	Commercial
5	Kanya Prasad Yadav	16	RCC	2986	43	17334	Commercial
6	Bindeshawar Prasad Yadav	5	RCC	420	14	530	Residential
7	IrsadAlam	5	RCC	470	14	592	Residential
8	Sayed TabrejAlam	5	RCC	1064	14	1342	Residential
9	SambhuSah	14	RCC	1360	29	3550	Commercial



10	Ashok Niwas	20	RCC	1512	14	1905	Residential
11	Sanjay Kumar	8	RCC	9787	43	56814	Residential
12	Fuldei Devi	15	RCC	4440	43	25774	Residential
13	Bhagwat Prasad	15	RCC	3072	29	8018	Residential
14	Ram ji Prasad	15	RCC	2426	29	6322	Residential
15	Ashok Kumar Yadav	15	RCC	3500	29	13702	Residential
16	Biswanath Prasad	25	RCC	2980	29	7718	Residential
17	Munilal Prasad	2	RCC	2042	29	5330	Residential
18	Vijay Mani Tiwari	13	RCC	2100	43	12190	Commercial
19	Sharita Devi	13	RCC	2297	29	5996	Commercial
20	New Sugar Mill	10	Commercial	921500	43	2557882	Commercial

Note: Property / Holding tax are assessed by the ULB. On test check basis, we have calculated the Area and no variance found. However, it is very difficult to do the Field Survey due to resentment of property holders and sometimes it gets very ugly

D. Implementation of the self-assessment system (SAS) of the property tax in the ULB;

Self-assessment System (SAS) of the Property tax has been implemented in Narkatiaganj Nagar Parishad but we have found that assessee is very less aware of that. ULB should conduct time to time awareness programme to make people aware of SAS.

ii. Part-B (Non- monetary implications)

All Audit objections/regularities which has no monetary implication, but significant violation of act, Rules directives of UD&HD. Mention the reference to Act & Rules wherein remedial measure is required.

a. Non –maintenance of books of accounts, subsidiary registers: -

It has been noticed during the audit that the following Books of Accounts & Registers has not been maintained or not properly maintained (*Status as mentioned*).

Sl. No.	Particulars	Status
1.	File Movement Register	Not Maintained
2.	Ledger Book	Not Maintained
3.	Bill Register	Not Maintained
4.	Advance Register	Maintained
5.	Pay-Roll Register	Maintained
6.	Vehicle LOG Book	Maintained
7.	Store Register	Maintained
8.	Fixed Assets Register	Maintained
9.	Demand & Collection Register of Property Tax, Mobile Tower Tax, Shop Rent etc.	Maintained
10.	GST Register	Not Maintained
11.	TDS Register	Not Maintained



12.	Procurement Register	Not Maintained
13.	Leave Register	Maintained
14.	Labour Cess Register	Not Maintained
15.	Royalty Register	Not Maintained

b. Irregularity in procurement process: -

During the course of Audit, we have demanded the procurement register; same has not been produced before us.

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

Details of Directive issued by UD & HD have not been provided to us during the course of audit, so we are unable to check compliance of the same.

But we observed several other non-compliances such as: -

1. Non collection of various taxes required to be collected.
2. Non maintenance of prescribe books of accounts
3. Non submission of UC and other reports on timely basis

E. Non-compliance of Act & Rules: -

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

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

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

e. Lack of internal control measures: -

1. During the course of our Audit, we have observed various discrepancies in the Cash Book, which are enumerated below: -
 - Head wise expenditure were not clearly entered and recorded.
 - The cash book balances are not reconciled with the Balances in Bank Pass Book.
 - Cash book has not been regularly authorized by the executive officer.
 - Collection and Deposited are not monitoring by the higher level officer at the interval time period.
2. Cash book has not been properly prepared by Narkatiaganj Nagar Parishad
 - Cash book is maintained from pass book; it means at the time of payment cash book is not maintained that shows a departmental failure.



3. After analyzing operating control, it was observed that there is shortage of Man Power in ULB. Consequently, it is not functioning smoothly with respect to completion of works on time, provide and review the service efficiently which is the main function of ULB, preparation of books and records on time etc.

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

During the Audit, ULB has not been provided Complete information/Documents of the TDS deduction & Return under IT and GST, And also ULB has not maintained the concern register to identify the exact amount of the deduction and deposited, hence we are unable to comment on this .

g. Deficiency in pay-roll system: -

Pay-Roll Register has been shown to us during the period of internal audit, records relating to statutory deduction like PF, ESIC, Income tax are not maintained The PF, ESIC with respect to contractual employee are neither deducted not paid to statutory authority.

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

Utilizations Certificate is of Paramount importance and its submission is required to be ensured under the timeline. The details of the Pending UC's have been annexed with the report.

I. Physical verification of inventory/stores: -

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

j. Advances, their adjustment & recovery: -

Advance Register has been maintained by the concerned ULB but no advances were given during the audit period

K. Comments on the management fixed and other assets: -

Fixed assets register has been maintained in concerned ULB but hasn't been updated and in such case register, it is difficulty to verify the same.

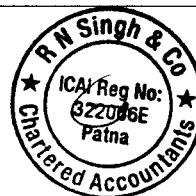
M. Any other matters as may be prescribed due Course.

- No any observation found during the course of audit



“PART – C” (Other)

S. No.	Particular	Remarks/ Observation												
a	Status of adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments on or above Rs. 10,000.	<p>No Observation Found in this regard. We have checked some voucher in the ULB which are as follows: -</p> <table border="1"> <thead> <tr> <th align="center">Date</th> <th align="center">Particular</th> <th align="center">Amounts</th> <th align="center">Remarks</th> </tr> </thead> <tbody> <tr> <td align="center">09.10.21</td> <td>Rai Associates</td> <td align="center">340553</td> <td>Bleaching Powder</td> </tr> <tr> <td align="center">08.03.22</td> <td>New Kamal Hotel</td> <td align="center">13040</td> <td>Snacks</td> </tr> </tbody> </table>	Date	Particular	Amounts	Remarks	09.10.21	Rai Associates	340553	Bleaching Powder	08.03.22	New Kamal Hotel	13040	Snacks
Date	Particular	Amounts	Remarks											
09.10.21	Rai Associates	340553	Bleaching Powder											
08.03.22	New Kamal Hotel	13040	Snacks											
b	Whether all Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	<p>Procurement is made through GEM Portal as well as through direct means by the ULB with value above Rs. 15000 so it is difficult to verify the procurements made during the audit period. Some of the cases checked during the audit period are as follows:</p> <table border="1"> <thead> <tr> <th align="center">Date</th> <th align="center">Particular</th> <th align="center">Amounts</th> <th align="center">Remarks</th> </tr> </thead> <tbody> <tr> <td align="center">15.02.22</td> <td>Reliable Enterprises</td> <td align="center">4762608</td> <td>Dustbin</td> </tr> <tr> <td align="center">15.03.22</td> <td>Rajeev Ranjan</td> <td align="center">893120</td> <td>Street Light</td> </tr> </tbody> </table>	Date	Particular	Amounts	Remarks	15.02.22	Reliable Enterprises	4762608	Dustbin	15.03.22	Rajeev Ranjan	893120	Street Light
Date	Particular	Amounts	Remarks											
15.02.22	Reliable Enterprises	4762608	Dustbin											
15.03.22	Rajeev Ranjan	893120	Street Light											
c	Verify the instances of losses, failures or inefficiencies and recommendations which can be taken to avoid their recurrence in future.	We have verified such instances and found some irregularities. Details of irregularity have been annexed in Executive Summary in Observation Para, and recommendations have also been annexed in recommendation in Executive Summary.												
d	Whether tax deductions i.e. Commercial tax, Income tax, provident fund etc. should be 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. Penalty and Interest may be levied on ULB as per Statutory Laws.												
e.	Whether all the C&AG Audit and Internal Audit Paras have been compiled by the ULBs.	Compliance Report of same hasn't been prepared by the ULB till the date of audit hence 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 manpower 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 & records on time, etc.												



4. Detail Audit Observations

RISK ASSESSMENT							
Name of the ULB		NARKATIYAGANJ NAGAR PARISAD					
Sr. No.	Observations	Risk Rating	Design Gap	System gap	Operating Gap	Mgt. Comment	Auditor Recommendation
DEMAND GENERATION:							
1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	HIGH	No	No	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 and made the assessment year wise before preparation of BUDGET of ULB.
2.	Collusion with Citizen regarding Assessment.	MEDIUM	No	No	No	We are trying our best to comply the same in near future.	Management should take initiative to assess the property as quickly as possible to improve the internal revenue of the ULB. Further, management should hire Independent Person or Organization for assessment



							of properties.
3.	Non-Updating Various Register like hand book, DCB register, Assessment registered.	MEDIUM	No	No	Yes	It will be taken care in future.	Management should take initiative to update these registers as quickly as possible, it really helpful for ULB for appropriate calculation of dues and also helpful to serve demand to the respective Property Holders.
4.	Others	-	-	-	-	-	-

RECEIPTS AND BANKING:

1.	Error in collections, loss of receipts and perpetrated frauds	HIGH	Yes	Yes	Yes	It will be taken care in future.	Management should ensure the implementation of system to serve the notice to the holders of property 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,	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Cash book should account on the



	etc.						basis of DCB.
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 work, 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	HIGH	No	No	No	-	No Such cases found.



	employee)						
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.	Management should take initiative to update the registers 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.	Management should take initiative to update the registers as quickly as possible.
7.	Others	-	-	-	-	-	-

PROCUREMENT AND INVENTORY:

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication/Procedural error	HIGH	No	No	No	-	No Such cases found.
4.	Collusion with contractor	HIGH	No	No	Yes	It is notified for future.	ULB should follow the prescribe norms of shopping



							procedure regarding purchasing of stocks as well as fixed assets.
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.	Management should take initiative to update the registers 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 taken care in future and refund the unspent grant.	The unspent grant should be refund to the department.
2.	Not furnishing of UC	HIGH	No	No	No	-	-
3.	Non fulfillment of condition part thereto	MEDIUM	No	No	No	-	No Such cases found.
4.	Perpetrated fraud (Like payment more than one time same contractor)	HIGH	No	No	No	-	No Such cases found.
5.	Non-updating various register like grant register, work register, bill register with payment fig., advance register, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Management should take initiative to update the registers 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.	Management should invest or open swipe account to get
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							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	No	No	Yes	It will be taken care in future.	Register should be updated on daily to avoid non updation of Cash Book.
7.	Others	-	-	-	-	-	-

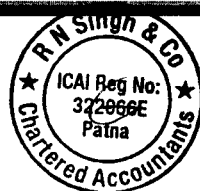
LOANS AND ADVANCES:

1.	Unauthorized release of advance	HIGH	No	No	No	-	-
2.	Release of advance beyond authority	HIGH	No	No	No	-	-
3.	Non-adjustment of loan or advance during the year	MEDIUM	No	No	No	-	-
4.	Collusion with employee/party to release advance/loan beyond authority	HIGH	No	No	No	-	-
5.	Advance/loan not account for	HIGH	No	No	No	-	-
6.	Non-updating various register like Loan & advance, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Management should take initiative to update the registers as quickly as possible.
7.	Others	-	-	-	-	-	-

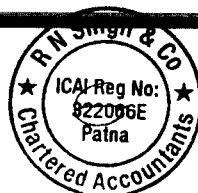


List of Important Registers

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD			
	RISK RATING:	MEDIUM			
	CAG OBSERVATIONS STATUS	NOT AVAILABLE			
		PERIOD: 01.04.2021 to 31.03.2022			
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 opening and closing balance has not been updated on daily basis.	Due to non-closing of cash book on daily basis there may be chance of making back dated entry. This may leads to fraud & defalcation.	It will be taken care in future.	Not Resolved
2.	Ledger	Tally data has not been provided to us by the DEAS team at ULB.	It is quite difficult to prepare appropriate financial statement.	It will be taken care in future.	Not Resolved
3.	Journal	Journal Register has not been maintained.	Advance has been accounted as expenditure and in case of amount has not been transferred to beneficiary, only expenditure is being reversed in respect of accounting as liability.	It will be taken care in future.	Not Resolved
4.	Register for Journal/ Magazines/Newspapers	Not-Maintained	This may leads to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	Register for Temporary Advances	Not-Maintained	It may leads to fraud &	It will be taken care in future.	Not Resolved



			Defalcation.		
6.	Register of Money Orders/Bank Draft Received	Maintained	-	-	-
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	Non-maintenance may lead to dual claim by the concern parties, due to this there is a problem to maintain segregated record regarding returning of DD. Further, it is also problematic to record the details of the person who receipt the same. It may also lead dishonor of DD due to loss of the 3 months from the date of issue.	It will be maintained from next financial year.	Not Resolved
11.	Bill Register	Not-Maintained	It may be difficult to trace any bill.	It will be maintained from next financial year or as earlier possible.	Not Resolved
12.	Establishment Register	Maintained	-	-	-
13.	Stock Register	Maintained but not updated	It may leads to misplacement 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 leads to misplacement of Capital Goods/Consumable articles & non-consumable article.	It will be taken care in future.	Not Resolved
15.	Statutory Deduction Register	Maintained	-	-	-
16.	Fixed Assets Register	Maintained	-	-	-
17.	Grant Register	Not-Maintained	It may leads to problem in auditing of grant wise expenditure and its reporting.	It will be updated as soon.	-
18.	Scheme Register	Maintained but not updated	It may leads to problem in auditing of scheme wise expenditure and its reporting.	It will be updated as soon.	-
19.	Monthly accounts of Receipts/Payments	Not-Maintained	Due to this segregation of head wise balance is difficult.	Being Prepared by DEAS team.	Not Resolved
20.	Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
21.	Dispatch Register	Maintained	-	-	-
22.	File Register	Not-Maintained	It may leads to misplacement of files.	It will be taken care in future.	Not Resolved
23.	Any other (Name of the register)	-	-	-	-

Cash and Bank

Name of the ULB	NARKATIYAGANJ NAGAR PARISAD
RISK RATING:	HIGH
CAG OBSERVATIONS STATUS	Compliance Report has not been provided.
PERIOD: 01.04.2021 to 31.03.2022	



Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Check whether there is no any undue delay in presentation of cheque/DD received, to bank,	No Such cases Found.	-	-	-	-
2.	Whether cheque/ draft issue/ receipt/ dishonored register have been maintained as per prescribed form (As Per BMAM) & entry are made on properly, accurately & timely basis.	We observed that only cheque issue register is being maintained at ULB.	-	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 cash book, Cheque issue register, collection register, etc., Verify the same with Bank statement & BRS,	We observed that Bank wise BRS has not been prepared at the ULB.	-	It is difficult to verify the BRS bank wise and it may leads to mis utilization fund and difficult to find out the same.	It will be taken care in future.	Not Resolved
4.	Whether cheque issue register are matched	No observation found in this regard.	-	-	-	-
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)	Not Prepared.	-	It may lead to miss-appropriation of fund.	It will be taken care in future.	Not Resolved
7.	Check whether no any fraud payment or payment to other person has been made,	No such cases found.	-	-	-	-



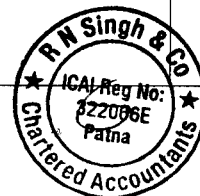
8.	Whether bank statement for all account have been promptly received from bank.	No observation found in this regard.	-	-	-	-
9.	Number of Bank account maintained	No details provided to us	-	-	-	-
10.	Original copy of cancelled receipt is attached with duplicate copy with "CANCELLED" marked on it.	No 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	NARKATIYAGANJ NAGAR PARISAD
RISK RATING:	LOW
CAG OBSERVATIONS STATUS	Compliance Report has not been provided.

PERIOD: 01.04.2021 to 31.03.2022

Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB,	No observation found in this regard.	-	-	-	-
2.	Whether bill has been signed by proper in charge,	No observation found in this regard.	-	-	-	-



3.	Whether the bill has been checked by the accountant with the MB (also compare the qty.), estimate, agreement, previous bill (in case of running agreement)	No observation found in this regard.	-	-	-	-
4.	Verify whether any payment made for removing /dismantling material which have scrap value must be indicated in the bill,	No observation found in this regard.	-	-	-	-
5.	Whether measuring has done by the engineer concerned,	No observation found in this regard.	-	-	-	-
6.	Whether expenditure on construction of work was debited to WIP & verified with MB maintained,	No observation found in this regard.	-	-	-	-
7.	Whether master roll (machine numbered & authorized) has been maintained for details of store, specifying:	No observation found in this regard.	-	-	-	-
	Date of Issue,	-	-	-	-	-
	Name of subordinate,	-	-	-	-	-
	Name of work,	-	-	-	-	-
	Number of labour,	-	-	-	-	-
	Period of engagement,	-	-	-	-	-
	Details of payment (date, Amount, Cheque no, etc.)	-	-	-	-	-
8.	Whether the same has been periodically verified.	No observation found in this regard.	-	-	-	-
9.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	No observation found in this regard.	-	-	-	-



Cash Book

Name of the ULB	NARKATIYAGANJ NAGAR PARISAD
RISK RATING:	MEDIUM
CAG OBSERVATIONS STATUS	NOT AVAILABLE

PERIOD: 01.04.2021 to 31.03.2022

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,	No observation found in this regard.	-	-	-	-
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.,	No observation found in this regard.	-	-	-	-
3.	Whether posting in on daily basis,	No observation found in this regard.	-	-	-	-
4.	Whether there is any clerical error (casting or/and posting error, etc) or not,	No observation found in this regard.	-	-	-	-
5.	Whether any delay in deposit of amount of collection by cashier,	The revenue earned from internal source of ULB has not been deposited same day.	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
6.	conduct physical verification of cash and	No discrepancies	-	-	-	-



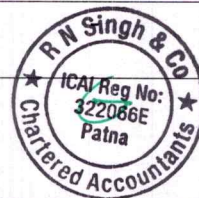
	report heavy cash balance if any	found in this regard.				
7.	Any Other	No	-	-	-	-

Collection

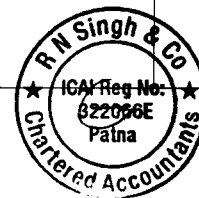
Name of the ULB	NARKATIYAGANJ NAGAR PARISAD
RISK RATING:	HIGH
Name of Tax Collector	Rajesh Kumar, Pankaj Kumar, Vijay Ram & Vijay Kumar Verma

PERIOD: 01.04.2021 to 31.03.2022

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,	Collection procedure is not being appropriate followed at the level of ULB.	-	It may leads revenue loss to the ULB.	It will be prepared in future.	Not Resolved
2.	Whether collections are made on the basis of Demand & Collection Register,	Collection is not being made on the basis of Demand & Collection Register.	-	It may leads revenue loss to the ULB.	It will be prepared in future.	Not Resolved
3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt vouchers are properly vouched so that no any variation in posting the same,	Yes	-	-	-	-
4.	Whether collections are bifurcated in different	Yes	-	-	-	-



	heads as required,					
5.	Whether a separate bank account has been maintained for each circle, (for PMC only)	N/A	-	-	-	-
6.	Whether all collections are made in proper "Receipt Voucher Book" having same serial number which was actually issued to TC,	Yes	-	-	-	-
7.	Whether all collections made during the day are account for & banked on next working day or there is any teaming & lading,	All collections made during the day are not being account for & banked on next working day.	-	It leads to interest revenue loss to the ULB.	It will be taken care in future.	Not Resolved
8.	Whether no any collection are directly expended without prior approval,	No such cases are found during this quarter.	-	-	-	-
9.	Whether collections are made by all the holding fall under the same TC or Civics Centre,	Appropriate details have not been mentioned in Demand Register due to this we are unable to quantify the status of collection. Further, as per the DCB we observed that collection are not being made by all the holdings.	-	It may leads to revenue losses.	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,	No Education/Health cess is not being charged or deposited in this quarter. Further liability register	-	It is a statutory irregularity, government may issue notice for penalty as well as interest.	It will be taken care in future.	Not Resolved



	(if applicable)	is not being maintained at the level of ULB to quantify the same.				
11.	Whether there is any short/non collection or short deposit or not deposit,	No observation found in this regard.	-	-	-	-
12.	Whether penalty(@2% P.M/ 1.5%) has been duly charged on late payment,	No observation found in this regard.	-	-	-	-
13.	Whether daily collections are entered into hand book, collection register maintained by TC & it should be properly entered in demand & collection register,	Daily Collection register has been maintained but it has not been entered in demand & collection register.	-	It may lead to wrong demand generation on the concerned property holders/trade license holders. It may also lead to wrong estimation of revenue earned by the ULB.	It will be taken care in future.	Not Resolved
14.	Whether collection by way of cheque are properly banked & credited into account,	No Such cases found.	-	-	-	-
15.	Whether any refund/remission granted are admissible under the law and that have been duly sanctioned,	No Such cases found.	-	-	-	-
16.	Whether any immediate steps has been taken or not for cheque dishonored received,	No Such cases found.	-	-	-	-
17.	Whether reversal of payment has been made for any dishonored cheque.	No Such cases found.	-	-	-	-



Demand

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD				
	RISK RATING:	HIGH				
	Name of Tax Collector	Rajesh Kumar, Pankaj Kumar, Vijay Ram & Vijay Kumar Verma				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Ensure whether closing balance of previous year is accurately brought forward,	No closing balance of previous year is brought forward in this year. Amount has not been quantified due to non-maintenance of Demand Register.	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved
2.	Whether determination of demand is on manual or computerized way, & it would be as per updated rules, regulation, guidelines & other required details for proper calculation,	Nagar Parisad is not being in practice to raise the demand. No proper details are recorded in the manual register.	-	It may leads to revenue losses.	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. Further, as per previous quarter report the no difference has been found during assessment of	-	It may leads to revenue losses.	It is notified for future reference.	Not Resolved



		20 high value property.				
4.	Whether revision of valuation of holding properly made after specified period	Not updated till the date of audit.	-	It may leads 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,	No demand register is being maintained at the level of ULB.	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved
8.	Whether persons involve in calculation/ collection have knowledge of their responsibility,	Yes	-	-	-	-
9.	Whether there is proper distribution of responsibility for calculation, recovery & updation of register for demand, so that no single person have control on two or process at the same time,	Due to lack of Manpower all these work has been controlled single handedly.	-	It may leads to fraud & Defalcation.	Need more skilled employees.	Not Resolved
10.	Whether there is any under/no assessment,	No	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved
11.	Whether there is appropriate measures(As Per section 155 & 158 of BMA, 2007) are adopted for recovery of Government/bid dues,	No measures have been taken for recovery of Government Dues.	-	It may leads 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 leads 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,	No penalty is being charged on late payment	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved
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,	No register is being maintained at the level of ULB for reconciliation of Demand, Collection and Balance due.	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved
15.	Whether there are adequate safeguard on data has been operated or not,	Yes	-	-	-	-
16.	Whether self-assessment property tax return for payment of property tax has been filed by the assesses in the prescribed format,	Yes	-	-	-	-
17.	Whether there is any collusion with customer/holding w.r.t., assessment, payment, etc.	No Such cases found.	-	-	-	-
18.	Any Other	No	-	-	-	-

Establishment

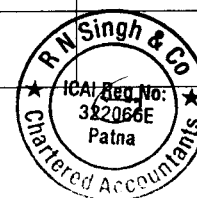
Name of the ULB		NARKATIYAGANJ NAGAR PARISAD				
RISK RATING:		LOW				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)



1.	Whether establishment expenditure is sanction by authorized person & it has been within sanctioned limit,	Yes	-	-	-	-
2.	Whether service log book has been maintained & up to date or not	Yes	-	-	-	-
3.	Audit whether apart from comparing the pay & allowance drawn by each employee in the pay bill with the corresponding entries in the pay column of the service book and checking the acquaints roll of employee who have been paid in cash,	Yes	-	-	-	-
4.	Whether each employee has unique identification number & it has be referred in all matter in relation to service book Whether payment made to employee has been verified with attendance register/logbook,	Yes	-	-	-	-
5.	Whether service book for calculation of payable has been authorized by the proper person,	Yes	-	-	-	-
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,	No Such cases found.	-	-	-	-
8.	Whether undistributed amount of pay & allowance are not for more than 3 months as cash in hand,	No Such cases found.	-	-	-	-
9.	Whether disbursement of pay & allowance are duly recorded in books & accepted by employee specifying separate hade with date of receive (In case of arrear),	No Such cases found.	-	-	-	-
10.	Whether the bill prepared according to sanctioned scale,	Yes	-	-	-	-



11.	Whether no any payment is made to Employee whose service retired in any manner,	No Such cases found.	-	-	-	-
12.	Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment,	No observation found in this regard.	-	-	-	-
13.	Whether all statutory deduction or adjustment has been made before payment,	No observation found in this regard.	-	-	-	-
14.	To check compliance of rules in regard to establishment matters viz., travel, daily allowance, leave, advances (House building and vehicle advance etc.) and settlement thereof.	No Such cases found.	-	-	-	-
15.	To check salary bills.	No observation found in this regard.	-	-	-	-
16.	Position of outstanding advances paid to employees	No Such cases found.	-	-	-	-
17.	To check deduction of provident fund and ESI has been made as per rules	Yes	-	-	-	-
18.	Whether PF slips are issued to the employees on yearly basis and to see whether all statutory returns for PF are submitted to the concerned authorities.	N/A	-	-	-	-
19.	To check whether salary bill is prepared in such a manner that it gives breakup of the amount of bill and all adjustments such as deduction of PF, TDS and other advances and loans etc.	Yes	-	-	-	-
20.	Check Retirement benefit to employee	No observation found in this regard.	-	-	-	-
21.	Personnel Appointments and to see whether all records are updated from time to time.	Yes, updated from time to time.	-	-	-	-
22.	Dismissal and Resignation/ Termination	No Such cases found.	-	-	-	-



23.	Temporary workers	No observation found in this regard.	-	-	-	-
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.	No observation found in this regard.	-	-	-	-
26.	Personnel Files	No observation found in this regard.	-	-	-	-
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		NARKATIYAGANJ NAGAR PARISAD				
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.	Not Maintained	-	-	-	-
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	Utilization Certificate has not been	-	-	-	-



	funds received .	provided by the ULB.				
4.	It should also be checked that utilization certificate is issued as per prescribed time frame given in the Manual and issue of UCs is not delayed.	-do-	-	-	-	-
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	NARKATIYAGANJ NAGAR PARISAD				
	RISK RATING:	LOW				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Original bill duly signed by contractors is submitted.	No observation found in this regard.			-	-
2.	Contractor has put his initials in all cuttings and corrections in the bill.	No observation found in this regard.	-	-	-	-
3.	All Supporting documents are attached with the bills.	No observation found in this regard.	-	-	-	-
4.	The rates, security deposit, and deductions are as per terms and conditions specified in the agreement	No observation found in this regard.	-	-	-	-
5.	The variations in quantities and completion period etc. have been authorized by the competent authority	No observation found in this regard.	-	-	-	-
6.	Job completion certificate has been processed by the dealing	No observation found in this regard.	-	-	-	-



	assistant.					
7.	Bills passed for payment are as per rules & T & C of Tender.	No observation found in this regard.	-	-	-	-
8.	All terms and conditions of the contract are fulfilled before passing the bills.	No observation found in this regard.	-	-	-	-
9.	Every final bill is checked in detail with measurement books.	No observation found in this regard.	-	-	-	-
10.	Cash/Bank Vouchers to be checked for authorization etc.	No observation found in this regard.	-	-	-	-
11.	Overall review of the books of accounts.	No observation found in this regard.	-	-	-	-
12.	Position of outstanding advances paid to suppliers/contractors.	No observation found in this regard.	-	-	-	-

Receipt Voucher

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD				
	RISK RATING:	MEDIUM				
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	Checked	-	-		-



	& their serial number;					
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	Yes	-	-	-	-



	Vouchers” are under the custody of authorized person,					
13.	Verify that any cancelled vouchers have in both original & carbon copy,	Yes	-	-	-	-
14.	Verify whether reversible carbon has been used during receipt.	Yes	-	-	-	-

Other Revenue:

1.	Advertisement Tax	No System Developed for collection of advertisement tax.	-	It will affect municipal fund.	System will be developed very soon.	Not Resolved
2.	Tower Tax	No amount is collected as Tower Tax in this financial year and no steps have been taken for recovery of dues.	Annexure Attached	It will affect municipal fund.	Notice will be send to concerned tower operator.	In Process
3.	Professional Tax	No professional tax collected.	-	-	-	-
4.	Assigned Revenue (As details annexed)	No Such cases found.	-	-	-	-
5.	Rental Charges (As details annexed)	No observation found in this regard.	-	-	-	-
6.	Fee & uses Charges	Collected	-	-	-	-
7.	Other Revenue Items	-	-	-	-	-



Revenue Expenses

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD				
	RISK RATING:	LOW				
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 made after deducting statutory dues or advances,	Yes	-	-	-	-
12.	Whether the expenditure are made with a period & amount as sanctioned,	Yes	-	-	-	-
13.	Whether there is undue rush of expenditure at the end of financial year,	No	-	-	-	-
14.	Whether payment has to be made after confirmation from store,	Yes	-	-	-	-
15.	Whether payment for repairs, etc., has to be made on the basis of logbook maintained,	No Such cases found.	-	-	-	-
16.	Whether payment are as per defined approval level sanctioned u/s 75 of BMA, 2007,	Yes	-	-	-	-
17.	Confirm whether goods/assets received/accepted on or before 31 st March, where the bill is received after that date	No Such cases found.	-	-	-	-



	have been accounted for (either on the basis of purchase order, tender rate or as per bill),					
18.	Whether no any withdrawal is made unless supported by last pay-in-slip, except in case of new appointment,	No Such cases found.	-	-	-	-
19.	Whether all statutory deduction or adjustment has been made before payment,	Yes	-	-	-	-
20.	Whether entry of any event during service has been made in service book by authorized person,	Yes	-	-	-	-

Statutory Requirement

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD				
	RISK RATING:	MEDIUM				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether deduction of TDS on payment has been made as per law,	Yes	-	-	-	-
2.	Whether TDS deducted are timely deposited into bank with same amount,	Yes	-	-	-	-
3.	Whether regulatory requirement for submission of Return has been followed,	Yes but not on time.	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.



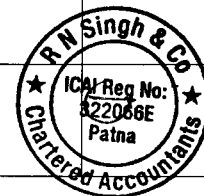
5.	Verify whether in case of "through rate" contract, there is no any payment for material, etc. by the ULB	No Such cases found.	-	-	-	-
6.	Any demand is outstanding from regulatory authority for non-compliance.	Details have not been provided to us to comment.	-	-	-	-

Tender Details (Work Order Wise)

Name of the ULB		NARKATIYAGANJ NAGAR PARISAD				
RISK RATING:		MEDIUM				
Work order No.		-				
		PERIOD: 01.04.2021 to 31.03.2022				
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.	No such cases found.	-	-	-	-
2.	To check that the time/date of receipt and opening of tenders was properly incorporated in the tender documents.	No such cases found.	-	-	-	-
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	No such cases found.	-	-	-	-



	interest of corporation.					
4.	The purchase proposal was approved by the competent authority. as per delegation of powers	No such cases found.	-	-	-	-
5.	Indent for purchase indicates the details of quantity required, last purchase rate, period for which stores are needed and name of consignee.	No such cases found	-	-	-	-
6.	Approval of mode of procurement	No such cases found	-	-	-	-
7.	The tender documents are prepared properly and description of items to be procured, quantity and estimated value should be indicated.	No such cases found	-	-	-	-
8.	To check whether the direction was followed for notification /advertising and opening of bids at notified date, time and place in the presence of bidders.	No such cases found	-	-	-	-
9.	Award of contract and its execution is as per procedure and guidelines issued by the Govt. of India in view of conditions agreed with the Development partners (DFID, World Bank, & European Union etc.)	No such cases found	-	-	-	-
10.	To check whether bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available.	No such cases found	-	-	-	-
11.	To check whether contract was awarded to the lowest evaluated	No such cases found	-	-	-	-



	responsive bidders who fulfilled qualification requirements, specified in the tender's 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.	No such cases found	-	-	-	-
13.	To check whether articles were received/work was completed in time as per delivery schedule.	No such cases found	-	-	-	-
14.	The stores/goods are properly recorded in the Stock Registers /Asset Register.	Stock/Asset Register has been maintained but not updated.	-	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	No such cases found	-	-	-	-

Vehicle Log Book

Name of the ULB		NARKATIYAGANJ NAGAR PARISAD				
RISK RATING:		MEDIUM				
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.,		-	-	-	-



2.	Whether logbook of journey is maintained in detail & signed by the officials using them,	Not provided	-	-	-	-
3.	Whether it should be used for official purpose, otherwise charges are recoverable,		-	-	-	-
4.	Whether details of fuel for the same has been maintained in log book,		-	-	-	-
5.	Whether full details of repairs have been maintained & it have been through authorized center,		-	-	-	-
6.	Whether authorized person have proper check over logbook.		-	-	-	-

Fixed Assets

Name of the ULB		NARKATIYAGANJ NAGAR PARISAD				
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	Maintained	-	-	-	-
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Unable to comment on it, since fixed asset register is not finalized till now.	-	-	Being Prepared by DEAS Team.	Not Resolved
4.	all fixed assets are acquired only after obtaining approval of	Yes	-	-		-



	the concerned authority					
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	No Physical Verification has been done.	-	It may leads to misplacement of assets.	Being Prepared by DEAS Team.	Not Resolved
6.	Depreciation is provided on each class of fixed assets at the prescribed rates	No Depreciation is provided.	-	It leads to over valuation of fixed assets.	It will be levied once when fixed asset register has been finalized.	Not Resolved
7.	Asset Replacement Register is properly maintained asset class-wise	No such cases found.	-	-	-	-

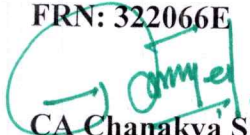
Others

	Name of the ULB	NARKATIYAGANJ NAGAR PARISAD				
	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 till the date of audit.	-	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 above details	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
	Register of Suits					



1.	All suits filed by the municipality for recovery of any sum due are entered.	No register of suits is being maintained at the ULB so; we are unable to comment on these matters.	-			
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		-	-	-	-
5.	Execution Petitions are filed for recovery of sums, in cases the suits are disposed in favour of municipality.		-	-	-	-

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


CA Chanakya Shree
Partner
Mem No: 079322



Narkatiyaganj Nagar Parishad

Annual (F.Y. 2021-22)

S. No.	Audit Observations	Risk Rating	Design Gap	System Gap	Operational Gap	Management Comment
1	Bank Reconciliation Statement has not been prepared by the ULB.	Medium	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
2	Opening & Closing of Main Cash Book has not been done on day-to-day basis. It should be closed on daily basis. Receipt of only Rs. 6,60,000 has been recorded.(4 th Qtr) Cash Book hasn't been authorized by the Executive Officer.	High	No	Yes	Yes	Noted for future reference.
3	During the course of audit it was found that relevant authority hasn't authorized overwriting, erasing transactions, etc. in Cash-Book.	High	Yes	Yes	Yes	Noted for future reference.
4	Vinod Singhal & Co (L.L.P) has started doing Double Entry accounting System (DEAS) but it is in process & incomplete, it is not in auditable position. 2017-18 : Completed 2018-19 : Completed 2019-20 : Completed 2020-21 : Completed 2021-22 : In Process	Medium	No	No	Yes	This will be communicated with DEAS team and sorted out quickly.
5	During verification of property tax related documents, we have founds many property holders that are not paying property tax from a long time. ULB should	High	Yes	Yes	Yes	We will issue notice for recovery of the same. & Awareness Programme has been conducted (like Mic Announcement & Setting Camp)

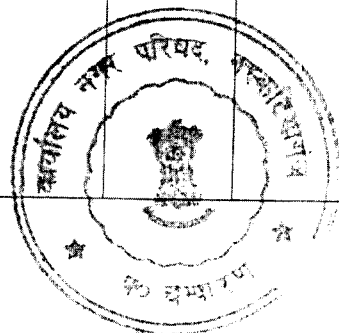
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नगर कार्यपालक पदाधिकारी
नार्कटियागंज नगर परिषद
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	take necessary action for recovery of the same. (Annexure Attached)					
6	During verification of Property Tax Collection Receipt and Tax Deposit Receipt we have found that property tax collected by the tax collector is not deposited to the bank on the same date. (Annexure Attached)	High	Yes	Yes	Yes	Due to lack of manpower it is not possible but we will try to sort it out.
7	Demand Register is not updated by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc.	High	No	No	Yes	It will be updated in future.
8	Property Tax hasn't been assessed from a very long time leading to less collection of Holding Tax by the ULB.	Medium	Yes	Yes	Yes	We will assess the tax rate after the guidelines issued by UD & HD.
9	Mobile Tower Tax has not been collected by the ULB. (Annexure Attached)	High	No	No	No	The system is now online.
10	Advertisement Tax has not been levied by the ULB. There has not been any system developed for the levy of advertisement tax, , etc.	Medium	Yes	Yes	Yes	Advertisement Tax is now being collected.
11	Various registers, books of records etc. are not being prepared by the ULB. Such as Journals & Magazines, Investment Register, File Movement Register etc. ULB should maintain these registers as soon as possible.	Medium	Yes	Yes	Yes	Noted for future reference.



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12	ULB has not been in practice to prepare Monthly Receipt & Payment Accounts, Journals, Ledgers & Trial Balance.	High	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
13	ULB has not been in practice to prepare Financial Statements.	High	No	No	Yes	It has been outsourced to DEAS Agency (Vinod Singhal & Co.)
14	Details of Directives issued by UD&HD has not been provided to us during the course of audit, so we are unable to check compliance of the same.	Low	Yes	Yes	Yes	Noted for future reference.
15	As per the guidelines of the UD&HD Utilization Certificates for various Allotment should be submitted within 18 months of the allotment to the respective departments but we observed that UC of an amount of Rs. 3,53,33,000.00 (2019-20 to 2021-22) are pending to be submitted to the respective departments. (Annexure Attached)	High	Yes	Yes	Yes	UC Submission is in Process. UC of Rs. 2,53,33,000.00 has been submitted.
16	We observed that no physical verification is being conducted at the level of ULB for the fixed assets which is purchased by the ULB. Further, no depreciation is being charged in the books of account.	Medium	Yes	Yes	Yes	It will be implemented soon.
17	Compliance Report has not been prepared by the ULB regarding the observation of AG Audit (2015-16 & 2016-17) and Internal Audit, due to this we are unable to verify the same.	High	No	No	Yes	All compliances have been submitted
18	Grant & Procurement Register hasn't been maintained by the ULB.	Medium	Yes	Yes	Yes	It will be maintained in future.
19	No Professional Tax or any other statutory deductions have been made while	Medium	No	Yes	Yes	Self ITR Filing by EO.



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	making salary payment to EO.					
20	Details of Frauds/Legal Cases against or by the ULB wasn't provided during the course of Audit.	High	No	No	Yes	NO Such cases.
21	We found that there has been irregularity in deposit of statutory deductions such as, Income Tax, Labour Cess, Royalty, etc. (Annexure Attached)	Medium	Yes	Yes	Yes	Noted for future reference.
22	There is difference of Rs. 26,91,349 in opening balance of F.Y. 2021-22 as per Internal Audit Report (2020-21) and as per Cash Book.	High	Yes	Yes	Yes	The difference is being brought forward from previous financial year.

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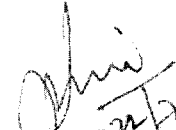


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 नरकटियागंज, नरकटियागंज
 22/7/22



Narkatiyaganj Nagar Parishad							
20 High Value Properties (F.Y. 2021-22)							
S. No.	Property Owner's Name	Ward No.	Type of Construction	Carpet Area	Rate	Annual Tax	Residential/Commercial
1	Vinay Prasad Jaisawal	1	RCC	842	43	4888	Commercial
2	Ajay Jaiswal	1	RCC	1248	29	3527	Commercial
3	HarinarayanSah Prasad	3	RCC	1196	43	6943	Commercial
4	Brijesh Yadav	4	RCC	862	43	5004	Commercial
5	Kanya Prasad Yadav	16	RCC	2986	43	17334	Commercial
6	Bindeshawar Prasad Yadav	5	RCC	420	14	530	Residential
7	IrsadAlam	5	RCC	470	14	592	Residential
8	Sayed TabrejAlam	5	RCC	1064	14	1342	Residential
9	SambhuSah	14	RCC	1360	29	3550	Commercial
10	Ashok Niwas	20	RCC	1512	14	1905	Residential
11	Sanjay Kumar	8	RCC	9787	43	56814	Residential
12	Fuldei Devi	15	RCC	4440	43	25774	Residential
13	Bhagwat Prasad	15	RCC	3072	29	8018	Residential
14	Ram ji Prasad	15	RCC	2426	29	6322	Residential
15	Ashok Kumar Yadav	15	RCC	3500	29	13702	Residential
16	Biswanath Prasad	25	RCC	2980	29	7718	Residential
17	Munilal Prasad	2	RCC	2042	29	5330	Residential
18	Vijay Mani Tiwari	13	RCC	2100	43	12190	Commercial
19	Sharita Devi	13	RCC	2297	29	5996	Commercial
20	New Sugar Mill	10	Commercial	921500	43	2557882	Commercial




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 नरकटियागंज नगर पंचायत
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Narkatiyaganj Nagar Parishad
List of Defaulters (F.Y. 2021-22)

S. No.	Name of Property Owner	Ward No.	Annual Tax	Total Dues
1	Sanjay Kumar	01	4,888.00	40,375.00
2	Ajay Jaiswal	01	3,527.00	29,133.00
3	Harina Roy	03	6,943.00	57,349.00
4	Brij Yadav	04	5,004.00	41,333.00
5	Kanhaya Prasad	16	17,334.00	1,43,178.00
6	Bindeswari Shah	05	530.00	4,378.00
7	Irsad Alam	05	592.00	4,890.00
8	Syed Tarbej	05	1,342.00	11,085.00
9	Sambhu Saran Arya	14	3,550.00	29,323.00
10	Ashok Srivastava	20	1,905.00	15,735.00



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नरकटियागंज नगर परिषद
नरकटियागंज, पटना

21 July 22



Narkatiyaganj Nagar Parishad
Holding Tax Deposit Details (F.Y. 2021-22)

Receipt No.	Receipt Date	Amount	Amount Deposited	Date of Deposit
7350-7359	26.4.21 to 29.6.21	16,154.00	16,154.00	12.7.21
7360-7370	7.7.21 to 29.7.21	31,866.00	31,866.00	31.7.21
7371-7374	2.8.21 to 17.8.21	10,566.00	10,566.00	26.7.21
7375-7380	27.8.21 to 12.9.21	16,780.00	16,780.00	13.9.21
7381-7390	16.9.21 to 29.9.21	24,050.00	24,050.00	29.9.21
7391-7400	1.10.21 to 9.10.21	12,269.00	12,269.00	9.10.21
7801-7812	11.10.21 to 30.10.21	21,984.00	21,984.00	30.10.21
7813-7825	9.11.21 to 29.11.21	44,366.00	44,366.00	30.11.21
7826-7833	1.12.21 to 30.12.21	48,022.00	48,022.00	3.1.22
7834-7900	2.1.22 to 11.2.22	1,11,111.00	1,11,111.00	14.2.22
8001-8056	15.2.22 to 28.2.22	1,47,032.00	1,47,032.00	4.3.22
8057-8100	2.3.22 to 8.3.22	82,594.00	82,594.00	8.3.22
8201-8300	10.3.22 to 21.3.22	2,65,128.00	2,65,128.00	21.3.22
8501-8600	22.3.22 to 27.3.22	2,47,216.00	2,47,216.00	28.3.22
8801-8900	28.3.22 to 31.3.22	5,30,764.00	5,30,764.00	20.4.22



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Narkatiyaganj Nagar Parishad
Annual (2021-22)

S.N.	Company Name	No of Tower	Dues as on 31.03.2021	Renewal Fee	Total	Collection	Penalty	Dues as on 31.03.2022
1	AIRC	3	1,34,000.00	30,000.00	1,64,000.00	-	15,000.00	1,79,000.00
2	TATA	1	84,000.00	10,000.00	94,000.00	-	5,000.00	99,000.00
3	AIRTEL	5	3,40,000.00	50,000.00	3,90,000.00	-	25,000.00	4,15,000.00
4	AIRCELL	4	3,76,000.00	40,000.00	4,16,000.00	-	20,000.00	4,36,000.00
5	RELIANCE	2	1,02,000.00	20,000.00	1,22,000.00	-	10,000.00	1,32,000.00
6	GIL	1	84,000.00	10,000.00	94,000.00	-	5,000.00	99,000.00
7	BHARTIYA INFRA TECH	1	84,000.00	10,000.00	94,000.00	-	5,000.00	99,000.00
8	IDEA	1	84,000.00	10,000.00	1,04,000.00	-	5,000.00	1,14,000.00
9	TELENIER	2	84,000.00	20,000.00	1,04,000.00	-	10,000.00	1,14,000.00
		20	12,88,000.00	2,00,000.00	14,88,000.00	-	1,00,000.00	15,88,000.00



नगर कार्यपालक-वडाधिकारी
Narkatiyaganj Nagar Parishad, Patna

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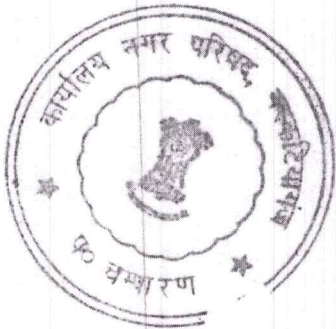
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S. No.	F.Y.	Head	Allotted Amount	Expenditure Amount	UC Submitted Amount	UC Pending as on 31.03.2022
1	2019-20	5th Finance	2,49,05,000.00	2,49,05,000.00	1,11,96,000.00	1,37,09,000.00
2	2019-20	5th Finance	2,40,63,000.00	2,40,63,000.00	1,21,97,000.00	1,18,66,000.00
3	2019-20	Allowances	6,30,000.00	6,30,000.00	5,76,000.00	54,000.00
4	2019-20	14th Finance	1,43,94,000.00	1,43,94,000.00	-	-
5	2019-20	14th Finance	1,43,94,000.00	1,43,94,000.00	1,17,92,000.00	26,02,000.00
6	2019-20	City Manager Salary	1,20,000.00	1,20,000.00	-	-
7	2019-20	EO Salary	2,19,000.00	2,19,000.00	-	-
8	2019-20	EO Salary	4,39,000.00	4,39,000.00	-	-
9	2019-20	Jal Jeewan Hariyali	10,99,000.00	10,99,000.00	-	-
10	2020-21	5th Finance	1,55,38,000.00	1,55,38,000.00	-	-
11	2020-21	15th Finance	1,30,82,000.00	1,30,82,000.00	-	-
12	2020-21	City Manager Salary	1,60,000.00	1,60,000.00	-	-
13	2020-21	Prashanik Sewa	4,23,000.00	4,23,000.00	-	-
14	2020-21	15th Finance	1,32,00,000.00	1,32,00,000.00	-	-
15	2020-21	15th Finance	1,31,99,000.00	1,31,99,000.00	-	-
16	2020-21	Nail-Gall	25,84,000.00	25,84,000.00	-	-
17	2020-21	Nail-Gall	46,51,000.00	46,51,000.00	-	-
18	2020-21	Allowances	6,30,000.00	6,30,000.00	6,30,000.00	36,000.00
19	2020-21	Jal Jeewan Hariyali	4,42,000.00	4,42,000.00	-	-
20	2020-21	Nagrak Suvidha	23,61,000.00	23,61,000.00	-	-
21	2020-21	5th Finance	1,55,38,000.00	1,55,38,000.00	-	-
22	2020-21	City Manager Salary	1,20,000.00	1,20,000.00	1,20,000.00	-
23	2020-21	15th Finance	2,63,13,000.00	2,63,13,000.00	2,10,47,000.00	52,66,000.00
24	2020-21	15th Finance	1,31,20,000.00	1,31,20,000.00	-	-
25	2020-21	15th Finance	1,31,20,000.00	1,31,20,000.00	-	-
26	2020-21	HFA	81,00,000.00	81,00,000.00	-	-
27	2020-21	City Manager Salary	1,20,000.00	1,20,000.00	-	-
28	2020-21	Peshakar	32,50,000.00	32,50,000.00	-	-
29	2020-21	City Manager Salary	1,20,000.00	1,20,000.00	-	-
			22,63,34,000.00	9,10,55,000.00	5,75,22,000.00	3,35,33,000.00

Details of Utilization Certificate (F.Y. 2019-20 to 2021-22)

Narkatiyaganj Nagar Parishad

क्र.सं.	वित्तीय वर्ष	आवदन का माह	स्वीकृत/प्राप्ति संख्या एवं तिथि	आवृत्त राशि	निकासी की गई राशि	निकासी नहीं की गई राशि	निकास द्वारा उत्तरदायिताई करवाई गई राशि की विवरणी	व्यय की गई राशि	निकासी के विरुद्ध व्यय के उपरांत अवशेष राशि	कोषागार में जमा की गई राशि	समाप्त/उत्पत्ति राशि	अनिकासी प्रमाण पत्र की जमा की राशि	अनिकासी प्रमाण पत्र लंबित की राशि	निर्माण प्रस्ताव को समाप्त/जमा हेतु भेजे गए प्रमाण पत्र का प्रत्यापन दिनांक	लंबित PUC की राशि	कुछों के द्वारा/प्रस्तावित/प्राप्ति की गई राशि	निर्माण/समाप्ति की गई राशि	निर्माण/समाप्ति राशि	कुल/अवशेष राशि	कुल/अवशेष राशि
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
23	2020-21	15वीं वित्त आयोग	49 (1537)/76-05-20	263.13	263.13	0.00	0.00	263.13	0.00	0.00	210.47	0.00	0.00		57.66	0.00	0.00	0.00	0.00	
24	2020-21	15 वें वित्त आयोग	293/02-03-21	131.20	131.20	0.00	0.00	0.00	131.20	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	131.20	
25	2020-21	15 वें वित्त आयोग	294/02-03-21	131.20	131.20	0.00	0.00	0.00	131.20	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	131.20	
26	2020-21	HFA	305/06-03-21	81.00	81.00	0.00	0.00	0.00	81.00	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	81.00	
27	2020-21	नगर पंचायत का वित्त	388/15-03-21	1.20	1.20	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	1.20	
28	2020-21	पेशाकर	407/18-03-21	32.50	32.50	0.00	0.00	0.00	32.50	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	32.50	
29	2020-21	नगर पंचायत का मानदेय	111/17-08-2020	1.20	1.20	0.00	0.00	0.00	1.20	0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00	1.20	
Total:-				2263.34	2263.34	0.00	0.00	910.55	1352.79	0.00	575.22	0.00	0.00		335.33	0.00	0.00	0.00	1352.79	



नगर कार्यपालक पदाधिकारी
 नगर परिषद, पटना
 23/11/20

नगर कार्यपालक पदाधिकारी
 नगर परिषद, पटना
 (40 दस्तावेज)
 26/10/2022