

**INTERNAL AUDIT REPORT**

**OF ULB**

**(NAUBATPUR NAGAR PANCHAYAT)**

**FOR THE PERIOD**

**01.04.2020 TO 31.03.2021**

**(Annual)**

**CONDUCTED BY**

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

**From 09.03.2022 TO 02.04.2022**

**Report Issued on 10 April 2022**

## 1. Executive Summary

### 1. INTRODUCTION

.Name of the Municipality	NAGAR PANCHAYAT NAUBATPUR
.Period covered undercurrent audit	Annual 2020-2021
.Name of the chairman of the ULB for the period under Audit	Shri. Sarju Mochi
.Name of Chief Municipal Officer for the period under Audit	Mr.Amir Suhail

### 2. Results and Findings

#### •Strengths observed during the audit engagement.

- All transaction has supporting documents.
- Office infrastructure is sufficient for operation.
- Response from officer & Clerk are satisfactory.
- Subsidiary Cash book has been maintained.
- General Cash book has been maintained.
- All the transaction entered in General cash book has written with clarity and in legible manner.
- Employees and Staff of the ULB Naubatpur Nagar Panchayat are sincere about their duties & responsibilities.

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

- Collections made by Nagar Panchayat Naubatpur has not deposited in to Bank within the prescribed time.
- All the moneys have not brought to account , In the month of July'20, Total collection was Rs 44026/- from the Holding /properties taxes but Deposited have been made only Rs 39931/- and there is no any information of Rs 4095.It shown lack of Internal control in ULB in case of Collection and deposited of the Revenues.
- Utilization certificate has not been prepared as per the prescribed Schedule time by the ULB.
- Monthly Receipts and payments has not been prepared which is to be required as per the Rule 120-121.
- Tower tax has not been collected, since the establishment of the ULB even though number of tower is 5 as on 31-3-2021. Thus total outstanding tax amount is Rs 2117180/- For registration fee, renewal fee.
- TDS, GST, Royalty and Labour Cess have been deducted but TDS and GST have been deposited after due date & due to which penalties and interest have been levied ,and also Royalty and Labour Cess have not been deposited to the departments from the long times. It is a statutory irregularity.
- We are unable to check compliance report of the previous internal audit and C&AG report due to non-provided of the Compliance report to us by the ULB.
- Demand and arrear register has not been maintained 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.



- (i) Fixed Assets Register has not been maintained.
- (j) Advance Register has been not maintained.
- (k) Stock Register has not been maintained.
- (l) Daily collection register (Revenue receipt wise) has not been maintained in satisfactory format.
- (m) 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.
- (n) In the Cash book transaction have not been recorded as per their nature ( like purchase of the Furniture and Computers have been recorded as office expenses).
- (o) File Movement register has not been maintained
- (p) Section 84 of the Bihar Municipal Act, 2007. Provides that Municipality shall submit its budget intimates for the ensuring year to the State Govt. by 15<sup>th</sup> of the March. But information furnished by the Nagar Panchayat revealed that budget estimates were not passed on time by the board, which resulted into delay transmission of the same to the State Government.
- (q) Procurement register has not been prepared by the ULB for all the Procurements above Rs 15000.
- (r) 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)
- (s) Compliances of the income tax by the ULB is not appropriates Such as payments of the Advertisement expenses without deduction TDS.
- (t) Tibrewal Chand & 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 are serious 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 the 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 prepare 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.
17.	ULB is required to be maintain Bank Reconciliation statements of all the banks accounts as per the guideline given by the UD & HD ,which helps in <ul style="list-style-type: none"> <li>• Accurate Balances</li> <li>• Prevent Thefts</li> <li>• Prevents mistake</li> <li>• Accounts in Good Standing.</li> </ul>

##### 5. Comments from Management.

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

Detailed discussions on this are given in *Discussion Note* as attached with the report.



**6. Acknowledgement: -**

We thank Mr. Sanjeev Kumar Suman (Executive Officer), for his support during the period of our audit. We are also thankful to Head Clerk Mr. Rahul Kumar and Najir/accountant Mr. Bharat Kumar and other staff of the Nagar Panchayat for their co-operation during the period of audit.

**7. Management Discussion with Risk Assessment.**

Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management(CMO)Comments	Reference Page						
1.	As per details provided to us there are total 5 Mobile Towers registered with this ULB up to 31.03.21 and Rs2117180./- has not been collected till the date of audit from these tower operators as Tower Tax.	High	Yes	Yes	Yes	It will be collected as soon as possible.							
2.	In the month of July'20, Total collection was Rs 44026/- from the Holding /properties taxes but Deposits have been made only for Rs 39931/- and there is no information of Rs 4095.It shows lack of Internal control in ULB in case of Collection and deposits of the Revenue.	High	Yes	Yes	Yes	It will be rectify and shown in the next audit.							
3.	TDS have not been deducted on payment of Rs 1000000 for Advertisement services to Information and Public related Dpt. And also on payments E.O salaries whose Net taxable income is more than the basic exemption limits.	High	Yes	Yes	Yes	Next time it will be applied to Act regarding TDS							
4..	During the Audit, we observed that, the ULB has not been deposited Laboour Cess and Royalty deducted to the concern Department. Amount Deducted from Contractor but not deposited During the financial year 20-21.	High	Yes	Yes	Yes	It will be deposited as soon as possible.							
	<table border="1"> <thead> <tr> <th>Contract or Name</th> <th>Royal ty</th> <th>Labor cess</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Contract or Name	Royal ty	Labor cess									
Contract or Name	Royal ty	Labor cess											



	Krishna Enter.	8753	10370					
	Shri Shub Hari Construc tion	1153 3	8566					
	Ashta enterpris es	8686	6125					
	Sanjeev kumar	3103	7436					
	The patriputr a Construc tion	1299 28	11694					
5.	During the Physical verification of the fixed assets of The Nagar Panchayat Naubatpur (ULB) ,we found that the Resources of the ULB are not utilized in Economic and efficient manner such as <b>SARBJANIC SHAUCHALAY</b> has been made by the ulb for the Public use but not usable due to locked by ULB and also due to this there is Revenue losses to the ULB in the form of uses charges.			High	Yes	Yes	Yes	SARBJANIC SHAUCHALAY has been used by the public but sometime the care taker has gone on leave.
6.	We are not able to check the Compliance Status of Internal Audit Observations for FY 2019-20 & Previous years, and AG audit observation of the F/Y 2010-15 and 2015-20 as compliance report has not been provided to us by the ULB.			High	Yes	Yes	Yes	Reports have not been provided by the AG as well as internal Auditor.
7.	Various registers, books of records etc. are not being prepared by the ULB. Such as Bank Wise Cashbook, Pay Roll Register, Leave Register, Fixed Asset Register, Advance & Recovery Register, Demand Register, Bill Register, File Movement Register etc.			High	Yes	Yes	Yes	Demand of Holding tax has not been made in ULB that's why demand register has not been prepared by us. And rest will be complied in



							future
8.	Municipal accounts committee has been constituted on 2.3.2021 but no meeting has been held till the audit date.	High	Yes	Yes	Yes	Yes	Meeting has been held on time to time and minutes of meeting will be provided to auditor for verification.
9.	Log book of vehicle & generator is not properly maintained and consequently its analysis is not possible.	High	Yes	Yes	Yes	Yes	Log Books are maintained by the NGO and photocopy of such log book provided to ulb by such NGO and same will be provided to auditor for verification as soon as possible.
10.	Bank reconciliation statement has not been prepared in prescribed format. Also Bank wise cashbook balance has not been maintained by the ULB.	High	Yes	Yes	Yes	Yes	It will be maintained by the ULB and we will show it in next future.
11.	Demand register is not maintained or up to date by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc.	High	Yes	Yes	Yes	Yes	Demand of Holding tax has not been assessed. Hence register has not been maintained by us.
12.	Taxes such as GST, Income Tax, Royalty, Labour Cess etc. are collected from time to time but payments of TDS and GST are not made within due dates. Due to this penalties have been levied by Respective Dept. <u>Charges Under GST.</u> Interest – Rs 472 /- Late Fee –Rs 11200 /- <u>Charges Under Income tax.</u> Interest on late payment-Rs 3124.50 Late filing fee –Rs 3200	High	Yes	Yes	Yes	Yes	Due to the Lock down our offices was not regularizes ,from Next time we will consider it seriously



13.	Tibrewal Chand & Co. has been appointed for make double accounting Entries system (DAES) and preparation of the n financial statement but neither DAES nor Financial statement have been available for an audit due no non-completion of these.	High	Yes	Yes	Yes	We have issued notice to provide all the documents related to audit on time.
14.	ULB has not been in practice to prepare monthly receipt and payment account & Trial Balance.	High	Yes	Yes	Yes	It will be maintained by the ULB and it will show in next audit.
15.	Advertisement Tax has not been levied by the. There has not been any system developed for the levy of advertisement tax.	High	Yes	Yes	Yes	We have not received any guidelines regarding collection of advertisement taxes.
16.	Physical verification of inventory & Fixed assets has not been done by ULB on regular interval.	High	Yes	Yes	Yes	It has done by ULB on regular time and Inspection report will be provided to auditor as soon as possible.
17.	During the Audit We observed that, In the following case property taxes has been due but have not been collected/Recovered by the ULB. Further, the details of some of the Big Defaulters has been annexed in the report.	High	Yes	Yes	Yes	Notice has been issued by the ULB to deposit their holding tax.
18.	Tax collection receipts and voucher have been not kept in systematic and in serially by the ULB .Which has created difficulties to verify the actual tax/revenue collected during the period.	High	Yes	Yes	Yes	It will be kept in systematic manner and shown in next audit.
19.	During the Audit we observed that the Naubatpur Nagar Panchayat has not been	High	Yes	Yes	Yes	It is prepared by ULB grant wise and we have also



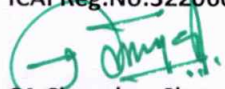
	prepared utilization certificate of the funds allotted, expended and the available balance at the ULB. As per the point no X of SOA it is required to be prepared by the ULB of each Scheme/Grants.					sent the certificate to the UDHD but confirmation of UC has not received from the UDHD.	
20.	During the verify of the cash book we found that the capital expenditure have been recorded as revenue expenses in the cash book. This is not an appropriate method of recording of the transactions in the cash book.	High	Yes	Yes	Yes	It will be rectify and shown in next audit.	
21.	Advance has been given to staff for office expenses without any advance requisition.	High	Yes	Yes	Yes	Advance system has been properly followed by the ULB.	
22.	During the period of the audit sufficient and appropriate documents are not provided to us such as Bank statements, Copy of 20 high values property tax holders, Copy of receipts issued to assess from whom tax was collected, due which we got difficulty to in audit of the ULB.	High	Yes	Yes	Yes	We have provided bank passbook , and demand register has not been maintained by us.	
23.	During the audit, we found that the resources/Assets of the ULB are not under the appropriate cares like many of the vehicles in the premises of the ULB having good condition and in usable form have treated as scrap.	High	Yes	Yes	Yes	This problem is related starting system of vehicles ,we have done one and two time repairs of the vehicle but at mean time of working vehicles act as scrap/as same as we see	
24.	Currently activities of the Naubatpur nagar Panchayat (ULB) is going on without Chairman. Due to the violation of the provision of Bihar Muncipal Act, the Chairman	High	Yes	Yes	Yes	A vice-chairman smt.Kiran devi has acted as chairman on the temporary basis	



has been removed on from his position and no one has been elected in his place.							
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**Note:-** Due to unviability of the E.O, we discuss all the audit observation with the Head clerk and also head clerk comment on all the observation found during the period of an audit but he refused to sign on the discussion note on which he was commented .And the same we have been communicated to authority through email.

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



CA Chanakya Shree  
Partner

M.No: -079322

UDIN No:- 22079322AOXABD5178

Date:-12-08-2022



## 2. Auditee Profile

### 1. Introduction

The Internal audit of (Naubatpur Nagar Panchayat) covering the period from 1<sup>st</sup> January 2021 to 31<sup>st</sup> March '2021 was conducted by following persons under guidance of TL CA Ashok Kumar Pandey and MAE CA Birendra Kumar Singh:

- i. Mr. Rajmodin Ahmad Gadi
- ii. Kumar Roshan

### 2. Administration

The present body of the ULB has taken charge on 30<sup>th</sup> March 2015 the incumbency in the key administrative and executive positions was as under:

**Shri Kaushal Koushik** Chairman from 30 March 2015 to 19 June 2020.

**Shri Saryug Mochi** Chairman from 20 June 2020 to 2 March 2022.

**Smt. Kiran Devi** act as chairman due to vacant of chairman post 3 March 2022 to till date.

**Shri Amir Suhail** Executive from 15 Oct'2019 to 6 Aug'2021 .

**Shri Sanjeev Kumar Suman** Executive from 7 Aug'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 for the 2010-2015	21	19	02	01	Rs 33,000/-	Nil	Complied dated on 29/05/2016
2.	AG Audit for the 2015-20	Report not provided to us. Hence unable to comments on it.						
3.	Internal Audit for the Year 2014-2015	13	13	00	00	00	13	Not Complied
4.	Internal Audit for the Year 2015-2016	27	20	07	00	Rs.805 624.06 /-	27	Not Complied
5.	Internal Audit for the Year 2016-2017	19	18	01	00	Rs.213 86/-	19	Not Complied
6.	Internal Audit for the Year 2019-2020	16	15	01	0	0	16	Not Complied



#### 4. Finance

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

Year	2018-19	2019-20	2020-21
Final/Revised Budget	473238500.00	433238500.00	515427500
Actual Expenditure	69255935.79	28753204.17	27343788.18
Savings(+)/ Excess(-)	403982564.21	404485295.83	488083711.82

##### II. Volume of transactions

Period	Budgeted (2020-21)	Previous year (2019-20)	Current Year (2020-21)
Opening balance	87056151	139911651.00	160793188.83
Receipts	523019000	49428216.00	117486793
Total	610075151	189339867.00	278279981.83
Net expenditure	515427500	28753204.17	27343788.18
Closing balance	94647651	160586662.83	250936193.65

Note:-There is a difference of RS. 2,06,526 in opening balance of FY 2020-21 due to difference in balance as per cash book and balance as per pass book.

##### III. Bank Reconciliation: -

Since different scheme has been maintained in single cashbook therefore segregation of balances of different Scheme as on 31<sup>st</sup> March'2021 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 in the prescribed format by the ULB.

##### Details of closing balance

Sr. no.	Name of scheme / item	Bank name / account no.	Balance as per pass book as on 31 <sup>st</sup> March'2021	Balance as per cash book as on 31 <sup>st</sup> March'2021	Difference	Remarks BRS Prepared/ Not Prepared
1.	Various Scheme	Treasury A/C no PLA170	140484951	116139405	24345546.05	Not Prepared
2.	Municipal Fund	BOI003	7209277.10	6952766.09	256511.01	Not Prepared
3.	Municipal Fund And property taxes	BOI4138	2421920.90	2421920.90	0	Not Prepared
4.	Nal jal yojna	BOI 7017	264235.24	550041.24	-285806	Not Prepared
5.	Nali gali	BOB 7018	32354.84	648005.84	-615651	Not Prepared
6.	IHSDP	BOI-005	45779258.50	46843137.25	19.25	Not Prepared



	Bhawan grant	BOB-2952 BOB 7628	558352 505546			
7.	DAY -NULM	BOB 4235	233770.40	201270.40	32500	Not Prepared
8.	5 <sup>TH</sup> FINANCE	BOB8123	39766	19851180	-19811414	Not Prepared
9.	SBM	ICICI 971 BOB 7591 BOB 7551	23514 43246 3770183	3836943	0	Not Prepared
10.	HFA	BOB8122	16632910	16632910	0	Not Prepared
11	14 <sup>TH</sup> Finance	BOB 7638	811576.92	4639547	- 3827970.08	Not Prepared
12.	IHSDB bhawan infra	BOB7627	31546878	31508878	38000	Not Prepared
13.	E- Governanc e	BOB 7626	1921	5258	-3337	Not Prepared
14.	4 <sup>TH</sup> Finance	PNB 915	5101.20	6493.45	-1392.25	Not Prepared
15.	Kabir Antoshiot	PNB 924	39683.44	37792.45	1890.99	Not Prepared
16.	Government taxes	BOB 7837 CANERA BANK 41224	426385 39451	426385	39451	Not Prepared
17.	Security Deposit	BOB 7836	5	5	0	Not Prepared
18	Misc. receipt	PNB 933	61714.11	61714.11	0	Not Prepared

**Note:** - Various schemes such as 13<sup>th</sup> finance, Nagrik Subidha (Road & Bridge), City Manager Salary Grant, Ward Parsad allowance, Jal Minar, Salary pension Fund, Proffesional fund, Drain & Severage, EO Salary Grant, Street light Grant, Matching Fund, Grant for electricity bill, Nagrik Subidha (State Plan) maintained through PLA.

**IV. Revenue & Capital Receipts Information: -**

Income Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19 (Annual)	2017-18 (Annual)	2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)	2019-20 (Annual)
	<b>Total Receipts (A+B)</b>	<b>57502875</b>	<b>92812060.98</b>	<b>49428216</b>	<b>57502875</b>	<b>117486793</b>	<b>49428216</b>
A.	Revenue Receipts (1+2+3)	51076292	84875530.98	11864721	51076292	94237564	11864721
1.	Own Revenue Receipts (a+b)	5451639	7981739.98	3773389	5451639	6181513	3773389
a)	Tax Revenue(levied and collected by municipal body)	1157625	1938136	1311506	1157625	5109864	1311506
i)	Property tax	1157625	1938136	1311506	1157625	1098412	1311506
ii)	Other tax (levied and	0	0	0	0	4011452	0



	collected by municipal body)						
b)	Non-tax revenue (levied and collected by municipal body)	4294014	6043603.98	2461883	4294014	1071649	2461883
i)	Fees & fines	6165	0	21120	6165	14900	21120
ii)	User Charges	3622819	6043603.98	649718	3622819	642658	649718
iii)	Other non-tax revenue (levied and collected by municipal body)	665030	0	1791045	665030	414091	1791045
<b>2</b>	<b>Other Revenue Receipts</b>	<b>3024435</b>	<b>4491052</b>	<b>2885474</b>	<b>3024435</b>	<b>27366656</b>	<b>2885474</b>
a)	Income from interest/investments	3024435	4491052	2873924	3024435	6127627	2873924
b)	Other Revenue income	0	0	11550	0	21239029	11550
<b>3.</b>	<b>Transfers/ Grants/ Assigned Revenues</b>	<b>42600218</b>	<b>72402739</b>	<b>5205858</b>	<b>42600218</b>	<b>60689395</b>	<b>5205858</b>
a)	State Assigned Revenue	1084073	0	0	1084073	4016800	0
b)	State Finance Commission (SFC) Grants/ Devolution	1860050	31840909	0	1860050	345600	0
c)	Octroi compensation	0	0	0	0	0	0
d)	Other State Govt. Transfer	9653228	24401073	4824808	9653228	1671296	4824808
e)	Central Finance Commission (CFC) Grant	28880467	9208964	0	28880467	26731465	0
f)	Other Central Govt. Transfer	1092400	6951793	126000	1092400	27917032	126000
g)	Others	30000	0	255050	30000	7202	255050
<b>B.</b>	<b>Capital Receipts</b>	<b>6426583</b>	<b>7936530</b>	<b>37563495</b>	<b>6426583</b>	<b>23249229</b>	<b>37563495</b>
1	Sale of Municipal Land	0	0	0	0	0	0
2	Loans (from State Govt. or Banks etc.)	0	0	0	0	0	0
3	State Capital Account Grant (under State Schemes etc.)	6426583	7936530	19557946	6426583	5069229	19557946
4	Central Capital Account Grant (under Central Schemes etc.)	0	0	18005549	0	18180000	18005549
5	Other Capital Receipts	0	0	0	0	0	0



v. Revenue and Capital Expenditure Information: -

Expenditure Details (Amounts to be provided in Rupees)							
Sl. No.	Details	2018-19		2019-20		2020-21	
		2018-19 (Annual)	2017-18 (Annual)	2019-20 (Annual)	2018-19 (Annual)	2020-21 (Annual)	2019-20 (Annual)
<b>Total Expenditure (1+2)</b>		<b>69255935.80</b>	<b>200259209.9</b>	<b>28753204.17</b>	<b>69255935.80</b>	<b>27343788.18</b>	<b>28753204.17</b>
1	<b>Revenue Expenditure</b>	<b>5868181.80</b>	<b>10736236.75</b>	<b>8619233.17</b>	<b>5868181.80</b>	<b>22361725.18</b>	<b>8619233.17</b>
1.1	<b>Administrative Expenses, Establishment and Salaries (All Departments-Regular and Contractual Staff)</b>	2536729	4339218	4710980	2536729	9324620	4710980
1.2	<b>Operation and Maintenance (O&amp;M)</b>	125809	932568.75	2087633	125809	5280023	2087633
1.3	<b>Loan repayment (Interest &amp; Other charges payments)</b>	0	0	0	0	2390.18	0
1.4	<b>Others (any other revenue expenditure which is not salaries, O&amp;M or Interest Payment)</b>	3205643.8	5464450	1820620.17	3205643.8	7754692	1820620.17
2.	<b>Capital Expenditure</b>	<b>63387754</b>	<b>189522973.15</b>	<b>20133971</b>	<b>63387754</b>	<b>4982063</b>	<b>20133971</b>
2.1	<b>All developmental works under Central/State specific schemes</b>	63387754	189522973.15	20133971	63387754	4385379	20133971
2.2	<b>Loan Repayments (Principal Amount)</b>	0	0	0	0	0	0
2.3	<b>Other Capital expenditure</b>	0	0	0	0	596684	0



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

Tibrewal Chand & Co. has been appointed for the Double entry accounting system in the concerned ULB. Further, the Year Wise Status are as follows:

FY 2014-15: Completed  
FY 2015-16: Completed  
FY 2016-17: Completed  
FY 2017-18: Completed  
FY 2018-19: Completed  
FY 2019-20: Completed  
FY 2020-21: Completed  
FY 2021-22: In progress

- Interval of accounting entry passed in tally: Daily Basis
- Preparation of Fixed Assets Register: In process
- Opening Balance Sheet: Not Prepared
- Annual Financial Statements: Not Prepared
- Serial Number: 796646979
- License ID: [nagarpanchayat.nbt@gmail.com](mailto:nagarpanchayat.nbt@gmail.com)
- Installed In: Naubatpur Nagar Panchayat System

#### VII. Status of Municipal Accounts Committee; -

Nagar Panchayat Naubatpur 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 thereto .

### 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 Panchayat Rs. 30,000/- per tower and annual renewal fee is Rs. 8000/- per annum per tower

**Condition** –As per details provided to us there are total 5(five) Mobile Towers registered with this ULB up to 30.3.21 and Rs 2117180/- 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.	Company Name	Date of establishment	No. of Tower	Registration Fee	Renewal Fee	Interest	Collection	Dues Balance As on 31.3.2021
1	IDEA	2008	1	30000.00	96000.00	360040	0	486040
2	IDEA (Vyom)	2012	1	30000.00	64000.00	139080	0	233080
2	Airtel	2013	1	30000.00	56000.00	116040	0	202040
4	Reliance	2007	1	30000.00	104000.00	297420	0	431420
5	BSNL	2001	1	30000.00	152000.00	582600	0	764600
<b>Total dues</b>			<b>5</b>	<b>150000</b>	<b>472000</b>	<b>1495180</b>	<b>0</b>	<b>2117180</b>

(ii) **Advertisement Tax**

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

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

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

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

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

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

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



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

**Condition** - 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 updation of assesses due.

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

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

Details of some of the cases checked during the course of audit are as follows:-

Sl. No.	Amount	Date of Receipt	Date of Deposited
1	₹ 217.00	01-07-2020	06-07-2020
2	₹ 3137.00	02-07-2020	06-07-2020
3	₹ 4096.00	03-07-2020	06-07-2020
4	₹ 4861.00	06-07-2020	06-07-2020

**(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 of some of the pending cases of holding/property taxes installment are as follows:-

Sl. No	Name of the Assesse	Address	Installment pending
1.	Rameshwar Saw	Ward no.1 ,Nagwa	Second Installment



2.	Rinku bashtralay	Ward no.6 ,Naubatpur	First Installment
3.	Dhanbanti Devi	Ward no.6,Naubatpur	First Installment
4.	Dilip Prasad	Ward no.6 Naubatpur	First installment
5.	Upendra Kumar	Ward no.5,Naubatpur	Second Installment
6.	Rewati Raman Singh	Ward no.5,Naubatpur	Second Installment
7.	Ripu Raj	Ward No.5,Nauatpur	Third Installment
8.	Sanjay Prasad	Ward no.6,Naubatpur	Second Installment
9.	Rajesh kumar	Ward no.5,Naubatpur	Second Installment
10.	Ravindra Kumar	Ward no.5,Naubatpur	Third Installment
11.	Manoj Kumar	Ward no.6,Naubatpur	Second Installment
12.	Sanjay kumar Prasad	Ward no.5,Naubapur	Third Installment
13.	Pankaj Kumar	Ward no.5,Naubatpur	Third Installment
14.	Dr. Chandeshwar Prasad	Ward no.11,Nisarpur	First installment
15.	Bhella saw	Ward no.5,Nisarpur	First installment
16.	Satyanarayan Saw	Ward no.12,Nisarpur	First Installment
17.	Sankar Gupta	Ward no.12,Nisarpur	First Installment
18.	Rajmahal Rice Meal	Ward no.12,Nisarpur	Second installment
19.	Chandan Medical Hall	Ward no.12,Nisarpur	Second Installment
20.	Ashok kumar	Ward no.12,Nisarpur	Second Installment
21.	Udeshwar Saw	Ward no.12,Nisarpur	Third Installment

(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 Panchayat.

**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.
- Further, the Details of some case checked during the course of Audit are as follows:-

Date	Particular	Amounts	Remarks	Cheq No.
28.5.2020	Agarwal Furniture	18200	Table Purchase	049753
29.5.2020	Spark Associates	13500	E.O's Chair	049754



			Purchase	
12.09.2020	M.A Vision	61886	Purchase of Air-Conditioner	049771
18.09.2020	M.A Vision	28983	Purchase of Air-Conditioner	050154

**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**

NAME OF ULB- Naubatpur

DATE OF SURVEY: 01.04.22 to 02.04.22

Sl. No.	Owner Name of the Property	Add Of Owner	Ward No	Type of construction	Taxable area	Rate/sq. ft	Annual rent	Annual Property Tax	Types of Uses.	Auditor's Remarks
1.	Mukti narayan Singh	Vill – Nagwan	1	R.c.c	2201.5 1746.5 105 200	2 2 1 1	4403 3493 105 200	738..09	Resi.	No observation Found in this regards.
2.	Sharda Kumari	Vill Motipur	3	R.c.c	569.6 640 2962.4	22 22 14	12531.2 14080 41473.6	6127.62	Comm.	No observation Found in this regards.
3.	Dr.Sushma Kumari	Vill-Naubatpur	5	R.c.c	880 504 2112 2112	22 14 22 22	19360 10584 46464 46464	11058.48	Comm.	No observation Found in this regards.
4.	Harirahar Saw	Vill-Naubatpur	4	R.c.c	280 112	7 7	1960 784	246.96	Resi.	No observation Found in this regards.
5.	Dharambir Pandit	Vill-Motipur	4	R.c.c	120 382.2 464.8	14 7 5	1680 2675.4 2324	151.20 449.94	Comm.+ Resi.	No observation Found in this regards.
6.	Sonamati devi	Vill-Aropur	14	R.c.c	605.5 1284.5 605.5	2 2 2	1211 2569 1211	449.19	Resi.	No observation Found in this regards.
7.	Maihenaz khayoon	Vill-Purushotam pur	9	R.c.c	1094.77 996.06	7 5	7663.39 4980.30	1137.92	Resi.	No observation Found in this regards.
8.	Anil kumar Verma	Vill-Nisharpura	9	R.c.c	1120 221.34	2 1	2240 221.34	221.52	Resi.	No observation Found in this regards.
9.	Vijay Prasad	Vill-Naubatpur	6	R.cc	371 424	7 22	2597 9328	233.73 839.52	Resi.+Comm	No observation Found in this regards.
10	Dev Pujan Singh	Vill-Nisharpura	10	R.c.c	266 824.6 824.6	5 5 5	1330 6184.5 4123	1047.37	Resi.	No observation Found in this regards.



11	Laxmi Devi	Vill-Nisharpura	12	R.c.c	313.6	22	10348.8	931.39	Comm.	No observation Found in this regards.
12	Sharda Kumari	Vill-Nisharpura	12	R.c.c	980	2	1960	176.4	Resi.	No observation Found in this regards.
13	Baijnath Prasad	Vill-Amarpura	15	R.c.c	630 507.5	2 1	1260 507.5	113.4 45.67	Resi.	No observation Found in this regards.
14	Saccidanand Sharma	Vill-Taret	8	R.c.c	1825.82	2	3651.64	328.64	Resi.	No observation Found in this regards.
15	Narendra Kumar Singh	Vill-Amrenchak	13	R.c.c	1260	2	2520	226.8	Resi.	No observation Found in this regards.
16	Awanikand Arya	Vill-Anantpur	11	R.c.c	527.8	2	1055.6	95	Resi.	No observation Found in this regards.
17	Shashi Kant Sharma	Vill-Naubatpur	6	R.c.c	1017.6 729.6	7 3	10684.8 32883.8	1257.11	Resi.	No observation Found in this regards.
18	Kamal Prasad	Vill-Naubatpur	6	R.c.c	420 175 275.2 528 318	7 2 22 14 14	2940 350 9081.6 7392 4452	296.1 1883.3	Resi.+Comm.	No observation Found in this regards.
19	Sarda Kiumari	Vill-Sellhori	7	R.c.c	1212.4 609	7 7	8486.8 4263	1147.48	Resi.	No observation Found in this regards.
20	Harsraj Automobile	Vill-Selhori	7	R.c.c	1473.04 2140.8	22 14	32406.68 29971.2	2916.61 2697.4	Comm.	No observation Found in this regards.

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 Naubatpur Nagar Panchayat but we have found that assessee is very less aware of that. ULB should conduct time to time awareness programme to make people aware of SAS.

**Part-B (Non-Monetary 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	Not Maintained
5.	Pay-Roll Register	Not Maintained
6.	Vehicle LOG Book	Not Maintained
7.	Store Register	Not Maintained
8.	Fixed Assets Register	Not Maintained
9.	Demand & Collection Register of Property Tax, Mobile Tower Tax, Shop Rent etc.	Not Maintained
10.	GST Register	Not Maintained
11.	TDS Register	Not Maintained
12.	Procurement Register	Not Maintained
13.	Leave Register	Not Maintained
14.	Labour Cess Register	Not Maintained
15.	Royalty Register	Not Maintained
16.	Contingency Register	Not Maintained
17.	Security Deposit 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

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

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

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



- Fire tax,
- Tax on advertisement
- Surcharges on entertainment tax,

But we observed that only property tax has been collected during the year other taxes have not been levied till date. Further, we observed that the Provisions of the Income Tax Act 1962 and GST Act are not properly followed by the ULB, Like:-

- Proper Sec of TDS Deduction is not conduct.
- GST norms and rules are not properly followed by the ULB.
- Statutory deduction are being made but not deposited to concerned dept.

**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 Nagar Panchayat Naubatpur
  - 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: -**

We observed that TDS, GST, Royalty and Labour-Cess for the financial year 20-21 has been deducted but not deposited to appropriate authority by ULB till the date of time line. Also return filling of TDS&GST has not been made by the ULB on due date.

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

Pay-Roll Register has not 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. Thus we are unable to comment on deficiency in pay-roll system.

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

During the course of audit, we found that the UC's are not prepared on the prescribed schedule time by the ULB. Further, the Updated status (i.e. 20 Column Sheet) relating to the Allotment, Utilization and Pending of the various grants has not been provided to us. So we are unable to report on the



utilizations of grant and missing of the utilization certificates at the ULB level during the concerned period of the audit. Besides that, the irregularity in this regard has been also discussed with the management and same point (point no. 19.) is mentioned in the discussion note.

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

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

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

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

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

Fixed assets register has not maintained in concerned ULB, and in absence of above register , it is difficulty to verify the same.

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

Financial guidelines of schemes of MOHUA and UD&HD, GOB have not been complied. As they have not provided the compliance report.

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

- No any observation found during the course of audit.

**PART – “C”**  
**Scope of Audit**

Sl. No	Particulars	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.	No Observation Found in this regard. Further, the details some of some transaction checked during the audit. <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th style="text-align: center;">Date</th> <th style="text-align: center;">Particular</th> <th style="text-align: center;">Amounts</th> <th style="text-align: center;">Remarks</th> <th style="text-align: center;">Cheq No.</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">28.5.2020</td> <td style="text-align: center;">Agarwal Furniture</td> <td style="text-align: center;">18200</td> <td style="text-align: center;">Table Purchase</td> <td style="text-align: center;">049753</td> </tr> <tr> <td style="text-align: center;">29.5.2020</td> <td style="text-align: center;">Spark Associates</td> <td style="text-align: center;">13500</td> <td style="text-align: center;">E.O's Chair Purchase</td> <td style="text-align: center;">049754</td> </tr> </tbody> </table>	Date	Particular	Amounts	Remarks	Cheq No.	28.5.2020	Agarwal Furniture	18200	Table Purchase	049753	29.5.2020	Spark Associates	13500	E.O's Chair Purchase	049754
Date	Particular	Amounts	Remarks	Cheq No.													
28.5.2020	Agarwal Furniture	18200	Table Purchase	049753													
29.5.2020	Spark Associates	13500	E.O's Chair Purchase	049754													
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	No Such type of Issue found in this regards. Procurement register has not been maintained by the ULB.															



	with value above Rs. 15,000/-	
c	Verify the instance of losses, failures or inefficiency and recommendation and/or measure which can be taken to avoid their recurrence in future.	We have verified such instance 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. Details of major statutory irregularities are: <ul style="list-style-type: none"> <li>• TDS return has not been filed on due date.</li> <li>• TDS have not been deposited appropriately department with in due date.</li> <li>• Labor Cess has been deducted but not deposited to department.</li> <li>• GST liability has not been settled on due date.</li> </ul> And also in some cases TDS and GST has not been deducted from some other services .Such as payment for an Advertisement services. Penalty and Interest may be levied on ULB as per Statutory Laws.
e	Whether all the C&AG audit & Internal audit Para has been compiled by the ULBs.	No, C&AG and Internal Audit paras of FY 2019-20 & previous year has not been complied by the ULB. As compliance report has not been prepared by the ULB till the date of audit. So we are unable to check the exact status of compliance of the same.
f	Any other deficiencies noticed during the audit to improve internal control.	It was observed that there is a shortage of man power in the ULB. Consequently, it is not functioning smoothly in respect of completion of works on time and preparation of books of accounts and other statements on time.



## 4. Detail Audit Observations

### RISK ASSESSMENT

Name of the ULB		NAUBATPUR NAGAR PANCHAYAT					
Sr. No.	Observations	Risk Rating	Design Gap	System gap	Operating Gap	Mgt. Comment	Auditor Recommendation
<b>DEMAND GENERATION:</b>							
1.	Loss of Revenue due to under Assessment /wrong Generation Of demand.	<b>HIGH</b>	No	No	Yes	There is scarcity of manpower in the ULB; however we will comply in the near future.	Demand/Assessment register should be appropriately maintain, 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.	<b>MEDIUM</b>	No	No	No	We are trying our best to comply the same in near future.	Management should take initiative to the asses 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.	<b>MEDIUM</b>	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, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Cash book should account on the 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	MEDIUM	No	No	No	-	No Such cases found.



	various register like Bill register with payment fig., etc.	M					
6.	Others	-	-	-	-	-	-

**ESTABLISHMENT EXPENDITURE:**

1.	Error in over payment	HIGH	No	No	No	-	No Such cases found.
2.	Loss of supporting document	HIGH	No	No	No	-	No Such cases found.
3.	Loss of authentication	HIGH	No	No	No	-	No Such cases found.
4.	Collusion with employee	HIGH	No	No	No	-	No Such cases found.
5.	Perpetrated fraud (Like payment more than one time to same or ghost employee)	HIGH	No	No	No	-	No Such cases found.
6.	Non-updating various register like salary register, PF register, Service book/record, advance register, etc.	HIGH	Yes	Yes	Yes	It will be taken care in future.	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	MEDIU M	Yes	Yes	Yes	It will be taken care in future.	Management should take initiative to update the registers as quickly as possible.



	Assets register, Service book/record, advance register, etc.							
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 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	HIGH	No	No	No	-	-



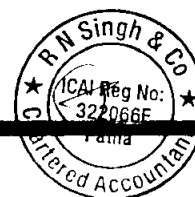
	release advance/loan beyond authority						
5.	Advance/loan not account for	HIGH	No	No	No	-	-
6.	Non-updating various register like Loan & advance, Bank book, cash book, etc.	MEDIUM	Yes	Yes	Yes	It will be taken care in future.	Management should take initiative to update the registers as quickly as possible.
7.	Others	-	-	-	-	-	-

## List of Important Registers

Name of the ULB		NAUBATPUR NAGAR PANCHAYAT				
RISK RATING:		MEDIUM				
CAG OBSERVATIONS STATUS		NOT AVAILABLE				
		PERIOD: 01.04.20 to 31.03.21				
Sl. No.	Particulars	Audit Observation	Associates Risk	MGT. Comment	Status (Resolved/ or not)	
1.	Cash Book	General Cash Book & 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	It will be taken care in future.	Not Resolved	



			beneficiary, only expenditure is being reversed in respect of accounting as liability.		
4.	<b>Register for Journal/Magazines/Newspapers</b>	Not-Maintained	This may leads to misplacement of Journal, Magazines & Newspapers.	It will be taken care in future.	Not Resolved
5.	<b>Register for Temporary Advances</b>	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
6.	<b>Register of Money Orders/Bank Draft Received</b>	Maintained	-	-	-
7.	<b>Cheque Issue Register</b>	Maintained	-	-	-
8.	<b>Register of Remittances made into bank</b>	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.	<b>Bank Passbook</b>	Maintained	-	-	-
10.	<b>Register of Bank drafts Dispatched</b>	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.	<b>Bill Register</b>	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.	<b>Establishment Register</b>	Maintained	-	-	-
13.	<b>Stock Register</b>	Maintained but not updated	It may leads to misplacement of Stock items.	It will be taken care in future.	Not Resolved
14.	<b>Capital Goods/Consumable articles, non-consumable articles and</b>	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.	<b>Statutory Deduction Register</b>	Not-Maintained	Due to non-booking of statutory deduction, there is chances of delay in their payments & filing of returns.	It will be taken care in future.	Not Resolved
16.	<b>Fixed Assets Register</b>	Not-Maintained	It may leads to misplacement of fixed assets.	Being prepared by DEAS team but in process.	Not Resolved
17.	<b>Grant Register</b>	Maintained	-	-	-
18.	<b>Scheme Register</b>	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.	<b>Monthly accounts of Receipts/Payments</b>	Not-Maintained	Due to this segregation of head wise balance is difficult.	Being Prepared by DEAS team.	Not Resolved
20.	<b>Temporary Advances Register for Staff, Customers/supplier/VEC and TA/DA Advance</b>	Not-Maintained	It may leads to fraud & Defalcation.	It will be taken care in future.	Not Resolved
21.	<b>Dispatch Register</b>	Maintained	-	-	-
22.	<b>File Register</b>	Not-Maintained	It may leads to misplacement of	It will be taken care in future.	Not Resolved



files.

23. Any other (Name of the register)

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**Cash and Bank**

Name of the ULB

NAUBATPUR NAGAR PANCHAYAT

RISK RATING:

HIGH

CAG OBSERVATIONS STATUS

Compliance Report has not been provided.

PERIOD: 01.04.20 to 31.03.21

Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Check whether there is no any undue delay in presentation of cheque/DD received, to bank,	No Such cases Found.	-	-	-	-
2.	Whether cheque/ draft issue/ receipt/ dishonored register have been maintained as per prescribed form (As Per BMAM) & entry are made on properly, accurately & timely basis.	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 utilisation 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	19	-	-	-	-
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	NAUBATPUR NAGAR PANCHAYAT
RISK RATING:	LOW
CAG OBSERVATIONS STATUS	Compliance Report has not been provided.
PERIOD: 01.04.20 to 31.03.21	



Sl. No.	Particulars	Audit Observation	Amount involved	Associates Risk	MGT. Comment	Status (Resolved/ or not)
1.	Whether bill has been prepared as per actual measurement & page no. of the MB in which detailed measurement have been quoted has mentioned in first page of MB,	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	NAUBATPUR NAGAR PANCHAYAT
RISK RATING:	MEDIUM
CAG OBSERVATIONS STATUS	NOT AVAILABLE

**PERIOD: 01.04.20 to 31.03.21**

Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether Opening Balance & Closing Balance was worked out or not,	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, Cashbook is maintained on monthly	-	There may be a chance of making back dated entry.	It will be maintained day to day basis.	Not Resolved



		basis.		This may leads to fraud & defalcation.		
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 report heavy cash balance if any	No discrepancies found in this regard.	-	-	-	-
7.	Any Other	No	-	-	-	-

## Collection

Name of the ULB	NAUBATPUR NAGAR PANCHAYAT
RISK RATING:	HIGH
Name of Tax Collector	Chandra Mohan Sharma, Arvind Kumar & Bijendra Kumar

**PERIOD: 01.04.20 to 31.03.21**

Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether collection procedure are as per guidelines/direction of ULB,	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	-	It may leads revenue loss to the ULB.	It will be prepared in future.	Not Resolved



		Register.				
3.	Whether collection are made in the same receipt Vouchers which has been issued/authorized by ULB /state government & it should be clearer mentioned of different head & not any alteration, & the carbon copy of receipt vouchers are properly vouched so that no any variation in posting the same,	Yes	-	-	-	-
4.	Whether collections are bifurcated in different heads as required,	Yes	-	-	-	-
5.	Whether a separate bank account has been maintained for each circle, (for PMC only)	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	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved



		<p>this we are unable to quantify the status of collection.</p> <p>Further, as per the DCB we observed that collection are not being made by all the holdings.</p>				
10.	<p><b>Whether government share of collections (like Education cess &amp; health cess) are properly &amp; timely deposited in its own account, (if applicable)</b></p>	<p>No Education/Health cess is not being charged or deposited in this quarter. Further liability register is not being maintained at the level of ULB to quantify the same.</p>	-	<p>It is a statutory irregularity, government may issue notice for penalty as well as interest.</p>	<p>It will be taken care in future.</p>	<p>Not Resolved</p>
11.	<p><b>Whether there is any short/non collection or short deposit or not deposit,</b></p>	<p>No observation found in this regard.</p>	-	-	-	-
12.	<p><b>Whether penalty(@2% P.M/ 1.5%) has been duly charged on late payment,</b></p>	<p>No observation found in this regard.</p>	-	-	-	-
13.	<p><b>Whether daily collections are entered into hand book, collection register maintained by TC &amp; it should be properly entered in demand &amp; collection register,</b></p>	<p>Daily Collection register has been maintained but it has not been entered in demand &amp; collection register.</p>	-	<p>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.</p>	<p>It will be taken care in future.</p>	<p>Not Resolved</p>



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		NAUBATPUR NAGAR PANCHAYAT				
RISK RATING:		HIGH				
Name of Tax Collector		Chandra Mohan Sharma, Arvind Kumar & Bijendra Kumar				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Ensure whether closing balance of previous year is accurately brought forward,	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, &	Nagar Panchayat is not being in	-	It may leads to revenue losses.	It will be taken care in future.	Not Resolved



	it would be as per updated rules, regulation, guidelines & other required details for proper calculation,	practice to raise the demand. No proper details are recorded in the manual register.				
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 20 high value property.	-	It may leads to revenue losses.	It is notified for future reference.	Not Resolved
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	Yes	-	-	-	-



	responsibility,					
9.	Whether there is proper distribution of responsibility for calculation, recovery & updation of register for demand, so that no single person have control on two or process at the same time,	Due to lack of Manpower all these work has been controlled single handedly.	-	It may 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	Yes	-	-	-	-



	tax return for payment of property tax has been filed by the assesses in the prescribed format,					
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		NAUBATPUR NAGAR PANCHAYAT				
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	Yes	-	-	-	-



	person,					
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	Yes	-	-	-	-



	fund and ESI has been made as per rules					
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 leads to over/less payments.	It will be taken care in future.	Not Resolved



## Grant

	<b>Name of the ULB</b>	<b>NAUBATPUR NAGAR PANCHAYAT</b>				
	<b>RISK RATING:</b>	<b>Medium</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Maintenance/Updation register regarding details of funds received and expenditure.	Yes	-	-	-	-
2.	Any diversion/re-appropriation of funds not covered under the provision of BMA, 2007 should be pointed out for remedial action.	No Such cases found.	-	-	-	-
3.	To check whether utilization certificate is for actual utilization of funds received .	Utilization Certificate has not been 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

	<b>Name of the ULB</b>	<b>NAUBATPUR NAGAR PANCHAYAT</b>				
	<b>RISK RATING:</b>	<b>LOW</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved/



							or not)
1.	<b>Original bill duly signed by contractors is submitted.</b>	No observation found in this regard.			-	-	-
2.	<b>Contractor has put his initials in all cuttings and corrections in the bill.</b>	No observation found in this regard.	-	-	-	-	-
3.	<b>All Supporting documents are attached with the bills.</b>	No observation found in this regard.	-	-	-	-	-
4.	<b>The rates, security deposit, and deductions are as per terms and conditions specified in the agreement</b>	No observation found in this regard.	-	-	-	-	-
5.	<b>The variations in quantities and completion period etc. have been authorized by the competent authority</b>	No observation found in this regard.	-	-	-	-	-
6.	<b>Job completion certificate has been processed by the dealing assistant.</b>	No observation found in this regard.	-	-	-	-	-
7.	<b>Bills passed for payment are as per rules &amp; T &amp; C of Tender.</b>	No observation found in this regard.	-	-	-	-	-
8.	<b>All terms and conditions of the contract are fulfilled before passing the bills.</b>	No observation found in this regard.	-	-	-	-	-
9.	<b>Every final bill is checked in detail with measurement books.</b>	No observation found in this regard.	-	-	-	-	-
10.	<b>Cash/Bank Vouchers to be checked for authorization etc.</b>	No observation found in this regard.	-	-	-	-	-
11.	<b>Overall review of the books of accounts.</b>	No observation found in this regard.	-	-	-	-	-
12.	<b>Position of outstanding advances paid to suppliers/contractors.</b>	No observation found in this regard.	-	-	-	-	-



## Receipt Voucher

	Name of the ULB	NAUBATPUR NAGAR PANCHAYAT				
	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 & their serial number;	Checked	-	-	-	-
6.	Log book/ Register maintained at printing press regarding printing of "Receipt Vouchers".	Checked	-	-	-	-
7.	Verify that "Receipt Vouchers" received & their storing, having same quantity & serial numbered which was actually dispatched & proper recording of the same along with issue,	Yes	-	-	-	-
8.	Verify Log book/ Register maintained at every collection center & cash counter with regard to receipt & return quantity & serial number,	Yes	-	-	-	-



9.	Verify the log book/ Register of 'Receipt Vouchers' & cross verified the allotments to TC(Log Book) with their date of issue, serial number, name of TC & their circle	Yes	-	-	-	-
10.	Check whether TC have same "Receipt Voucher" which was actually issued by store & it must be authorized by the appropriate authority,	Yes	-	-	-	-
11.	Check that there should be proper recording at each stage (where authority has been changed) of log book/ register for issue/receipt of "Receipt Vouchers",	No Such cases found.	-	-	-	-
12.	Confirm that all unused "Receipt Vouchers" are under the custody of authorized person,	Yes	-	-	-	-
13.	Verify that any cancelled vouchers have in both original & carbon copy,	Yes	-	-	-	-
14.	Verify whether reversible carbon has been used during receipt.	Yes	-	-	-	-

### Other Revenue:

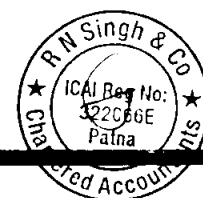
1.	<b>Advertisement Tax</b>	No System Developed for collection of advertisement tax.	-	It will affect municipal fund.	System will be developed very soon.	Not Resolved
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2.	<b>Tower Tax</b>	No amount is collected as Tower Tax in this financial year and no steps have been taken for recovery of dues.	2117180	It will affect municipal fund.	Notice will be send to concerned tower operator.	In Process
3.	<b>Professional Tax</b>	No professional tax collected.	-	-	-	-
4.	<b>Assigned Revenue (As details annexed)</b>	No Such cases found.	-	-	-	-
5.	<b>Rental Charges (As details annexed)</b>	No observation found in this regard.	-	-	-	-
6.	<b>Fee &amp; uses Charges</b>	Collected	-	-	-	-
7.	<b>Other Revenue Items</b>	-	-	-	-	-

## Revenue Expenses

	<b>Name of the ULB</b>	<b>NAUBATPUR NAGAR PANCHAYAT</b>				
	<b>RISK RATING:</b>	<b>LOW</b>				
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	Yes	-	-	-	-



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



## Statutory Requirement

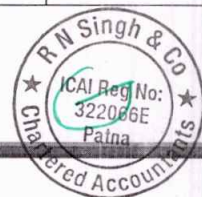
<b>Name of the ULB</b>		<b>NAUBATPUR NAGAR PANCHAYAT</b>				
<b>RISK RATING:</b>		<b>MEDIUM</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Whether deduction of TDS on payment has been made as per law,	Yes	-	-	-	-
2.	Whether TDS 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 )

<b>Name of the ULB</b>		<b>NAUBATPUR NAGAR PANCHAYAT</b>				
<b>RISK RATING:</b>		<b>MEDIUM</b>				
<b>Work order No.</b>		<b>-</b>				
		<b>PERIOD: 01.04.20 to 31.03.21</b>				



Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	To check whether the provisions contained in Tender Advertisement for procurement were followed in award of contracts.	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 interest of corporation.	No such cases found.	-	-	-	-
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	No such cases found	-	-	-	-



	should be indicated.					
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 responsive bidders who fulfilled qualification requirements, specified in the tender's documents.	No such cases found	-	-	-	-
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	NAUBATPUR NAGAR PANCHAYAT				
	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, wok undertaken, covering root, visited place, kilometer, etc.,	Not provided	-	-	-	-
2.	Whether logbook of journey is maintained in detail & signed by the officials using them,		-	-	-	-
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.		-	-	-	-
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## Fixed Assets

	<b>Name of the ULB</b>	<b>NAUBATPUR NAGAR PANCHAYAT</b>				
	<b>RISK RATING:</b>	<b>MEDIUM</b>				
Sl. No.	Particulars	Audit Observation	Amount Involved	Associates Risk	MGT. Comment	Status (Resolved /or not)
1.	Status on Maintenance of Fixed Assets Register	It has not been maintained yet.	-	It may leads to misplacement of assets.	Being Prepared by DEAS Team.	Not Resolved
2.	Budget availability is confirmed before acquisition	Yes	-	-	-	-
3.	Fixed assets are recognized at cost of acquisition and if so, check whether the cost components are incidental to its acquisition	Unable to comment on it, since fixed asset register is not finalized till now.	-	-	Being Prepared by DEAS Team.	Not Resolved
4.	all fixed assets are acquired only after obtaining approval of the concerned authority	Yes	-	-	-	-
5.	Physical verification of fixed assets is done and discrepancies are reconciled with Fixed Asset Register.	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.	-	-	-	-
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### Others

Name of the ULB	NAUBATPUR NAGAR PANCHAYAT
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RISK RATING:	MEDIUM
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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
<b>Register of Suits</b>						
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.		-	-	-	-

**General Observations: -**

There is lots of scope for improvement with respect to maintenance of Records and Registers. The important and basic records like Demand Register, Advance Register, Annual Accounts, Assets Register were not maintained. Effective steps should be taken to improve the maintenance of accounts and increasing of its own sources of revenues.

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



CA Chanakya Shree  
Partner  
Mem No: 079322



## Naubatpur Nagar Panchayat

### Discussion Note

### For the financial Year 20-21

#### 1. Management Discussion with Risk Assessment:

Sr. No.	Observations (sort the observations from high risk to low)	Risk Rating	Design Gap	System Gap	Operational Gap	Management (CMO) Comments	Reference Page
1.	As per details provided to us there are total 5 Mobile Towers registered with this ULB up to 31.03.21 and Rs2117180/- has not been collected till the date of audit from these tower operators as Tower Tax.	High	Yes	Yes	Yes	It will be collected as soon as possible.	
2.	In the month of July'20, Total collection was Rs 44026/- from the Holding /properties taxes but Deposited have been made only Rs 39931/- and there is no any information of Rs 4095. It shown lack of Internal control in ULB in case of Collection and deposited of the Revenues.					It will be rectify and shown in the next audit.	
3.	TDS have not been deducted on payment of Rs 1000000 for Advertisement services to Information and Public related Dpt. And also on payments E.O salaries whose Net taxable income is more than the basic exemption limits.	High	Yes	Yes	Yes	Next time it will be applied to Act regarding TDS	
4.	During the Audit, we observed that, the ULB has not been deposited Laboour Cess and Royalty deducted to the concern Department.  Amount Deducted from	High	Yes	Yes	Yes	It will be deposited as soon as possible.	



	Contractor but not deposited During the financial year 20-21.																							
	<table border="1"> <thead> <tr> <th>Contract or Name</th> <th>Royal ty</th> <th>Labor cess</th> </tr> </thead> <tbody> <tr> <td>Krishna Enter.</td> <td>8753</td> <td>10370</td> </tr> <tr> <td>Shri Shub Hari Construc tion</td> <td>1153 3</td> <td>8566</td> </tr> <tr> <td>Ashta enterpris es</td> <td>8686</td> <td>6125</td> </tr> <tr> <td>Sanjeev kumar</td> <td>3103</td> <td>7436</td> </tr> <tr> <td>The patriputr a Construc tion</td> <td>1299 28</td> <td>11694</td> </tr> </tbody> </table>	Contract or Name	Royal ty	Labor cess	Krishna Enter.	8753	10370	Shri Shub Hari Construc tion	1153 3	8566	Ashta enterpris es	8686	6125	Sanjeev kumar	3103	7436	The patriputr a Construc tion	1299 28	11694					
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5.	During the Physical verification of the fixed assets of The Nagar Panchayat Naubatpur (ULB), we found that the Resources of the ULB are not utilized in Economic and efficient manner such as SARBJANIC SHAUCHALAY has been made by the ulb for the Public use but not usable due to locked by ULB and also due to this there is Revenue losses to the ULB in the form of uses charges.	High	Yes	Yes	Yes	SARBJANIC SHAUCHALAY has been used by the public but sometime the care taker has gone on leave.																		
6.	We are not able to check the Compliance Status of Internal Audit Observations for FY 2019-20 & Previous years, and AG audit observation of the F/Y 2010-15 and 2015-20 as compliance report has not been provided to us by the ULB.	High	Yes	Yes	Yes	Report has been not provided by the AG as well as internal Auditor.																		
7.	Various registers, books of	High	Yes	Yes	Yes	Demand of																		



	records etc. are not being prepared by the ULB. Such as Bank Wise Cashbook, Pay Roll Register, Leave Register, Fixed Asset Register, Advance & Recovery Register, Demand Register, Bill Register, File Movement Register etc.						Holding tax has not been made in ULB that's why demand register has not been prepared by us. And rest will be complied in future
8.	Municipal accounts committee has been constituted on 2.3.2021 but no meeting has been held till the audit date.	High	Yes	Yes	Yes	Yes	Meeting has been held on time to time and minutes of meeting will be provided to auditor for verification.
9.	Log book of vehicle & generator is not properly maintained and consequently its analysis is not possible.	High	Yes	Yes	Yes	Yes	Log Books are maintained by the NGO and photocopy of such log book provided to ulb by such NGO and same will be provided to auditor for verification as soon as possible.
10.	Bank reconciliation statement has not been prepared in prescribed format. Also Bank wise cashbook balance has not been maintained by the ULB.	High	Yes	Yes	Yes	Yes	It will be maintained by the ULB and we will show it in next future.
11.	Demand register is not maintained or up to date by the ULB. We are unable to quantify the total outstanding demand of Property Tax, Tower Tax, Advertisement Tax, Rent on Municipal Properties etc.	High	Yes	Yes	Yes	Yes	Demand of Holding tax has not been assessed. Hence register has not been maintained by us.
12.	Taxes such as GST, Income Tax, Royalty, Labour Cess etc. are collected from time to time but payments of TDS	High	Yes	Yes	Yes	Yes	Due to the Lock down our offices was not regularizes ,from



	and GST are not made within due dates. Due to this penalties have been levied by Respective Dept. <u>Charges Under GST.</u> Interest – Rs 472 /- Late Fee –Rs 11200 /-  <u>Charges Under Income tax.</u> Interest on late payment-Rs 3124.50 Late filing fee –Rs 3200					Next time we will consider it seriously	
13.	Tibrewal Chand & Co. has been appointed for make double accounting Entries system (DAES) and preparation of the n financial statement but neither DAES nor Financial statement have been available for an audit due no non-completion of these.	High	Yes	Yes	Yes	We have issued notice to provide all the documents related to audit on time.	
14.	ULB has not been in practice to prepare monthly receipt and payment account & Trial Balance.	High	Yes	Yes	Yes	It will be maintained by the ULB and it will show in next audit.	
15.	Advertisement Tax has not been levied by the. There has not been any system developed for the levy of advertisement tax.	High	Yes	Yes	Yes	We have not received any guidelines regarding collection of advertisement taxes.	
16.	Physical verification of inventory & Fixed assets has not been done by ULB on regular interval.	High	Yes	Yes	Yes	It has done by ULB on regular time and Inspection report will be provided to auditor as soon as possible.	



17.	During the Audit We observed that, In the following case property taxes has been due but have not been collected/Recovered by the ULB.	High	Yes	Yes	Yes	Notice has been issued by the ULB to deposit their holding tax.
	Ramesha war Saw	Ward No.1 Nagwa Bank	2 <sup>nd</sup> (install)			
	Rinku bashtrala ya	Ward No.6 , Nau batpur	1 <sup>st</sup> (Install)			
	Dhanwan ti Devi	Ward no.6 Nay batpur	1 <sup>st</sup> (Install)			
	Dilip Prasad	Ward no.6 Nay batpur	1 <sup>st</sup> (Install)			
	Upendra Kumar	Ward no.5 Nay batpur	2 <sup>nd</sup> (install)			
	Rewati Raman Hinha	Ward No.1 Nagwa Bank	2 <sup>nd</sup> (install)			
	Ripu Raj Agto Pvt .Ltd	Ward No.1	3 <sup>rd</sup> (Install)			



	Nag wa Bank							
Sanjay Prasad	War d no.6 Nay batb pur	2 <sup>nd</sup> (install)						
Rajesh kumar	War d no.5 Nay batb pur	2 <sup>nd</sup> (Install)						
Ravindra Kumar	War d no.5 Nay batb pur	3 <sup>rd</sup> (Install)						
Manoj Kumar	War d no.6 Nay batb pur	2 <sup>nd</sup> (install)						
Sanjay kumar	War d no.5 Nay batb pur	3 <sup>rd</sup> (Install)						
Pankaj Kumar	War d no.5 Nay batb pur	3 <sup>rd</sup> (Install)						
Chandres hawar Prasad	War d no.1 1 Nish arpu ra	1 <sup>st</sup> (Install)						
Bhola	War	1 <sup>st</sup>						



	Saw	d no.1 2 Nish arpu ra	(Install)					
	Satya Narayan saw	War d no.1 2 Nish arpu ra	1 <sup>st</sup> (Install)					
	Sanakar Gupta	War d no.1 2 Nish arpu ra	1 <sup>st</sup> (Install)					
	Rajmahal Rice meal	War d no.1 2 Nish arpu ra	2 <sup>nd</sup> (install)					
	Chanadan Medical hall	War d no.1 2 Nish arpu ra	2 <sup>nd</sup> (install)					
	Ashok Kumar	War d no.1 2 Nish arpu ra	2 <sup>nd</sup> (install)					
18.	Tax collection receipts and voucher have been not kept in systematic and in serially by			High	Yes	Yes	Yes	It will be kept in systematic manner and



	the ULB' .Which has created difficulties to verify the actual tax/revenue collected during the period.					shown in next audit.
19.	During the Audit we observed that the Naubatpur Nagar Panchayat has not been prepared utilization certificate of the funds allotted, expended and the available balance at the ULB. As per the point no X of SOA it is required to be prepared by the ULB of each Scheme/Grants.	High	Yes	Yes	Yes	It is prepared by ULB grant wise and we have also sent the certificate to the UDHD but confirmation of UC has not received from the UDHD.
20.	During the verify of the cash book we found that the capital expenditure have been recoded as revenue expenses in the cash book. This is not an appropriate method of recording of the transactions in the cash book.	High	Yes	Yes	Yes	It will be rectify and shown in next audit.
21.	Advance has been given to staff for office expenses without any advance requisition.	High	Yes	Yes	Yes	Advance system has been properly follow by the ULB.
22.	During the period of the audit sufficient and appropriate documents are not provided to us such as Bank statements, Copy of 20 high values property tax holders, Copy of receipts issued to assesse from whom tax was collected, due which we got difficulty to in audit of the ULB.	High	Yes	Yes	Yes	We have provided bank passbook and demand register has not been maintained
23.	During the audit, we found that the resources/Assets of the ULB are not under the appropriate cares like many of the vehicles in the premises of the ULB having good condition and in usable form have treated as scrap.	High	Yes	Yes	Yes	This is problem of starting system of vehicles ,we have done one and two time repairs of the vehicle but at mean time of working vehicles act as scrtpt/as



24.	Currently activities of the Naubatpur nagar Panchayat (ULB) is going on without Chairman. Due to the violation of the provision of Bihar Municipal Act, the Chairman has been removed on from his position and no one has been elected in his place.	High	Yes	Yes	Yes	same as we see A vice-chairman smt.Kiran devi has acted as chairman on the temporary basis
25.	Directives & guidelines issued by MOHUA, UD & HD, GoB. has not been provided.	Medium	Yes	Yes	Yes	It will be Provided in near future.

For R. N. SINGH&CO.

Chartered Accountant

ICAI Reg.No:322066E

CA Chanakya Shree

Partner

M.No: -079322

Municipal Commissioner /  
Executive Officer

*Rajiv* - (Head Clerk)  
Executive Officer  
Nagar Panchayat, Naubatpur

Nagar Panchayat Naubatpur

Date:

Place:Naubatpur



I. Arrears Mobile Tower Tax.

S. N.	Company Name	Date of establishment	No of Tower	Registration Fee	Renewal Fee	Interest	Collection	Dues Balance As on 31.3.2021
1	IDEA	2008	1	30000.00	96000.00	360040		486040
2	IDEA (Vyom)	2012	1	30000.00	64000.00	139080		233080
2	Airtel	2013	1	30000.00	56000.00	116040		202040
4	Reliance	2007	1	30000.00	104000.00	297420		431420
5	BSNL	2001	1	30000.00	152000.00	582600		764600
Total dues			5	150000	472000	1495180		2117180

