



नगर विकास एवं आवास विभाग
URBAN DEVELOPMENT & HOUSING DEPARTMENT
Government of Bihar

INTERNAL AUDIT REPORT

FOR
FY 2018-19

SAHPUR NAGAR PANCHAYAT

GROUP-06
ULBs-18

Vinod & Co. LLP
CHARTERED ACCOUNTANTS
We Plant Quality





To

The Secretary,
Urban Development & Housing Department,
Patna-Bihar

Sub: Submission of Shahpur Nagar Panchayat annual internal audit report with management comments for the financial year 2018-19.

Ref No.: Project No. 07/I.A.-115/17-83 (NTP) dated; 16.01.2019

Dear Sir,


With Referenceto the above, we Vinod Singhal & Co.,LLP Chartered Accountants appointed as internal auditor of 18 ULBs of Bihar under Group-06 for the project namely "Appointment of internal auditor of 140 ULBs of Bihar."

As we have conducted Annual internal audit of Shahpur Nagar Panchayat for the financial year 2018-19. ThroughThis letter we are submitting Annual internal audit report of Shahpur Nagar Panchayat for the F.Y.2018-19 with management comments.

We confirm that the internal audit report has been prepared as per terms of reference of RFP.

Thanking You

For Vinod Singhal & Co, LLP
Chartered Accountants
FRN: 005826C/C400276


CA Krishan Kumar Sodhani
M.No:- 404603



UDIN No.:- 20404603AAAA1X2013

Date: 22-12-2020
Place: Patna

CC:State Level Project Monitoring Unit
PSP Financials Consultants Pvt. Ltd.

CONTENTS

Project Title	Internal audit of 18 ULBs of Group-06 of Bihar
Report Title	Annual internal audit report of Shahpur Nagar Panchayat
Period	1 st Apr -2018 to 31 th -March-2019
Reporting Entity	Vinod Singhal & Co., LLP, Chartered Accountants
Reporting for	Shahpur Nagar Panchayat
Report Prepared by	Team, Vinod Singhal & Co. LLP
Date of submission	24 th Jan 2020



EXECUTIVE SUMMARY

1. INTRODUCTION

Name of the Municipality	Sahpur Nagar panchayat
Period covered under current audit	01.04.2018 to 31.03.2019
Name of Executive Officer for the period under Audit	Mr. Zulphekar Ali Payami

2. RESULTS AND FINDINGS

➤ **Strengths observed during audit engagement**

In the existing system as prevailing in the Nagar Panchayat day to day work is in progressive manner in respect of execution of the projects.

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

SINo	Audit Observations
1	Non-updating of bank reconciliation on monthly basis as per Rule No. 118 of BMAR - 2014.
2	Non-Implementation of Double Entry Accounting System
3	No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.
4	Non-levy of following taxes <ul style="list-style-type: none">* Surcharge on transfer of lands and buildings* Water tax* Fire tax.* Surcharge on electricity consumption within the municipal area* Tax on congregations.* Tax on pilgrims and tourists.* Tax on profession.* Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles.* User Charges for provision of water-supply, drainage and sewerage* User Charges for Solid Waste Management* User Charges for Parking Facility* User Charges for Garbage Clearance* Collection of fees for sanction of building plans and issue of completion certificates,* Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings,* Collection of Development Charges
5	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22
6	Non-collection of notice fees for defaulter
7	Non-recovery of outstanding taxes
8	Non-preparation of payment vouchers
9	Non-conducting physical survey of 20 high value properties



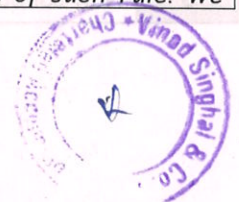
10	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014
11	Irregularities in tender issue process:.
12	Non-maintenance of register for all procurements with value above Rs. 15,000
13	Deficiency in payroll system and of master roll
14	Non-compliance of Act & Rules
15	Lack of internal control measures 1. Voucher file was not maintained 2. No internal mechanism for statutory compliance 3. No MIS was prepared for tracking of payments 4. Required books of accounts as per BMAM was not maintained 5. Statutory compliance reconciliation was not maintained 6. Year-end reconciliation was not available 7. Bank reconciliation of any bank account was not prepared. 8. Bank balance as per cash book was not maintained.
16	Non-compliance of statutory compliances: ▪ Non preparation of statutory compliance register ▪ Non deposit of TDS on timely basis. ▪ Non filling of TDS return for due period ▪ Non providing details regarding VAT/PF/Royalty/Labour Cess
17	Non-providing of Utilization certificate for the reporting audit period

3. OPINION

The management has to take stringent effort in forming accountability at various levels of the ULB, introducing reforms in financial management and accounting systems, development of strong internal control and organizational design of Municipalities, ensuring capacity building of the municipal personnel and other matters incidental thereto for overall improvement of the ULB.

4. AUDIT RECOMMENDATIONS

SINo	Audit Observations	Audit Observations
1	Non-updating of bank reconciliation on monthly basis.	Bank Reconciliation help us to monitor over: 1. Difference between Bank Passbook and Cash Book 2. Unauthorised withdrawal from Bank. 3. Excessive debited by Bank 4. Helps to know reasons of differences. <i>Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.</i>
2	Not provided any data for verify the Implementation of Double Entry Accounting System	As per requirement of BMAR-2014, Part -A, Chapter -2 Rule -4, "All ULB refereed in Schedule -I shall maintain its Books of Account using the double entry system". <i>Since Shahpur Nagar Panchayat is Covered under Schedule -I, therefore they should have to maintain their accounts on double entry accounting system in compliance of such rule. We</i>



		found the detail that double accounting system is implemented at Shahpur ULB, however we not got any data for verification the same.
3	No details were made available regarding meeting of municipal accounts committee held during the financial year 2018-19.	As per requirement of BMA-2007, Chapter-XII, ULB should held meeting of Municipal Accounts Committee each year. During our Audit no any evidence has been produced to us w.r.t. meeting of municipal accounts committee. <i>ULB should ensure timely meeting of accounts committee in compliance of BMA-2007.</i>
4	<p>Non-levy of following taxes</p> <ul style="list-style-type: none"> * Surcharge on transfer of lands and buildings * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists. * Tax on profession. * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy goods vehicles, and buses, which shall be heavy passenger motor vehicles. * User Charges for provision of water-supply, drainage and sewerage * User Charges for Solid Waste Management * User Charges for Parking Facility * User Charges for Garbage Clearance * Collection of fees for sanction of building plans and issue of completion certificates, * Collection of fees for Issue of municipal licenses for various non-residential uses of lands and buildings, * Collection of Development Charges 	As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. <i>ULB should take steps to implement required taxes to boost their revenue</i>
5	Late-Deposit of tax collection of taxes with cashier and with bank as per provision of BMA rule-22	As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. <i>Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</i>
6	Non-Collection of notice fees	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but In case of Shahpur Nagar Panchayat, Corporation has not provided any information regarding charging and collection of notice fees. <i>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</i>
7	Non collecting arrears of taxes and rental income	Shahpur ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the such data that there is huge arrear of taxes at Shahpur ULB. <i>Therefore, the management should take proper step to boost</i>



		collection of arrears. Further a weekly or fortnightly meeting with all tax collectors to be held for getting the reason of non-collection and resolving the same.
8	Non preparation of payment voucher	ULB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.
9	Non conducting field survey of 20 high value properties	Being ULB was not maintaining any details of high value properties, above details has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga & tax collectors in filed survey. ULB should identify and prepare separate list of high value properties by conducting re-assessment of prospective properties on timely basis to boost their revenue.
10	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	Detail of registers not maintained by ULB is mentioned under PART-A (a). ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR -2014.
11	Irregularities in tender issue process	Proper tender documents regarding tender approval and allotment was not properly maintained or made available for audit. In provided cases, we are unable to comment on channel of procurement of tender and their required compliances. Further, no statutory compliance register was maintained in regards with statutory dues deducted from party bills. So, ULB should maintained proper tender register and file that include all related documents of tender. Statutory compliance register should be maintained for all statutory deductions made form parties invoices.
12	Non-maintenance of register for all Procurements with value above Rs. 15,000	ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000
13	Deficiency in payroll system and of muster roll register	As ULB is not maintaining salary deduction register, Payment vouchers, Bio-metric and any payroll software. ULB should ensure that all requirements should be in place and complied for effective salary management.
14	Non-Compliance of Act & Rules	Refer point of Part-B (d) of audit report for status of non-compliance of Act & Rules. ULB should ensure compliance of all applicable Act & Rules.
15	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque handling and statutory compliances.	We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances: We suggest that: 1. MIS System should be implemented over daily collection and deposit. 2. Reason for non-deposit/ late deposit should be strongly need to ask for minimise delay. 3. Need to identify a person to comply with the statutory compliances. In case failure to comply with statutory compliances he should also be penalised. Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.



16	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns	As ULB is not proper in statutory compliance, that cause monetary/non-monetary implication on ULB in mode of interest, penalty and Late Fee & imprisonment. <i>So, management should ensure statutory compliance on time.</i>
17	Utilisation of Grant and report on missing utilisation certificates	Grant is blood of ulb. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirement of grant. Further timely submission of utilisation certificate helps the grant realising authority to send the money for fulfil the requirement of future. <i>Therefore, management should ensure that UC has been submitted with concerned department on time.</i>

1. COMMENTS FROM MANAGEMENT

Audit observations with audit recommendation has been submitted with management for providing management Comments.

2. ACKNOWLEDGEMENT

Considering the Physical Environment, accessibility, literacy of the Human Resources, communication facilities and so many other hindrances, we are in opinion that, the working of the ULB has a deep impact on the economic & social aspects and values of the inhabitants of the demarcated area. And the unit specifically dedicated for the development of Nagar Panchayat in the state of Bihar according to plan & for matters ancillary thereto.

Particulars	Total	Total	Total	Total	Total	Total	Total
Submitted by AC for the F.Y. 2013-14 to 2012-16	31	0	0	18	31	31	31

No.	Particulars	Amount	Date	Action



DETAILED AUDIT REPORT

1. INTRODUCTION:

S.NO.	Name Of ULB	Period-covered		Audit Team
		From	TO	
1	Shahpur Nagar Panchayat	01-04-2018	31-03-2019	1. Name of T L : CA Krishan Kumar Sodhani 2. Name of MAE: CA Rahul Kumar Shrivastwa 3. Name of Auditor- 1: Mukesh Kumar 2: Sanjeev Kumar

2. ADMINISTRATION:

SIN o	Particulars	Details
1	The present body of the ULB has taken charge on	22-08-2017
2	The incumbency in the key administrative and executive positions was as under:	
2.1	Name of Mayor:	Mr. Basisth Prasad
2.1.1	Period of Service:	From: 09-06-2017 To: Till date
2.2	Name of Commissioner/Executive Officer:	Mr. Zulphekar Ali Payami
2.2.1	Period of Service:	From: 12-02-2019 To: Till date

3. REVIEW OF OUTSTANDING AUDIT PARAS:

3.1. Status of Audit Observations is as under:

S.N	Particulars of audit and date of report	Total no. of audit paras	Total no. of audit paras where necessary improvement/corrective measures 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 O/s para where no action has been taken	No. & date of compliance report
1	Audit report submitted by AG for the F.Y. 2013-14 to 2015-16	31	31	18	0	0	31	289/2016-17

3.2. Details of total no of audit paras:

Period of AG audit report : Financial year 2013-14 & 2015-16

Compliance report date & Number : 289/2016-17
In Lakh)

(Rs.

S. No	Audit Para Numb	Heading of the audit para	Amount involved	Recovery Propo	Recovery Complete d	Action Taken or Not
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Part-I of AG Audit Report						
1	10	Non-maintaining of government grant register	1,001.43	-	-	Action Taken
2	11	Non preparation of budget	-	-	-	
3	12	Financial Overlay : Not-maintaining monthly and yearly summary in cash book`	1. -			
		1. Payment not made directly from treasury account	2. -			
		2. Backward area grant	3. 10.20			
		3. 13 th finance grant	4. 64.20			
		4. 4 th finance state grant	5.			
		5. Own Source	1. 0.01			
		1. Wrong totalling of cash book balance	2. 8.87			
		2. Supporting not presented for expenses	3. 7.45			
		3. Differences in Closing and Opening Balance				
		6. Own Source : difference in closing balance	6. 1.00			
		7. Detail of parties to whom advances given under Swaran jayanti sahari rojgar yojna	7. 8.33			
8. 12 th Finance grant	8. 2.60					
9. 12 th Finance grant	9. 19.05					
10. 5 th Finance grant	10. 75.36					
11. Swaksh bhara mission	11. 9.38					
12. Swaksh bhara mission (cleanin)	12. 61.37					
Part-II (A) of AG Audit Report						
Nil						
Part-II (B) of AG Audit Report						
4	1	Short deposit of amount collected	.13	.13	-	Action Taken
5	2	Expenses incurred on training during Swaran Jayanti Shahari Rojgar yojna	33.04	33.04	-	
6	3	Governmental revenue loss due to not signing of agreement on stamp paper related to contract of Sairat Bandobasti	.06	.06	-	
7	4	No registration of mobile tower and due to non collection of registration and renewal charge , there is loss of revenue	5.16	5.16	-	
8	5	Status of House tax demand and collection	6.41	6.41	-	
	6	Not sending the amount of education and Health cess	.92	.92	-	
9	7	Short deduction of Vat and paid to vendor without taking form C-III	1.60	1.60	-	
10	8	Irregular payment	11.23	11.23	-	
11	9	Payment without photography and documents	.22	.22	-	
12	10	Expenses on non completed work	22.80	22.80	-	
13	11	Pending construction of nagar sarkar bhawan	-	-	-	
14	12	Wrong report of withdrawal of allotment and amount withdrawn	96.15	96.15	-	



Part-III of AG Audit Report					
15	1	Advance register not presented	-	-	-
16	2	Irregularities in deposit of amount collected	-	-	-
17	3	Amount not accountant for	9.42	9.42	-
Total			1,456.39	187.14	-

Note:

Above details has been taken from the AG Report the F.Y. 2013-14 and 2015-16 and compliance report thereof. *For AG Compliance Report, Refer the attached Annexure-01.*

Further we wish to say that as we have submitted letter to ULB for asking support and to appoint support staff for working on audit compliance, please refer "Annexure-2".



4. FINANCE

I. Budgetary provisions and expenditure for the last three years

Year	Year- 2016-17	Year- 2017-18	Year- 2018-19
Final/Revised Budget Data	7,64,35,000	10,64,32,500	34,825,000
Actual Expenditure Data	Not Available	5,74,69,277	60,588,749
Savings (+)/Excess (-)	Can't Ascertain	4,89,63,223	-2,57,63,749

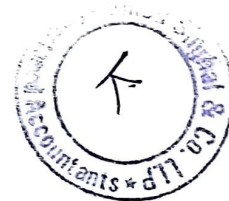
Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

II. Volume of transactions

Period	Budgeted for F.Y. 2018-19	Actual for the F.Y. 2016-17	Actual for the F.Y. 2017-18	Actual for the F.Y. 2018-19	Cumulative for the current period
Opening balance	60,468,000	Not Available	7,78,69,408	61,067,236	61,067,236
Receipts	75,360,000	Not Available	4,06,67,105	64,212,354	64,212,354
Total	135,828,000	Not Available	11,85,36,513	125,279,590	125,279,590
Net expenditure	34,825,000	Not Available	5,74,69,277	60,588,749	60,588,749
Closing balance	101,003,000	Not Available	6,10,67,236	64,690,841	64,690,841

Comment:



The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures.

III. Bank Reconciliation position as on reporting date

Bank Reconciliation position as on 31-03-2019

S. N	Name of Bank	Bank A/C No.	Purpose of Bank Account	Balance as per Cash per Book	Balance as per Bank Statement	Differences	Reconciled (Yes/No)
1	Madhya Bihar Gramin Bank	75120100010713	Fifth finance	-	11,86,561	11,86,561	No
2	Canara Bank	1710101009725	Thirteen Finance	-	4,56,226	4,56,226	No
3	Punjab National Bank	,0899000100330041	SBM	4,60,793	4,56,783	4,010	No
4	Canara Bank	1710101005588	SJSRY	-	1,88,168	1,88,168	No
5	Canara Bank	1710101010169	SAFAI SUDHAR	-	23,777	23,777	No
6	Canara Bank	1710101005610	BRGF	-	216	216	No
7	Punjab National Bank	,0899000100306424	NULM	2,45,002	2,45,002	-	No



8	State Bank of India	32468580195	Pension	18,59,256	18,12,150	47,106	NO
9	PLA/145	844800102003	PLA/145	60,997,655	60,997,655	-	NO
10	Punjab National Bank	0899000100335310	HFA	-	2,08,564	2,08,564	NO
11	Madhya Bihar Gramin Bank	75120100010722	Own Sources	11,73,438	9,57,323	2,16,115	NO
12	State Bank of India	31741788316	GENERAL	-	2,84,137	2,84,137	NO
13	Madhya Bihar Gramin Bank	75122100000066	4 TH FINANCE	-	1,93,394	846,062	NO

Comment:

Bank Reconciliation helps us to monitor over:

1. Difference between Bank Passbook and Cash Book
2. Unauthorised withdrawal from Bank.
3. Excessive debited by Bank
4. Helps to know any other reasons of differences.

Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records..



IV. Revenue & Capital Receipts information:

SI No	Details	Income Details (Amount in Rs.)					
		2017-18		2018-19		2019-20	
	Total Receipts (A+B)	40,667,105	Not Available	64,212,355	40,667,105	2019-20	2018-19
A	Revenue Receipts (1+2+3)	18,874,923	Not Available	24,883,539	18,874,923	Not Applicable	64,212,355
1	Own Revenue Receipts (a+b)	1,263,720	Not Available	472,178	1,263,720	Not Applicable	24,883,539
a)	Tax Revenue (levied and collected by municipal body)	744,702	Not Available	456,130	744,702	Not Applicable	472,178
i)	Property tax	744,702	Not Available	456,130	744,702	Not Applicable	456,130
ii)	Other tax (levied and collected by municipal body)	-	Not Available	-	-	Not Applicable	-
b)	Non-tax revenue (levied and collected by municipal body)	519,018	-	16,048	519,018	Not Applicable	16,048
i)	Fees & fines	19,518	Not Available	16,048	19,518	Not Applicable	16,048
ii)	User Charges	-	Not Available	-	-	Not Applicable	-
iii)	Other non-tax revenue (levied and collected by municipal body)	499,500	Not Available	-	499,500	Not Applicable	-
2	Other Revenue Receipts	6,247,676	-	766,839	6,247,676	Not Applicable	766,839
a)	Income from interest/investments	715,285	Not Available	438,887	715,285	Not Applicable	438,887
b)	Other Revenue income	5,532,391	Not Available	327,952	5,532,391	Not Applicable	327,952
3	Transfers/Grants/Assigned Revenues	11,363,527	-	23,644,522	11,363,527	Not Applicable	23,644,522

a)	State Assigned Revenue	-	Not Available	3,560,510	-	Not Applicable	3,560,510
b)	State Finance Commission (SFC) Grants/Devolution	-	Not Available	19,662,762	-	Not Applicable	19,662,762
c)	Octroi compensation	-	Not Available	-	-	Not Applicable	-
d)	Other State Government Transfers	11,283,527	Not Available	-	11,283,527	Not Applicable	-
e)	Central Finance Commission (CFC) Grant	-	Not Available	-	-	Not Applicable	-
f)	Other Central Government Transfers	-	Not Available	-	-	Not Applicable	-
g)	Others (Sales & Hire Charges)	80,000	Not Available	421,250	80,000	Not Applicable	421,250
B	Capital Receipts (1+2+3+4+5+6)	21,792,182	-	39,328,816	21,792,182	Not Applicable	39,328,816
1	Sale of Municipal Land	-	Not Available	-	-	Not Applicable	-
2	Loans (from State Govt. or Bank etc.)	-	Not Available	-	-	Not Applicable	-
3	State Capital Account Grant (under State Schemes etc.)	21,792,182	Not Available	39,313,816	21,792,182	Not Applicable	39,313,816
4	Central Capital Account Grant (under Central Schemes etc.)	-	Not Available	-	-	Not Applicable	-
5	Other Capital Receipts	-	Not Available	15,000	-	Not Applicable	15,000

Comment:

The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures. Refer "Annexure-4" for Budget

V. Revenue and Capital Expenditure Information.

Expenditure Details (Amount in Rs.)

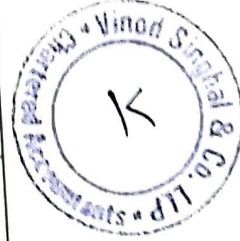
2019-20

2018-19

2017-18

SI No

Details



	2017-18	2016-17	2018-19	2017-18	2019-20	2018-19
Total Expenditure (1+2)	57,469,277	Not Available	60,588,749	57,469,277	Not Applicable	60,588,749
1	19,308,079	Not Available	13,878,385	19,308,079	Not Applicable	13,878,385
1.1	7,325,014	Not Available	7,438,964	7,325,014	Not Applicable	7,438,964
1.2	1,689,965	Not Available	3,723,627	1,689,965	Not Applicable	3,723,627
1.3	-	Not Available	-	-	Not Applicable	-
1.4	10,293,100	Not Available	2,715,794	10,293,100	-	2,715,794
2	38,161,198	Not Available	46,710,364	38,161,198	Not Applicable	46,710,364
2.1	27,113,731	Not Available	46,168,001	27,113,731	Not Applicable	46,168,001
2.2	-	Not Available	-	-	Not Applicable	-
2.3	11,047,467	Not Available	542,363	11,047,467	Not Applicable	542,363

Comment:
The above figures have been taken from the Budget Statement of the ULB for the year 2016-17, 2017-18, 2018-19 and 2019-20. Financial Statement i.e. Audited Balance Sheet, Income & Expenditure Account and receipts & Payments Account for the year 2016-17 & 2017-18 have not been produced before us for verification. Hence, we could not validate the Above-mentioned figures. Refer "Annexure-4" for Budget

Double entry system was implemented at ULB till FY 2015-16, however, from 01.04.2016 till date there is no any double entry accounting system implemented here. Detail of previous consultant is given below:

S/No	Name of Agency	Implementing	Hiring of Agency (Whether by ULB/UD & HD)	Period of Accounting
1	Manas Das & co		UD & HD	From 2014-15 To 2015-16

VII. Status of Meeting of Municipal Accounts Committee

There is no any accounting committee has been formed at ULB. We are submitting here with copy letter taken from ULB in respect of these committee as "Annexure 3".



5. AUDIT OBSERVATION

I. PART-A

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

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

1. **Non-levy of taxes:** As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. *In case of Shahpur Nagar Panchayat*, the following mentioned tax/charges are not implemented that leads to loss of revenue to corporation.

- * Surcharge on transfer of lands and buildings
- * Fire tax.
- * Surcharge on electricity consumption within the municipal area
- * Tax on congregations.
- * Tax on pilgrims and tourists.
- * Tax on profession.
- * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy Goods vehicles, and buses, which shall be heavy passenger motor vehicles.
- * User Charges for provision of water-supply, drainage and sewerage
- * User Charges for Solid Waste Management
- * User Charges for Parking Facility
- * User Charges for Garbage Clearance
- * Collection of Development Charges

Refer "Annexure -9"

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

Criteria - Non levied the taxes reported above by ULB.

Condition -As per details provided to us the ULB is not charging the above mention taxes.

Consequence Effect /Impact - Due to non-collection of taxes with in prescribe time line, ULB incurred interest loss and also the due to non-collection of taxes, and 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 Taxes due to which result in Revenue leakage.

Corrective Action / Recommendation - As per our opinion, management should review the working on timely basis

2. a. **Late deposit of property tax:** As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. *In case of Shahpur Nagar Panchayat*, during verification of receipts book and deposit slips issued by cashier, we have noticed that there was average gap of 14- 15 days in collection of tax and deposit of tax to Bank.



Sl. No	Serial Number		Amount of Tax	Date of Collection as per Receipts Booked		Date of Deposit with Cashier	Delay in deposit in Bank	
	From	To		Minimum	Maximum			
1	316	322	7,937	03-Apr-18	09-Apr-18	30-Apr-18	21	27
2	323	323	98,118	29-May-18	29-May-18	29-May-18	0	0
3	324	325	2,306	5-Jun-18	5-Jun-18	9-Jul-18	4	4
4	326	326	980	10-Jul-18	10-Jul-18	30-Jul-18	20	20
5	327	327	328	24-Jul-18	24-Jul-18	30-Jul-18	6	6
6	328	328	360	1-Aug-18	1-Aug-18	30-Aug-18	29	29
7	329	329	1,568	9-Aug-17	9-Aug-17	30-Aug-18	21	21
8	330	332	456	22-Sep-18	22-Sep-18	1-Oct-18	11	11
9	333	333	328	26-Sep-18	26-Sep-18	1-Oct-18	6	6
10	334	334	100	29-Sep-18	29-Sep-18	1-Oct-18	3	3
11	335	335	100	2-Oct-18	2-Oct-18	29-Nov-18	58	58
12	336	336	572	2-Nov-18	2-Nov-18	31-Dec-18	59	59
13	337	337	4,152	28-Jan-19	28-Jan-19	30-Jan-19	2	2
14	338	338	536	2-Jan-19	2-Jan-19	30-Jan-19	28	28
15	339	339	180	27-Jan-19	27-Jan-19	30-Jan-19	3	3
16	340	340	1,600	23-Jan-19	23-Jan-19	30-Jan-19	7	7
17	341	341	864	1-Feb-19	1-Feb-19	1-Mar-19	29	29
19	342	342	192	11-Feb-19	11-Feb-19	1-Mar-19	18	18
20	343	343	1,080	15-Feb-19	15-Feb-19	1-Mar-19	15	15



21	344	344	360	16-Mar-19	16-Mar-19	29-Mar-19	13	13
23	345	345	44	23-Mar-19	23-Mar-19	29-Mar-19	6	6
24	346	348	3,728	25-Mar-19	25-Mar-19	29-Mar-19	4	4
25	349	349	556	27-Mar-19	27-Mar-19	29-Mar-19	2	2
26	350	350	808	28-Mar-19	28-Mar-19	29-Mar-19	1	1

Note: Above calculations has been made on the basis of sample date,

Note:

1. Due to non-deposit of cash on timely basis there is loss of interest to ULB. It seems that huge fund easily available with cashier on the cost of ULB..
2. Date of receipts has been taken from cash book and date of deposit into bank has been taken from cash book as well as from bank deposit slip.

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

Criteria - As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000.00

Condition -As per details provided to us the ULB is not depositing the amount collected from public on time.

Consequence Effect /Impact - Due to non-deposit of cash on timely basis there is loss of interest to ULB. It seems that huge fund easily available with cashier on the cost of Bihiya ULB.

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 control, supervision, and monitoring over collection and deposit of taxes.

Corrective Action / Recommendation - Management should reconcile time to time the physical Cash with cash book for stopping the misuse of cash

3. **Non collection of Notice fees:** As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but

In case of Shahpur Nagar Panchayat, Corporation has not provided any information regarding charging and collection of notice fees. Refer "Annexure - 10"

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

Criteria - As per sec 158 of Bihar Municipal Act, 2007 The amount of notice fee should be collected by the municipality.



Condition -As per details provided to us the ULB is not collecting notice fee.

Consequence Effect /Impact - Due to non-collection of notice fee there is loss of interest to ULB

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 control, supervision, and monitoring over issue of notices and collection of notice fee.

Corrective Action / Recommendation - Management should monitor the notices issued on periodic basis towards charging and collection of notice fee.

4. **Recovery of outstanding taxes/rental income:** No information provided regarding outstanding tax details/rental income, therefore in absence of documents we are unable to comment that how many amount outstanding/ arrears as on 31-03-2019.

Details of outstanding arrear of income as on 31-03-2018

Sl. No	Type of Income	Arrear Amount
1	Property Tax (ANNEXURE -11)	3,18,000
2	Advertisement Tax	Not Provided
3	Rent Income (ANNEXURE -12)	6,000
4	Mobile Tower Tax (ANNEXURE -12)	5,00,000
5	Other income head (Bus Stand)	Not Provided

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

Criteria - As per sec 158 of Bihar Municipal Act, 2007 the amount of notice fee should be collected by the municipality.

Condition -As per details provided to us the ULB is not collecting notice fee.

Consequence Effect /Impact - Due to non-collection of notice fee there is loss of interest to ULB

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 control, supervision, and monitoring over issue of notices and collection of notice fee.

Corrective Action / Recommendation - Management should implement/take action to boost collection of arrear revenue to increase their own source revenue.

b. **Excess payment against bill, lack of prudence in payment against voucher, inefficiency in controls resulting loss to ULBs.**

1. **Payment of bills after due date:** During audit of ULB we have noticed that ULB is not in practice to paid bill i.e. electricity bill, telephone bill on or before due date. Due to that ULB has to pay penalty for late payment.

Note:



1. Due to non-payment of electricity bill ulb is paying Huge delay surcharge amounted.
2. Further we have vouched the other expenses bills, the payment of the same has been made on time.
3. We have not received bill of Telephone Expenses and Contractor for our verification.

2. Pass payment without preparation of payment vouchers: The Corporation does not prepare Payment Vouchers for making payment to the parties/vendors. Payment was made on the basis of bills only raised in the name of corporation which is passed by the competent authority.

3. Irregularities in payments: In absence of documents we are unable to comment on the same.

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

Sl. No	Holding Name	Ward No	Holding Number	Tax Amount	Remark
1	Kapil Mishra	7	60	14,766	96-97 To 17-18
2	Vishwanath Panday	7	63	13,708	96-97 To 19-20
3	Baccha Lal Yadav	7	116	11,684	96-97 To 19-20
4	Ramshrigari Devi	8	16	13,202	96-97 To 19-20
5	Durga Dutta Tiwari	8	30	16,422	96-97 To 19-20
6	Kanjeel Lal	8	31	15,134	96-97 To 19-20
7	Jagdish Pandit	8	126	15,916	96-97 To 19-20
8	Radha Mohan Panday/Saral panday	8	128	13,156	96-97 To 19-20
9	Ganesh Prasad	8	157	16,100	96-97 To 19-20
10	Ramnath Dhanuk	8	188	18,784	96-97 To 19-20
11	Badi Math	9	81	3,24,070	96-97 To 19-20
12	Kapil Dev Panday	9	19	24,518	96-97 To 19-20
13	Choti Math	9	31,32	50,922	96-97 To 19-20
14	High School	9	125	3,22,000	96-97 To 19-20
15	Chotu Turaha	9	116	11,500	96-97 To 19-20
16	Gayan Sasatli	10	32	98,118	96-97 To 19-20
17	Middle School	10	39	1,30,188	96-97 To 19-20
18	Uday Chand Gupta	10	60	7,728	96-97 To 19-20



19	Bhrat Prasad Gupta	10	86	8,832	96-97 To 19-20
20	Jagaranath Sah	10	100	34,178	96-97 To 19-20

Note: Being ULB was not maintaining any details of high value properties, above details has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga & tax collectors in filed survey.

II. PART-B

a. Non-maintenance of books of accounts and subsidiary registers:

The unit has not maintained the following prescribed registers as required in BMAR (*Please find attached letter to the ULB regarding non-submission of the following documents*): -

1. Journal Book
2. Ledger
3. Contra Voucher
4. Journal Voucher
5. Receipt Voucher
6. Register of Cheque Received
7. Statement on status of cheque received
8. Register of Bills for Payment
9. Payment order
10. Register of Advance
11. Register of Permanent Advance
12. Deposit Received Register
13. Summary statement of Deposits Adjustment
14. Demand register
15. Bill of Income
16. Summary Statement of Bill Raised
17. Register of Notice Fee Warrant Fee other fees
18. Summary statement of Notice Fee Warrant Fee other fees
19. Summary statement of Refund and Remissions
20. Summary statement of Write offs
21. Statement of outstanding liability for expenses
22. Register of Immovable and Movable Property
23. Register of Land
24. Function wise Income Subsidiary Ledger
25. Function wise Expenditure Subsidiary Ledger
26. Asset Replacement Register
27. Register of Public Lighting System
28. Building Register
29. Status and Heritage Assets Register
30. Road and Street register
31. Bridges Flyover Subway and Causeway Register
32. Drains Register
33. Ponds and Lakes Register
34. Plant and Machinery Register
35. Vehicle Register
36. Office Equipment Register
37. Furniture and Fixture Register
38. Computer and Peripheral Register
39. Software Register
40. Grants Register

Required at - Property Tax and other taxes

1. Summary Statement of bills raised



2. Summary statement of Demand Adjustment raised
3. Summary statement of refunds and remissions
4. Summary Statement of write-offs
5. Money Receipt Book
6. Hand Book (details due from tax pay

Documents required at – water Supply

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds remissions
4. Summary statement of write- offs

Documents required at – Rentals Fees and Other Income

1. Summary Statement of Demand raised on assessment
2. Summary statement of Head wise collection
3. Summary statement of refunds
4. Summary statement of write- offs

Documents required at- Public Works

1. Summary Statement of status of CWIP
2. Work Sheet
3. Deposit works register

Documents required at – Stores

1. Material Receipt Note
2. Statement of Material Issues
- 3.

Other

1. Balance confirmation as on 31.03.2019
2. BRS of all Bank Accounts (including dormant accounts)
3. Physical Verification report of cash and Stock

Final Accounts for the year 2016-17 & 2017-18

1. Audited Balance Sheet
2. Audited Income & Expenditure Account
3. Audited Receipts & Payments Account and unaudited Receipts & Payment

b. Irregularity in procurement process:

1. **Irregularities in tender issue process:** During audit, we observed the following discrepancies in allotment of tender:

Sr No	Contract No.	Description	Awarded value	Remarks
1	8/2017-18	NAL JAL	21,98,000	<p><u>In connection of this tender, we have noticed the following irregularities:</u></p> <p>1. Budget Control register has not been maintaining by ulb</p> <p>2. Many cases Quality test report not submitted.</p> <p>3. Completion certificate not presented to us for our verification, therefore we are unable to say that completion certificate issued or not.</p>
2	29/2017-18	NAL JAL	21,98,000	



3	9/2017-18	NAL JAL	21,98,000	4. Further the statutory compliance registers not presented to us for our verification, therefore we are unable to comment that amount deducted from vendor on account of Labour cess, TDS, sales tax and royalty has been deposited on time or not and return related to respective act has been submitted or not.
4	10/2017-18	PCC ROAD	6,89,917	

2. Whether a register is kept for all Procurements with value above Rs. 15,000/-: No procurement register was maintained at ULB level for procurement with value above Rs. 15,000/-

3. As per rule no 75, disbursement to the daily wage workers is to be witnessed by the chief municipal officer / engineer and he has to sign the disbursement certificate after ensuring that the acknowledgement has been obtained from the workers on the master payroll (BMAR Form -33):

As per provided master payroll of daily wages worker, we observed the following observations:

- Daily Wages Register was not maintain in proper manner.
- Signature and stamp of approving authority was not affixed in register.
- In case of absence of staff, absence of that worker were not marked in wages register.
- Rectification through whitener in register was done but no verification and authorisation was made on that.

4. No separate earnest & security deposit register: Earnest money deposit & security deposit register help in tracking refund of EMD/SD on time to concerned parties, but in ULB, no such register was maintained/provided for verification.

c. Non-Compliance of directives by UD&HD, GoB:

SINo.	Direction issued by UDHD	Complied or Not
1	Circular No. 1188 dated 18-05-2017	Complied
2	Circular No. 261 dated 06-02-2018	Complied

d. Non-Compliance of Act & Rules:

Sl. No	Requirement	Criteria	Auditors Comment
1	The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day on which collection is made	BMAR Rule No.-22	Refer point: Part-A (a) (2) No, during audit we observed that there was max 15 days delay in deposit of tax into bank.
2	Whether every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.	BMAR Rule No.- 27	Yes, every bill collector or municipal employee entrusted with the collection of municipal revenue was supplied with a Collection Register in BMAR Form 17 and receipt books.



3	Whether the collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.	BMAR Rule No.- 27	Yes, Collection register was in the personal custody of the bill collector and the particulars in It shall be written up from the original receipts issued at the time of collection.
4	Whether bill collector get its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated stall of the Municipality	BMAR Rule No.- 27	Yes, bill collector gets its verified collection register as well as the receipt books in his charge to the Revenue inspector/Revenue Officer or the designated of the Municipality
5	Whether every bill collector invariably remits his collections (in cash and/or cheques) to Cashier dallies before 4.30 PM and take the cashier's acknowledgment in the collection register.	BMAR Rule No.- 27	Refer point: Part-A (a) (2) No, in actual we noted that tax collector was not remitting his collections to bank. We noted that there were delay in deposit of tax with bank from day 14 to 15 days.
6	Whether Grant Register as prescribed in BMAR Form 28 was maintained by the Municipality to record receipts and utilization of grants sanctioned by the Government.	BMAR Rule No.- 69	No, Scheme wise grant register was maintained by the ULB.
7	Whether specific grants, which have certain conditions attached for utilizing such grants including the requirement to use it for capital purposes or use it in a particular proportion or manner. Usually such grants have requirements for submitting utilization certificates e.g. Finance Commission grant, SFC grant for specific purpose, namely, road repairs. It is the responsibility of the Chief Municipal Officer that the conditions attached to the grant are complied with without exception.	BMAR Rule No.- 69	Refer point: Part-B (h) Scheme/Grant related documents was not made available for audit,
8	Whether The grant received for a specific purpose was diverted for any other purpose.	BMAR Rule No.- 69	No such circumstance were noticed during the audit
9	Whether the Utilization Certificate was signed by Chief Municipal Officer for verification of the financial outlays and physical progress reported on BMAR Form No 29.	BMAR Rule No.- 69	Refer PART-B (h) No, Utilization certificate details produced for verification
10	Whether Municipality has returned unutilized grant for more than three years from date of receipt to the source from where such grant was received	BMAR Rule No.- 69	No such circumstance were noticed during the audit
11	Whether the Chief Municipal Officer prepare a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the subsequent month.	BMAR Rule No.- 120	No, Sahpur Nagar Panchayat was not preparing a fund wise statement of receipts and payments in BMAR Form No. 71 not later than 20th of the



			subsequent month.
12	Whether ULB prepare monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.	BMAR Rule No.- 121	No, Sahpur Nagar Panchayat was not preparing monthly Trial balance in BMAR Form No. 72 by extracting all ledger balances under various Account Codes as certified by the Chief Municipal Officer.
13	Whether ULB sent the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter	BMAR Rule No.- 121	No, Sahpur Nagar Panchayat was not sending the Demand Statement in BMAR Form No. 23 and Trial Balance to the Director of Local Bodies in soft copy as well as hard copy for each quarter at the end of month following each quarter
14	The Chief Municipal Officer shall, within three months after the end of each financial year be prepared financial statements for the preceding year in respect of the accounts of the Municipality.	BMAR Rule No.- 122	BMAR Rule No. - 122 were not followed by ULB during the F.Y. 2018-19.
	The Financial Statements shall comprise of		
	a. Receipts and Payments Account for the year (BMAR Form No.71)		
	b. Income & Expenditure Statement for the year (BMAR Form No.73)		
	c. Balance Sheet as on 31st March of the year (BMAR Form No.74)		
	d. Significant accounting policies adopted by the Municipality in presentation of the financial statements		
e. Notes to Accounts, which shall disclose Contingent liabilities, and such other information as, may be useful in understanding the financial statements clearly.			
f. Comparative amounts shall be entered on the financial statements for the preceding financial year except. In the case of the first year to which those rules apply			
15	Whether the municipality is regular in depositing statutory dues including tax deducted at source, GST, TDS on GST, service tax, VAT, works contract tax, cess payable to the government etc. and If not, the nature and cause of such delay and the amount not deposited: (BMAR Rule No.-130)	BMAR Rule No.-130	Refer PART-B (f)
16	Whether the municipality is regular in remittance of pension and leave encashment contributions or any other amounts which the municipality is liable to remit towards the retirement dues of its	BMAR Rule No.-130	Refer PART-B (g)



	employees, including employees on deputation;(BMAR Rule No.-130)		
17	Whether all transactions (incomes, expenditures, assets and liabilities) are correctly classified and stated in sufficient detail;	BMAR Rule No.-130	No, BMAR Rule No. 130 was not followed by ULB. As Single-entry accounting system was followed by ULB
18	Whether all grants sanctioned or received by the municipality during the year, have been accounted properly, and where any deduction is made out of such grants towards any dues of the ULB? Whether such deductions have been properly accounted;	BMAR Rule No.-130	No, grant register was not maintained by ULB
19	Whether any Special Funds have been created as per the provision of any statute and whether the Special Funds have been utilized for the purposes for which they have been created;	BMAR Rule No.-130	No details regarding creation of special fund and their use were made available to comment thereon.
20	Whether the ULB is maintaining proper records showing full particulars, including quantitate details and situation of fixed assets; whether these fixed assets have been physically verified at reasonable Intervals; whether any material discrepancies were noticed on such verification and if so, whether the same has been properly dealt with in the books of account;	BMAR Rule No.-130	ULB was not maintaining fixed assets register for the financial year 2018-19. Further no, fixed assets physically verified report was made available to comment upon.
21	Whether in case of leasehold property given by the ULB, lease rentals are collected regularly by the ULB and that the lease agreements are renewed after their expiry;	BMAR Rule No.-130	No details regarding lease hold property was made available to comment upon.
22	Whether there exists an adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets?	BMAR Rule No.-130	No, ULB is not followed adequate internal control procedure for the purchase of stores, including components, plant and machinery, equipment and other assets. As ULB was not maintaining any store and assets purchase register.
23	Whether any expenses of personal nature of the Officers or employees has been charged to the municipality' s accounts; If so, the details thereof;	BMAR Rule No.-130	We have not observed such type of transaction during audit.
24	Whether the Bank Reconciliation statements have been property prepared for all the bank accounts of the ULB and the remedial actions including all correcting entries have been taken on timely basis;	BMAR Rule No.-130	Refer Point-04 (III) No, ULB has not prepared bank reconciliation for any bank accounts maintained.
25	Whether the year-end and	BMAR Rule No.-130	As ULB has single entry



	reconciliation procedures prescribed have been carried out as per the rules;		accounting system, in that case year end provisions and reconciliation was not made during the reporting period.
26	Whether all the expenditure incurred by the Municipality is authorized by appropriate provision in the sanctioned budget. whether made originally or subsequently and are in all cases such as are authorized by Act;	BMAR Rule No.-130	Since proper voucher and expenses invoices not presented for our verification, therefore we can't comment on it.
27	Whether all revenue has been properly assessed, accounted for, collected and recovery action taken on timely basis;	BMAR Rule No.-130	Refer-PART-A (a)(4) Yes, ULB has accountant revenue properly. But collection and recovery of taxes was in slow pace that's why there was arrear of taxes in ULB.
28	Whether all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by Act;	BMAR Rule No.-130	Refer-PART-A (a)(2) Yes, all sums due to and received by the Municipality have been brought to account within the prescribed time limits and are in all cases such as are authorized by Act. Except; In case of deposit of daily tax collection, that is deposited on average 14-15 days delay of collection.
29	Whether the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order;	BMAR Rule No.-130	In absence of specific record during the audit, we can't comment that the amounts received as specific grants have been utilized for the purposes as stated in the grant sanction order
30	Whether, proper books of account as required by the Act and Rules have been kept by the Municipality so far as it appears from examination of those books. (Rule-130 of BMAR-2014)	BMAR Rule No.-130	Refer-PART-B (a) No, some required books of accounts as per BMAM/BMAR has not been maintained.
31	Whether physical verification has been conducted by the ULB at reasonable intervals in respect of stores;	BMAR Rule No.-130	No store verification report was made available during the reporting period to comment upon.
32	Whether the procedures of physical verification of stores followed by the ULB are reasonable and adequate?	BMAR Rule No.-130	No, procedures of physical verification of stores followed by the ULB have been provided to comment upon.
33	Whether any material discrepancies have been noticed on physical verification of stores as compared to book records, and if so, whether the same has been properly dealt with in the books of account; Whether proper procedures are in place to identify any unserviceable or damaged stores and whether provision for the loss in this respect, if any, has been made in	BMAR Rule No.-130	No such details provided



	the accounts;		
34	Whether the valuation of stores is in accordance with the accounting principles laid down in the rules? Whether the basis of valuation of stores is same as in the preceding year? If there is any deviation in the basis of valuation, the effect of such deviation, if material, should be reported;	BMAR Rule No.-130	No such details provided
35	Whether the parties to whom loans or advances have been given by the ULB are repaying the principal amounts as stipulated and are also regular in payment of the Interest and If not, whether reasonable steps have been taken by the municipality for recovery of the principal and interest?	BMAR Rule No.-130	No such details provided
36	Whether advances given to municipal employees and interest thereon are being regularly recovered;	BMAR Rule No.-130	No such details provided
37	Municipal Fund: Whether ULB has created required fund as mentioned in chapter IX of BMA-2007	BMA,2007: Chapter IX	No, ULB is using single entry accounting system, so there was no fund was accounting followed.
38	Investment of surplus money. Whether municipality has invested surplus fund as per the requirement of the chapter-X of BMA-2007. Auditor will report on the fixed deposit and other funds should be in nationalized banks/Approved financial institutions and should earn maximum interest at their gestation period.	BMA,2007: Chapter X	No details provided
	Check whether comparative interest rate is invited from parties before investing surplus funds:		
39	Preparation of budget estimate of Municipality. Whether The budget estimate stated the rates at which various taxes, surcharges, cesses and fees shall be levied by the Municipality in the year next following,	BMA,2007: Chapter XI	Yes, followed by the ULB, however budget is not prepared in proper manner.
	Maintenance of accounts. Whether the Chief Municipal Officer prepared and maintained accounts of receipts and expenditure of the Municipality in such form, and in such manner, as may be prescribed,		
40		BMA,2007: Chapter XII	As ULB was following single entry accounting system. So, receipts and payments details were being maintained in form of cash book. Audited receipts & payments account as per BMAM was not prepared by ULB.
41	Financial Statement. Whether the Chief Municipal Officer shall, within four months of the close of a year, cause to prepare a financial statement containing an	BMA,2007: Chapter XII	No, ULB was not preparing a financial statement containing an income and expenditure account and a receipts and payments account for the preceding year in



	income and expenditure account and a receipts and payments account for the preceding year in respect of the accounts of the Municipality,		respect of the accounts of the Municipality.
42	Submission of financial statement and balance sheet to auditor. The financial statement prepared under section 88 and the balance sheet of the assets and the liabilities prepared under section 89 shall be placed by the Chief Municipal Officer before the Empowered Standing Committee which, after examination of the same, shall adopt and remit them to the Auditor as may be appointed in this behalf by the State Government.	BMA,2007: Chapter XII	No, Financial Statements were not provided for audit by ULB
43	As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act,2007 various tax is applicable on ULBs	BMA,2007: Chapter XV	Refer-PART-A(a)(1) for status of taxes not collected by ULB
44	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007,) Municipality shall, by regulations, provide for issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore,	BMA,2007: Chapter XIX	Refer-PART-A(a)(3)

e. Lack of internal control measures: We have observed the following areas where internal control measures are required by ULBs-

1. Voucher file was not maintained
2. No internal mechanism for statutory compliance
3. No MIS was prepared for tracking of payments
4. Required books of accounts as per BMAM was not maintained
5. Statutory compliance reconciliation was not maintained
6. Year-end reconciliation was not available
7. Bank reconciliation of any bank account was not prepared.
8. Bank balance as per cash book was not maintained.
9. Cheque receipt register was not maintained
10. No control over cancelled or missing cheque
11. Assets & stock register were not maintained

f. Non-compliance of TDS, VAT and other relevant Statute

1. TDS

1.1 Details of TDS deducted and to be deposited: During audit we noted that ULB is not regular in deposit of TDS, As mentioned below circumstances, ULB has deducted TDS but no proof for deposit was provided. Since ULB has not presented statutory compliance register for audit, therefore the amount reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.



Deduction

Sl. No	Particulars	TDS deducted
1	15/18-19	7,228
2	23/18-19	5,226
3	24/18-19	1,617
4	25/18-19	2,790
5	26/18-19	7,434
6	27/18-19	3,697
7	28/18-19	4,722
8	29/18-19	3,706
9	30/18-19	2,495
10	31/18-19	4,670
11	37/18-19	5,225
12	08/17-18	20,613
13	9/2017-18	21,838
14	37/17-18	49,667
15	29/17-18	12,900
16	36/17-18	9,111
17	66/18-19	7,736
18	67/18-19	7,736
19	68/18-19	7,736
20	08/17-18	20,613
21	9/2017-18	21,838
Total		186,147

Deposit

Sl. No	Particulars	TDS deposit
1	TDS	Note deposited
Total		

Note:

1. We have not received statutory compliance register and expenses invoices for our verification.



2. Neither copy of challan nor the copy of return has been presented to us, therefore we are unable to comment that payment made on time or not. However, we wish to say that non-payment of tax on due or before date will attract interest @ 1.5% p.m. or part of month
3. As per provision of sec. 276B, If a person fails to pay to the credit of the Central Government to the amount of tax deducted at source by him as required by or under the provisions of Chapter XVII-B; or the tax payable by him, as required by or under sub-section (2) of section 115-O; or the second proviso to section 194B, he shall be punishable with rigorous imprisonment for a term which shall not be less than **three months** but which may extend to **seven years** and with fine.

1.2 Details of TDS returns filed are mentioned below:

During the audit, we observed that ULB was not regular in filing of TDS return, as per below mentioned details this is clear that either ULB had not filled TDS return or if filled then not followed due date of return filling. This practice of delay in filling of TDS return would cause ULB in form of penalty.

Si. No	Quarter	Due date of Return	Actual date of Return filled	Remark
1	Quarter-1 of F.Y. 2017-18	31 st -Jul-2017	Not Available-	Can't Comment
2	Quarter-2 of F.Y. 2017-18	31 st -Oct-2017		Can't Comment
3	Quarter-3 of F.Y. 2017-18	31 st -Jan-2018		Can't Comment
4	Quarter-4 of F.Y. 2017-18	31 st -May-2018		Can't Comment

Note:

1. As per provision of Sec. 234E where a person fails to file the TDS/TCS return on or before the due date prescribed in this regard, then he shall be liable to pay, by way of fee, a sum of Rs. 200 for every day during which the failure continues. The amount of late fees shall not exceed the amount of TDS Further as per provision of Sec 271H deductor or collector of tax at source fail to file the return within the stipulated date, he/she can also be penalized with a fee which is not less than Rs 10,000. The amount of penalty could go up to Rs. 1 lakh.

- 1.3 Downloading of TDS Certificates from TRACES made mandatory:** In this regard, your attention is invited to the **CBDT circulars 04/2013 dated 17.04.2013, CBDT Circular No. 03/2011 dated 13-5-2011 and CBDT Circular No. 01/2012 dated 9-4-2012** on the **issuance of certificate for Tax Deducted at Source** in Form 16/16A as per IT Rules 1962. It is now **mandatory for all diductor's to issue TDS certificates after generating and downloading the same from "TDS Reconciliation Analysis and Correction Enabling System"** or TRACES Portal. In view of above circulars, it may kindly be noted that the TDS Certificates **downloaded only from TRACES Portal** will be valid. Certificates issued in any other form or manner will not comply to the requirements referred in the Income-tax Act 1961 read with relevant Rules and Circulars issued in this behalf from time to time. Further as per the provisions of section 203 of the Income Tax Act, 1961 read with rule 31A, Certificate of tax deducted at source is to be **furnished within fifteen (15) days from the due date for furnishing the statement** of tax deducted at source. Failure to comply with the provisions of the Act will attract **penalty under the provisions of section 272A of the Act, a sum of one hundred rupees for every day** during which the failure continues.

In case of ULB the Excutive Officer in charge will be person who is liable to deduct and pay the TDS and issue of TDS certificate on time. Therefore, management is suggested to take a serious note on the status of Tax collected or deposited, timely submission of return thereof and issuance of TDS Certificate.

2. VAT

- 1.1 Details of GST :** During audit we noted that ULB is not regular in deposit of VAT, As mentioned below circumstances, ULB has deducted VAT However they have deposited the entire amount at the end of the year. Since ULB has not presented statutory compliance register for audit, therefore the amount



reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.

Sl. No	Scheme Name	Scheme No	Tax Amount
1	cm sahri Payjal	08/17-18	44,100
2	cm sahri Payjal	9/2017-18	52,549
3	Rajya Yojna BoX and Nala nirman	37/17-18	40,292
4	5th Finance jala purti	29/17-18	43,860
5	5th Finance jala purti	36/17-18	
6	14th Finance	3/18-19	10,164
7	14th Finance	4/18-19	7,394
8	14th Finance	5/18-19	9,338
9	14th Finance	48/18-19	8,808
10	14th Finance	49/18-19	965
11	14th Finance	54/18-19	14,088
12	14th Finance	55/18-19	14,188
13	14th Finance	56/18-19	11,975
14	14th Finance	57/18-19	12,366
15	14th Finance	58/18-19	12,326
16	14th Finance	59/18-19	14,578
17	14th Finance	60/18-19	8,670
18	14th Finance	51/18-19	8,821
19	Cm Nali Gali	16/18-19	9,886
20	Cm Nali Gali	19/18-19	8,476
21	Cm Nali Gali	38/18-19	9,816
22	Cm Nali Gali	39/18-19	8,828
23	Cm Nali Gali	40/18-19	8,536
24	Cm Nali Gali	41/18-19	8,798



25	Cm Nali Gali	42/18-19	8,495
26	Cm Nali Gali	43/18-19	8,761
27	5th finance nali gali	45/18-19	10,473
28	5th finance nali gali	46/18-19	12,437
29	5th finance nali gali	47/18-19	11,107
30	5th finance nali gali	62/18-19	10,131
31	S.B.M Samudayik Toilet	66/18-19	15,473
32	S.B.M Samudayik Toilet	67/18-19	15,473
Total			4,76,645

2. Details of Royalty to be paid : During audit we noted that ULB is not regular in deposit of Royalty, As mentioned below circumstances, ULB has deducted Royalty However they have deposited the entire amount at the end of the year. Since ULB has not presented statutory compliance register for audit, therefore the amount reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.

SI. No	Scheme Name	Scheme No	Tax Amount
1	14th Finance	1/18-19	13,451
2	14th Finance	2/18-19	7,997
3	14th Finance	6/2018-19	7,931
4	14th Finance	7/2018-19	12,408
5	14th Finance	08/2018-19	8,895
6	14th Finance	9/18-19	11,279
7	Stamp Fee	10/18-19	14,542
8	14th Finance	11/18-19	14,327
9	Cm Nali Gali	15/18-19	14,576
10	5th Finance	20/18-19	14,546
11	5th Finance	21/18-19	14,778
12	5th Finance	22/18-19	14,576
13	Cm Nali Gali	23/18-19	10,453
14	Cm Nali Gali	24/18-19	3,225



15	Cm Nali Gali	25/18-19	5,580
16	Cm Nali Gali	26/18-19	14,867
17	Cm Nali Gali	27/18-19	7,393
18	Cm Nali Gali	28/18-19	9,445
19	Cm Nali Gali	29/18-19	7,411
20	Cm Nali Gali	30/18-19	4,988
21	Cm Nali Gali	31/18-19	9,341
22	Cm Nali Gali	37/18-19	10,450
23	cm sahri Payjal	08/17-18	32,268
24	cm sahri Payjal	9/2017-18	40,717
25	Rajya Yojna BoX and Nala nirman	37/17-18	99,333
26	5th Finance jala purti	29/17-18	43,860
27	5th Finance jala purti	36/17-18	18,222
28	14th Finance	3/18-19	10,164
29	14th Finance	4/18-19	7,394
30	14th Finance	5/18-19	9,338
31	14th Finance	48/18-19	8,808
32	14th Finance	49/18-19	965
	14th Finance	54/18-19	14,088
	14th Finance	55/18-19	14,188
	14th Finance	56/18-19	11,975
	14th Finance	57/18-19	12,366
	14th Finance	58/18-19	12,326
	14th Finance	59/18-19	14,578
	14th Finance	60/18-19	8,670
	14th Finance	51/18-19	8,821
	Cm Nali Gali	16/18-19	9,886



Cm Nali Gali	19/18-19	8,476
Cm Nali Gali	38/18-19	9,816
Cm Nali Gali	39/18-19	8,828
Cm Nali Gali	40/18-19	8,536
Cm Nali Gali	41/18-19	8,798
Cm Nali Gali	42/18-19	8,495
Cm Nali Gali	43/18-19	8,761
5th finance nali gali	45/18-19	10,473
5th finance nali gali	46/18-19	12,437
5th finance nali gali	47/18-19	11,107
5th finance nali gali	62/18-19	10,131
S.B.M Samudayik Toilet	66/18-19	15,473
S.B.M Samudayik Toilet	67/18-19	15,473
S.B.M Samudayik Toilet	68/18-19	15,473
Total		7,62,703

3. Details of Labour Cess to be paid : During audit we noted that ULB is not regular in deposit of Labour cess, As mentioned below circumstances, ULB has deducted Labour cess but no proof for deposit was provided. Since ULB has not presented statutory compliance register for audit, therefore the amount reported below is not presenting the full picture of deduction. Actual deduction is may be excess from the reported deduction.

Sl. No	Scheme Name	Scheme No	Tax Amount
1	14th Finance	1/18-19	6,726
2	14th Finance	2/18-19	3,998
3	14th Finance	6/2018-19	3,966
4	14th Finance	7/2018-19	6,204
5	14th Finance	08/2018-19	4,447
6	14th Finance	9/18-19	5,639
7	Stamp Fee	10/18-19	7,271
8	14th Finance	11/18-19	7,163



9	Cm Nali Gali	15/18-19	7,228
10	5th Finance	20/18-19	7,273
11	5th Finance	21/18-19	7,239
12	5th Finance	22/18-19	7,288
13	Cm Nali Gali	23/18-19	5,226
14	Cm Nali Gali	24/18-19	1,617
15	Cm Nali Gali	25/18-19	2,790
16	Cm Nali Gali	26/18-19	7,434
17	Cm Nali Gali	27/18-19	3,697
18	Cm Nali Gali	28/18-19	4,722
19	Cm Nali Gali	29/18-19	3,706
20	Cm Nali Gali	30/18-19	2,495
21	Cm Nali Gali	31/18-19	4,670
22	Cm Nali Gali	37/18-19	5,225
23	cm sahri Payjal	08/17-18	20,613
24	cm sahri Payjal	9/2017-18	21,838
25	Rajya Yojna BoX and Nala nirman	37/17-18	49,667
26	5th Finance jala purti	29/17-18	21,930
27	5th Finance jala purti	36/17-18	9,111
28	14th Finance	3/18-19	5,082
29	14th Finance	4/18-19	3,697
30	14th Finance	5/18-19	4,669
31	14th Finance	48/18-19	4,404
32	14th Finance	49/18-19	482
	14th Finance	54/18-19	7,044
	14th Finance	55/18-19	7,094
	14th Finance	56/18-19	5,988



	14th Finance	58/18-19	6,163
	14th Finance	59/18-19	7,289
	14th Finance	60/18-19	4,335
	14th Finance	51/18-19	4,411
	Cm Nali Gali	16/18-19	4,943
	Cm Nali Gali	19/18-19	4,238
	Cm Nali Gali	38/18-19	4,908
	Cm Nali Gali	39/18-19	4,414
	Cm Nali Gali	40/18-19	4,268
	Cm Nali Gali	41/18-19	4,399
	Cm Nali Gali	42/18-19	4,248
	Cm Nali Gali	43/18-19	4,380
	5th finance nali gali	45/18-19	5,237
	5th finance nali gali	46/18-19	6,218
	5th finance nali gali	47/18-19	5,554
	5th finance nali gali	62/18-19	5,065
	S.B.M Samudayik Toilet	66/18-19	7,736
	S.B.M Samudayik Toilet	67/18-19	7,736
	S.B.M Samudayik Toilet	68/18-19	7,736
Total			3,87,104

g. Deficiency in payroll system:

SINo	Particulars	Comments
1	Status of maintenance of salary register for all employees (Permanent/Daily wages/ Contract worker)	Yes, Salary register was maintained for all employees
2	Non availability of Salary payment voucher	ULB was not in practice to issue salary payment voucher, Payment of salary was passed based on approval by competent authority on salary register.
3	Matching of voucher number with cash book	No salary payment voucher number was mentioned in cash book



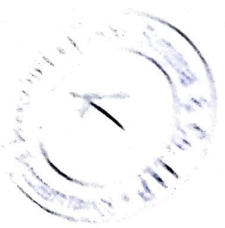
4 Salary register contains all elements of reg. all elements of salary were maintained in reg. Deductions from salary was mentioned in reg. no separate deduction register maintained

5 Measurement of Salary Deduction register Biometric device was and payroll software was implemented in ULE. Biometric device was and payroll software was implemented in ULE. Software is implemented in ULE. Biometric device was and payroll software was implemented in ULE.

6 Whether biometric devices and payroll software is implemented in ULE. Biometric device was and payroll software was implemented in ULE. Software is implemented in ULE.

10. Verification of Grant and report on missing Utilization Certificates: Corporation has no proper approved utilization certificates sent to the department however, letter for submitting utilization certificates was department was provided details of the same is as follows:

Sr. No.	Name of Scheme	Approval No. and Date	Amount Allowed	Amount withdraw ed	Amount expended	Balance amount	Deposited in PL	Bank of UT
1	Ed Salary	21/05/2020	5.26	5.26	2.69	2.65	2.65	Not Subjective
2	Ed Salary	22	5.26	5.26	2.69	2.65	2.65	Not Subjective
3	Ed Salary	22/02/2020	47.25	47.20	47.20	-	-	Not Subjective
4	Ed Salary	25/02/2020	42.77	42.77	47.99	33.78	33.78	Not Subjective
5	Ed Salary	20/02/2020	42.82	42.82	47.99	33.78	33.78	Not Subjective
6	Ed Salary	20/02/2020	42.82	42.82	47.99	33.78	33.78	Not Subjective
7	Ed Salary	20/02/2020	47.82	47.82	47.82	67.52	67.52	Not Subjective
8	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
9	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
10	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
11	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
12	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
13	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
14	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
15	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
16	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
17	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
18	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
19	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
20	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
21	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
22	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
23	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
24	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
25	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
26	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
27	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
28	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
29	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
30	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
31	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
32	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
33	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
34	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
35	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
36	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
37	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
38	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
39	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
40	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
41	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
42	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
43	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
44	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
45	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
46	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
47	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective
48	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
49	Ed Salary	20/02/2020	2.69	2.69	2.69	67.52	67.52	Not Subjective
50	Ed Salary	20/02/2020	49.77	49.77	49.77	49.77	49.77	Not Subjective



10	देशाकर मद	27/77/24.10 .2018	7.70	7.70	6.78	0.92	0.92	Not Submitted	Balance Deposit d in PLA
11	14th Finance	75/120/25.0 1.2019	46.76	46.76	43.03	3.73	3.73	Not Submitted	Balance Deposit d in PLA
12	EO SALARY	07/22-05- 2018	7.00	7.00	7.00			Not Submitted	Balance
13	City Manager Salary	08/18/24- 05-2018	1.97	1.97	0.98	0.99	0.99	Not Submitted	Balance Deposit d in PLA
14	नगरिक सुविधा	10/01-06- 2018	18.26	18.26	16.79	1.47	1.47	Not Submitted	Balance Deposit d in PLA
15	Nali-Gali	09/30-05- 2018	49.17	49.17	46.60	2.57	2.57	Not Submitted	Balance Deposit d in PLA

i. **Physical verification of inventory/Stores:** We have verified the physical store as per detail provided to us. Out of these stores some are outdated and not in condition to use

j. **Advances, their adjustment & Recovery:** Since the ULB has not provided the amount of advance given during the year, earlier year and adjustment thereof. Therefore we can't comment on it. However as per management, They have not providing any advance during the year under consideration

k. **Any other matters as may be prescribed in due course.** As all relevant matters has been covered in above mention point

III. PART-C

Sl. No	Particulars	Complied or Not
a	Auditor should report in a separate section for non-compliance of rules/directives of UD&HD, GoB; Auditor should see the compliance of Bihar Municipal Act and specifically Chapter IX to XV and related rules and regulations as well as related directives by UD&HD.	We have reported on this point under PART-B(d) of the report. Please refer the same for detail.
b	Auditor should Report in a separate chapter on implementation of SAS of Property Tax in the ULB; internal auditor should witness some assessment procedures to check any in-consistencies in assessment. At least 20 high value properties in the city /town (irrespective of the fact that SAS is received or not) must be surveyed and checked in each quarter and reported variations, if any, in PTRS and Actuals as per internal audits;	We have reported on this point under PART-A(c). Please refer the same for detail. Further ULB is Assessing the property as per valuation of the FY 2009-10. We have discussed on this point with executive officer and Tax Daroga.



c	Auditor should report on compliance of Bihar Municipal Accounting Manual, Bihar Municipal Accounts Rules, 2014 and Bihar Municipal Budget Manual with special attention to following Rules of BMAR: Rule 22: All moneys to be brought to account Rule 27: Collections to be deposited into Bank on the same day Rule 69: Grant Related Compliance Rule 120-121: Monthly Receipt & Payment Account and Trial Balance Rule 130: Audit to be completed & reported within 6 months	We have reported on this point under PART-B(d) of the report. Please refer the same for detail.
d	Report on Compliance of financial guidelines of schemes of MOHUA & UD&HD, GoB.	Yes
e	Report and quantify all major own revenue losses and opportunities lost or missed including in the area of Property Tax, Mobile Transmission Towers Tax, Rental of Municipal properties, Advertisement Taxes/Fees, Sairat etc.;	We have reported on this point under PART-A of the report. Please refer the same for detail.
f	Auditor should Report on adequacy and appropriateness of the documentation, approvals, compliance of procedures etc. of all payments above Rs. 15,000 and above.	We have reported on this point under PART-B(b) of the report. Please refer the same for detail.
g	Auditor should Report on Procurement made including through E-Tendering and E-Auction indicating exceptions, if any and whether a register is kept for all Procurements with value above Rs. 15,000/-	We have reported on this point under PART-B(b) of the report. Please refer the same for detail.
h	Auditor should Report on presence or absence of a system of issuance of utilisation certificate for the different schemes for any utilisation made during the reporting period; Where there is no system for issuance of U/Cs, the Internal Audit report shall prepare Utilisation Certificate for various schemes/grants as per the guidelines of such scheme available on the UD&HD website.	We have reported on this point under PART-B(h) of the report. Please refer the same for detail.
i	Auditor should report instances of losses, failures or inefficiencies and recommendations and/or measures which can be taken to avoid their recurrence in future.	Complied Refer-Audit recommendation
j	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies.	We have reported on this point under PART-B(b) of the report. Please refer the same for detail
k	Internal Auditor will report on each payment, that the payment terms & conditions of tenders and rate offers are according to procurement law and policies	We have reported on this point under PART-B(b) of the report. Please refer the same for detail
l	Auditor will report on that the fixed deposit and other funds should be in nationalized Banks/Approved financial institutions and should earn maximum interest at their gestation period.	We have reported on this point under PART-B(d) of the report. Please refer the same for detail
m	Internal Auditor will identify major areas of ULBs own revenue loss and auditor will access the loss and Prepare a statement of loss.	We have reported on this point under PART-A(a) of the report. Please refer the same for detail)
n	Auditor will report on that all kind of 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	We have reported on this point under PART-B(f) and (g) of



	in appropriate ledgers.	the report. Please refer the same for detail
o	Internal Auditor will ensure that all the C&AG audit & Internal audit Paras has been complied by the ULBs, if not complied the Internal Auditor shall help the ULBs staffs to prepare the compliance report.	Complied Point-03 of Detailed Audit Report and Note thereof.

Thanking You,
 For Vinod Singhal & Co. LLP
 (Chartered Accountants)

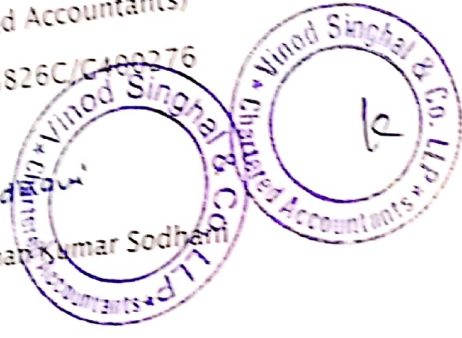
FRN: 005826C/C182276

CA Krishan Kumar Sodhani

Partner

M. No. : 404603

VGIN No :-> 20404603AAAAIX 2013
 DATE :-> 22-12-2020



Management Comments

1. INTRODUCTION

Name of the Municipality	Shahpur Nagar Panchayat
Period covered under current audit	01.04.2018 to 31.03.2019
Name of Executive Officer for the period under Audit	Mr. Zulfequar Ali Payami

Sl. No	Audit Observations	Auditor Recommendations	Management Comment
1	Non-updating of bank reconciliation on monthly basis.	Bank Reconciliation help us to monitor over: 1. Difference between Bank Passbook and Cash Book 2. Unauthorised withdrawal from Bank. 3. Excessive debited by Bank 4. Helps to know reasons of differences. <i>Therefore, ULB should prepare bank reconciliation of all bank accounts including doormat accounts on monthly basis. Bank statements of all bank accounts should be kept in separate file for proper records.</i>	We have started accounting through tally software and for the FY 2018-19 onwards we will submit the Bank reconciliation statement prepared through the aforesaid software for your verification.
2	Not provided any data for verify the Implementation of Double Entry Accounting System	As per requirement of BMA-2014, Part -A, Chapter -2 Rule - 4, "All ULB referred in Schedule -I shall maintain its Books of Account using the double entry system". <i>Since Shahpur Nagar Panchayat is Covered under Schedule -I, therefore they should have to maintain their accounts on double entry accounting system in compliance of such rule. We found the detail that double accounting system is implemented at Shahpur ULB, however we not got any data for verification the same.</i>	Double entry system was implemented at ULB till FY 2015-16, M/s Manas Das & Co. was working here as DEAS consultant. The appointment of the firm were done by UD & HD head office. We are waiting for new appointment. However, if the new firm not appointed by UD & HD. we will appoint our own accounting team for Double entry accounting system
3	No details were made available regarding meeting of municipal accounts committee held	As per requirement of BMA-2007, Chapter-XII, ULB should held meeting of Municipal Accounts Committee each year. During our Audit no any evidence has been produced to us w.r.t. meeting of municipal accounts committee. <i>ULB should</i>	



	<p>ensure timely meeting of accounts committee in compliance of BMA-2007.</p>	<p>during the financial year 2018-19.</p>
<p>Shahpur is a Nagar Panchayat and many of taxes as reported here are not applicable on it. Further we insure you that we will collect all applicable taxes as soon as possible.</p>	<p>As per section 127, 128, 129 & 131 of chapter XV Bihar Municipal Act, 2007, various taxes are applicable on ULBs to increase their own source revenue. <i>ULB should take steps to implement required taxes to boost their revenue</i></p>	<p>Non-levy of following taxes</p> <ul style="list-style-type: none"> * Surcharge on transfer of lands and buildings * Fire tax. * Surcharge on electricity consumption within the municipal area * Tax on congregations. * Tax on pilgrims and tourists. * Tax on profession. * Toll-tax on roads, bridges, ferries and navigable channel and on heavy trucks which shall be heavy * goods vehicles, and buses, which shall be heavy passenger motor vehicles. * User Charges for provision of water-supply, drainage and sewerage * User Charges for Solid Waste Management * User Charges for Parking Facility * User Charges for Garbage Clearance * Collection of fees for sanction of building plans and issue of completion certificates, * Collection of fees for Issue of municipal





<p>licenses for various non-residential uses of lands and buildings, * Collection of Development Charges</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>
<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>
<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>
<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>	<p>आवकियों के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं। अवकाश के लिए अलग-अलग दरें निर्धारित की गई हैं।</p>
<p>5</p>	<p>As per Bihar Municipal Act, 2007 & Rules 22 of BMAR-2014 The amount of tax collected by the Tax collector is required to be handed over to the cashier and deposited into bank on the same day or latest before noon of next day on which collection is made. However, during our audit, we observed that there is a huge delay in depositing the tax at bank. Therefore, management should implement a MIS Mechanism towards getting control over collection and deposit of Taxes. Further we wish to inform that failure to comply with Rule 22 may cause for fine of Rs. 5,000</p>	<p>Many of time due to work load and filed survey the collector not submitted their collection for deposit into bank. However irrespective of fact we have directed the all collector to submit their collection amount as per Rule.</p>



6	Non-Collection of notice fees	As per the Regulation 158(a) of chapter XIX of Bihar Municipal Act 2007, Municipality can issue of notice of demand, charging of notice fee, levy of interest for delayed payment at a rate as may be specified, and the amount of penalty therefore, but in case of Shahpur Nagar Panchayat, Corporation has not provided any information regarding charging and collection of notice fees. <i>ULB should collect notice fees from applicable assesses in compliance of act and to boost ULB revenue.</i>	From now onwards we will implement the same.
7	Non collecting arrears of taxes and rental income	Shahpur ULB has provided during audit the detail of outstanding tax and other income, we observed on the basis of the such data that there is huge arrear of taxes at Shahpur ULB. <i>Therefore, the management should take proper step to boost collection of arrears. Further a weekly or fortnightly meeting with all tax collectors to be held for getting the reason of non-collection and resolving the same.</i>	We have served several notices for payment of the arrear taxes and we are continuously try to collect the same.
8	Non preparation of payment voucher	<i>ULB should prepare voucher based on running voucher as per the provision of Rule No. 16, 17 and 18 of BMAR -2014.</i>	<i>Due to lack of manpower it was not possible for us that comply with each and every rule. However, the same will be started at earliest.</i>
9	Non conducting field survey of 20 high value properties	Being ULB was not maintaining any details of high value properties, above details has been prepared based on receipts book. Filed Survey of the same could not be conducted due to non-support of tax Daroga& tax collectors in filed survey. <i>ULB should identify and prepare separate list of high value properties by conducting re-assessment of prospective properties on timely basis to boost their revenue.</i>	Due to election duty many of our regular work got pending, therefore we have not visited in filed with yourself. However, we ensure that we will visit the filed on your next audit schedule.
10	Non-maintenance of required registers as per Rule No. -3 of BMAR-2014	Detail of registers not maintained by ULB is mentioned under PART-A (a). <i>ULB should ensure proper maintenance of required Books of Account and register as per the list given in Rule -3 of BMAR - 2014.</i>	We will maintain the same at earliest.
11	Irregularities in tender issue process	Proper tender documents regarding tender approval and allotment was not properly maintained or made available for audit. In provided cases, we are unable to comment on channel of procurement of tender and their required compliances. Further, no statutory compliance register was maintained in regards with statutory dues deducted from	We have kept all data with us, we will show the same to you at your next visit.



		party bills. So, ULB should maintained proper tender register and file that include all related documents of tender. Statutory compliance register should be maintained for all statutory deductions made from parties invoices.			Register has been maintained by us. We will show the same on your next visit.
12	Non-maintenance of register for all Procurements with value above Rs. 15,000	ULB should ensure maintenance of register for all Procurements with value above Rs. 15,000			
13	Deficiency in payroll system and of muster roll register	As ULB is not maintaining salary deduction register, Payment vouchers, Bio-metric and any payroll software. ULB should ensure that all requirements should be in place and complied for effective salary management.			All concerned person are directed to resolved this issue within 15 days. We will inform you after rectification.
14	Non-Compliance of Act & Rules	Refer point of Part-B (d) of audit report for status of non-compliance of Act & Rules. ULB should ensure compliance of all applicable Act & Rules.			With the help of available man power we are trying to serve in best possible manner. However, due to lack of manpower and excess work load some of rules are not followed by or missed by us. We will try to cover the same at earliest.
15	Lack of internal control over collection, recovery & deposit of taxes, assets handling, cheque and statutory compliances.	We observed that there is no any internal control mechanism available over collection, recovery, deposit of taxes, assets handling, Cheque handling and Statuary compliances: We suggest that: 1. MIS System should be implemented over daily collection and deposit. 2. Reason for non-deposit/ late deposit should be strongly need to ask for minimise delay. 3. Need to identify a person to comply with the statutory compliances. In case failure to comply with statutory compliances he should also be penalised. Therefore, the management has to take serious effort in implementation of Internal control Mechanism for getting a better result from ULB working.			We will start the same at earliest.
16	Non-compliance of Statutory Dues: 1. Delay in deposit of TDS 2. Non filling of TDS returns	As ULB is not proper in statutory compliance, that cause monetary/non-monetary implication on ULB in mode of interest, penalty and Late Fee & imprisonment. So, management should ensure statutory compliance on time.			Due to shortage of trained staff statutory compliances are handled by professional hired by us. We will present all file with you after getting data from them.



17	Utilisation of Grant and report on missing utilisation certificates	<p>Grant is blood of ulb. Therefore, for getting grant and running the ulb working smoothly it is very important to comply with all necessary requirement of grant. Further timely submission of utilisation certificate helps the grant realising authority to send the money for fulfil the requirement of future. Therefore, management should ensure that UC has been submitted with concerned department on time.</p>	<p>UC has been submitted to department. We will show you copy of the same for your verification at your next visit.</p>
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१७/०१/२०२०
 कार्यवाहक प्रशासिका
 नगर प्रबंधन, काठमाडौं



कार्यालय नगर पंचायत शाहपुर-भोजपुर

नगर पंचायत शाहपुर-भोजपुर सूचित करता है कि शाहपुर नगर पंचायत द्वारा वित्तीय वर्ष 2009-10 से 2019-20 अब तक निम्न करो का संग्रह किया जाता है। जिसकी सूची निम्नवत है।

1. मकान कर
2. संचार टावर कर

इसके आलावा निम्न शुल्को का भी संग्रहन किया जाता है जिसकी सूची इस प्रकार है।

1. विविध शुल्क एवं फाईन
2. जन्म-मृत्यु
3. नक्शा शुल्क
4. ट्रेड लाईसेंस



21/10/19
नगर पंचायत शाहपुर
भोजपुर।

कार्यालय नगर पंचायत शाहपुर-भोजपुर

प्रस्तुत अभिलेख नगर पंचायत शाहपुर-भोजपुर कार्यालय में Accounting Committee से संबंधित हैं। नगर पंचायत शाहपुर-भोजपुर में अभी तक Accounting Committee का गठन नहीं किया गया है। इसका गठन आगे से किया जाएगा।



21/19/19
नगर पंचायत शाहपुर
भोजपुर।

1	2	3
संख्या	कठिना प्रश्न	निस्तार
05	गृह कर मांग एवं वसूली की स्थिति	नगर पंचायत शाहपुर भोजपुर द्वारा वर्ष-1996 में गृह कर का पुनरीक्षण किया गया था। जो अत्यंत ही न्यूनतम है, कमी के कमी के कारण निविदा के द्वारा गृह कर का निरीक्षण कराया गया है। जिसका डिमांड तैयार कर सरकार से स्वीकृति हेतु कार्यवाई की जा रही है।
06	शिक्षा एवं स्वास्थ्य उपकर की राशि का प्रेषण नहीं राशि-91,622/-रु०	वसूली की गई राशि तहसीलदार द्वारा दोनो कर की राशि एकसाथ कार्यालय में जमा किया गया है। जो आयश्रोत में जमा है, शिक्षा एवं स्वास्थ्य उपकर अलग अलग नही तरसाने के कारण अलग से जामा नही किया गया था, वर्तमान में शिक्षा एवं स्वास्थ्य उपकर को गृह कर में समायोजित किया गया है।
07	वैट की कम कटौती राशि -88,108/-रु० एवं बिना फार्म C-III प्राप्त किये वैट की राशि विक्रेता को भुगतान राशि 72,289/-रु०	कमी द्वारा जानकारी होने के फलस्वरूप फार्म C-III प्राप्त नहीं किया गया था। जिसके कारण कम कटौती किया गया, भविष्य में अनुपालन किया जायेगा।
08	अनियमित भुगतान, राशि 11.23 लाख रु०	चतुर्थ राज्य वित्त आयोग यो० सं० 10 एवं 11/2015-16 में मापी पुस्तिका के आधार पर भुगतान किया गया है। ऐसा भविष्य में नहीं होगी, अभिकर्ता द्वारा मास्टर रोल एवं अभिश्रव नहीं दिया गया था। कनीय अभियंता द्वारा मापी पुस्तिका के आधार पर भुगतान किया गया है, भविष्य में ऐसा नहीं हो उसका अनुपालन किया जायेगा।
09	बिना विपत्र व फोटोग्राफ के भुगतान, राशि 22,500/-रु०	योजनाओं में अभिकर्ता द्वारा स्थल पर साईनबोर्ड लगाया गया था, परन्तु उसका फोटोग्राफी कनीय अभियंता द्वारा प्रस्तुत नहीं किया गया था। भविष्य में इसका अनुपालन किया जायेगा।
10	अपूर्ण योजनाओं में व्यय, राशि 22.80 लाख रु०	अपूर्ण योजना पूर्ण कराकर ही भुगतान किया गया है, तथा अग्रिम का समायोजन किया गया है।
11	नगर सरकार भवन का निर्माण अपूर्ण	नगर सरकार भवन का कार्य पूर्ण है, जिसके लिये 2013-14 में 154.15 लाख रु० प्राक्कलन के अनुसार प्राप्त हुए थे, इसमें दुहा भोजपुर को 153.45 लाख रु० विमुक्त किया जा चुका है।
12	आवंटन की निकासी का गलत प्रतिवेदन प्रेषित किया जाना तथा आवंटन की निकासी राशि 96.15 लाख रु०	नगर सरकार भवन निर्माण के प्राक्कलन राशि 154.15 लाख रु० के अलावे सरकार द्वारा 96.15 लाख रु० अधिक का आवंटन किया गया था। जिसकी निकासी कोषागार के द्वारा नगर पंचायत शिर्ष में जमा किया गया। मो०-96.15 लाख रु० को सरकारी शिर्ष में चेक, चलान द्वारा दिनांक-31.05.2017 को वापस जमा किया जा चुका है, साक्ष्य संलग्न है।

नगर कार्यपालक पदाधिकारी

कार्यालय नगर पंचायत शाहपुर-भोजपुर

अंकेक्षण प्रतिवेदन सं०-289/16-17 का कंडिकावार प्रतिवेदन

कंडिका संख्या	कंडिका प्रश्न	निस्तार
1	2	3
01	वसूली गई राशि का कम जमा राशि 12,488/- ₹0	वरीय लिपिक सह रोकड पाल सुरेन्द्रनाथ पाण्डेय द्वारा विविध रसीद संख्या-891 दिनांक-15.06.2016 द्वारा वसूली राशि दिनांक-17.06.2016 को आयश्रोत मद में जमा किया गया है, जो अगले अंकेक्षण दिखा दिया जाएगा, साक्ष्य संलग्न।
02	स्वर्ण जयंती शहरी रोजगार योजना अन्तर्गत प्रशिक्षण में व्यय राशि -33.04 लाख ₹0	वित्तिय वर्ष 2012-13 में इस योजना के तहत 30 लाख ₹0 प्राप्त हुई थी। जिसके लिये चार संस्थाओं के द्वारा प्रशिक्षण दिलाया गया, 1. जनहीत संस्कृतिक कला केन्द्र 2. दुर्गा महिला शिशु कल्याण संस्थान 3. कृषि ऐजुकेशनल एण्ड हेल्थ सेवा सदन 4. भोजपुर ग्रामीण विकास परिषद जिन्के द्वारा प्रशिक्षणार्थी की प्रशिक्षण कराया गया, चारो संस्थान को 33.04 लाख ₹0 अग्रिम भुगतान किया गया, संस्थाओं द्वारा प्रशिक्षण कार्यक्रम को गति प्रदान करने हेतु अग्रिम की मांग की गई थी, उस पर अग्रिम की गई। इस योजना में नगर प्रबंधक को नोडल पदा० नामित किया गया था, लेकिन नोडल पदा० पदस्थापीत नही होने के कारण जानकारी के अभाव में किया गया, चारो संस्थानो को नोटिस के द्वारा सूचना दी जा रही है। भविष्य में विचरण नही की जायेगी।
03	सैरात की बंदोबस्ती मुद्रांक पर नही करने के कारण राजस्व पर हानी, राशि मो०-6547/-₹0	इस संबंध में कहना है कि जानकारी के अभाव में मात्र 100 ₹0 के स्टाम्प पर हि एकरारनामा कराया गया था। जबकी 3% की समतुल्य राशि 6647/-₹0 लेना था, संबंधित बंदोबस्तीधारी को नोटिस देकर मुद्रांक शुल्क की राशि जमा करने के लिये सूचना दी जा रही है।
04	संचार टावरों का निबंधन नही एवं निबंधन व नवीकरण शुल्को की वसूली नही किये जाने के कारण राजस्व की प्राप्ती नही राशि मो०-5.16 लाख ₹0	नगर पंचायत शाहपुर भोजपुर क्षेत्रान्तर्गत कुल छः मोबाईल टावर अधिष्ठापित सभी कम्पनी को अनेको बार नोटिस दिया गया एवं नगर प्रबंधक द्वारा अत्यंत ही प्रयास के कारण वर्ष -2016-17 में एक कम्पनी द्वारा 30,000/-₹0 जमा किया गया शेष कम्पनी द्वारा मैखिक रूप से कहा गया कि माननीय उच्चतम न्यायलय में केस लंबित है फंसला के पश्चात अग्रेतर कार्यवाई की जायेगी। तत् पश्चात अनेको बार प्रयास किया गया परन्तु आजतक मोबाईल टावर द्वारा शुल्क जागा नही किया जा रहा है।



To,
The Executive Officer,
Sahpur Nagar Panchayat
Sahpur Bihar

Sub: Documents/Information required for conducting Internal Audit for the F.Y - 2017 - 18
Ref No. 07/I.A. 115/17-83 Dated: 16-01-2019

Sir,

We are pleased to inform you that we Vinod Singhal & Co., Chartered Accountants are appointed as internal auditor of your ULB by the UD & HD under the assignment namely "Selection of Chartered Accountant Firms for Internal Audit of 140 ULBs of Bihar".

As per our audit programme, we have initiated the assignment and we are submitting the requirement for providing required records/information for conducting the audit.

Sl. No.	Documents/Registers Required
1	Budget copy of F.Y 16-17 to F.Y. 18-19 (In Soft and Hard Copy)
2	Latest statutory audit report of A.G/ memo with compliance report
3	Internal audit report (F.Y. 2016-17) in hard as well as in soft copy
4	Receipt & payment account (FY 2017-18)
5	Audited balance sheet and Income & Expenditure Account (FY 2017-18)
6	Cash Book
7	Bank Book
8	Journal Book
9	Ledger
10	Cash/Bank receipt voucher
11	Cash/ Bank payment voucher
12	Contra voucher
13	Journal voucher
14	Receipt (Daily collection register)
15	Register of Cheque Received
16	Statement on status of cheque received
17	Collection register
18	Memorandum of collection
19	Summary of Daily collection
20	Register of bills for payment
21	Payment order
22	Cheque issue register
23	Register of advance
24	Register of permanent advance
25	Deposit received register
26	Summary statement of deposits adjustment
27	Demand register

06/05/19





Vinod & Co.
CHARTERED ACCOUNTANTS

Letter No:IAVSC/01

To,

The Municipal Executive Officer,
Shahpur Nagar Panchayat

Sub. To start assignment of internal audit for the financial year 2017-18, 2018-19 & 2019-20

Dear Sir,

We are pleased to inform you that we **Vinod Singhal & Co., Chartered Accountants** are appointed as internal auditor of your ULB by the UD & HD under the assignment namely Selection of Chartered Accountant Firms for Internal Audit of 140 ULBs of Bihar. (Tender No. IA-140 ULBs/ 2017-18/2018-19/2019-20).

Through this letter and with reference to notice to process issued by the UD & HD, we are going to initiate the assignment

Brief of Prime Objective of the Assignment is:

- ❖ Prepare quarterly cum annual internal audit report for the financial year 2017-18, 2018-19 & 2019-20.
- ❖ Submission of Utilization Certificates to UD & HD for all schemes running in ULB.

As per scope of work, our team will start internal audit of the previous financial year 2017-18 & 2018-19 as well as current year internal audit for the financial year 2019-20 and will submit quarterly cum annual internal audit report.

We request you to provide assistance in providing details as required by the internal audit team, so our team can develop better implementation strategy in betterment of the ULB and effective & timely delivery of reports as per scope of work.

Thank you

For
Vinod Singhal & Co.
Chartered Accountant

CA M. K. S. Mawar

Date: 21st Jan-2019

Place: Patna

Encl: Letter of Notice to Proceed

Ranjan
2/02/019



कार्यालय नगर पंचायत शाहपुर (भोजपुर)

पत्रांक108..... दिनांक...04/07/19....

नोटिस बनाम:-श्री प्रियंका शोभा.....

पिता श्रीवार्ड नं0 11.....

जु बजरिया नोटिस आपको सुचित किया जाता है। कि नगर पंचायत शाहपुर अन्तर्गत वार्ड सं.....11.....के अधिन्न मकान सं.....96.....पर 5204/- (पांच हजार) रूपये बकाया है। अतः आप नोटिस प्राप्ती के एक सप्ताह के अन्दर अपना बकाया राशि अपने वार्ड के कर संग्राहक के माध्यम से जमा कर दे अन्यथा बाध्य होकर आपके उपर कानुनी कार्यवाही कि जाएगी इसे सख्त ताकिद समझे।

विश्वासभाजक

कार्यपालक पदाधिकारी

भोजपुर पंचायत शाहपुर

भोजपुर (बिहार)



कार्यालय नगर पंचायत शाहपुर (भोजपुर)

पत्रांक107..... दिनांक...04/03/19.....

नोटिस बनाम:-श्रीअश्वीराम लाल.....

पिता श्री बार्ड नं० ..11.....

जु बजरिया नोटिस आपको सुचित किया जाता है। कि नगर पंचायत शाहपुर अन्तर्गत बार्ड सं.....11.....के अधिन मकान सं.....97.....पर 6440/- (छह हजार) रूपये बकाया है। अतः आप नोटिस प्राप्ती के एक सप्ताह के अन्दर अपना बकाया राशि अपने बार्ड के कर संग्राहक के माध्यम से जमा कर दे अन्यथा बाध्य होकर आपके उपर कानुनी कार्यवाही कि जाएगी इसे सख्त ताकिद समझे।

विश्वासभाजक

कार्यपालक पदाधिकारी

नगर पंचायत शाहपुर

भोजपुर (बिहार)



कार्यालय नगर पंचायत शाहपुर-भोजपुर

पत्रांक.....171.....

प्रेषक,

नगर कार्यपालक पदाधिकारी
नगर पंचायत शाहपुर-भोजपुर।

सेवा में,

सरकार के विशेष सचिव,
नगर विकास एवं आवास विभाग, बिहार पटना।

शाहपुर, दिनांक.....7-6-19.....

विषय:- वित्तीय वर्ष 2018-19 में प्राप्त सहायक अनुदान राशि का उपयोगिता प्रमाण पत्र समर्पित करने के संबंध में।

महाशय,

उपरोक्त विषय के संबंध में सादर कहना है कि नगर पंचायत शाहपुर-भोजपुर में वित्तीय वर्ष 2018-19 में प्राप्त सहायक अनुदान का व्यय एवं अवशेष राशि का उपयोगिता प्रमाण पत्र विहित प्रपत्र में आवंटन के साथ तथा बीस कॉलम का प्रतिवेदन तैयार कर समर्पित की जा रही है।

1. कुल आवंटन - 5,60,03,379 /-
2. कुल भूगतेय - 1,64,92,794 /-
3. अवशेष - 3,95,10,585 /-

इसे स्वीकार किया जायें।

अनु:0- 01 से 21 तक उपयोगिता प्रमाण पत्र
20 कॉलम का प्रतिवेदन

92

विश्वासभाजन

7.6.19
नगर कार्यपालक पदाधिकारी
नगर पंचायत शाहपुर-भोजपुर।

2/1
6-5-19



कार्यालय नगर पंचायत शाहपुर-भोजपुर

वित्तीय वर्ष-2018-19 में प्राप्त शालयक अनुदानों की निकाली/ब्याज एवं अवशेष राशि की बालान द्वारा आधिकारिक रूप से सत्यापित की गई राशि की विवरणी संश्लेषित प्रतिवेदन

वित्तीय वर्ष - नगर पंचायत शाहपुर-भोजपुर
आधिकारिक रूप से - भोजपुर-जारा

DDO CODE :- R.E.V.-059
Treasury code :- BJR
P.L. Account No. :- 8448001020003
Bank Account :-

पंजी (संख्या में)

PAGE-01

क्र. सं.	वित्तीय वर्ष	शालयक अनुदान का विवरण	आधिकारिक रूप से सत्यापित की गई राशि	आधिकारिक रूप से सत्यापित की गई राशि	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण	शालयक अनुदान का विवरण
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
1	18-18	आर. व. शा. शा. शा.	07/22.05.18	7.00	7.00	2217-0001/26-05-18	7.00	0	7.00	7.00	0	0	0	0	0	0	0	0	0
2	18-18	आर. व. शा. शा. शा.	08/30.05.18	1.45	1.45	2217-0005/09-06-18	1.45	0	1.45	1.45	0	0	0	0	0	0	0	0	0
3	18-18	आर. व. शा. शा. शा.		22.88	22.88	2217-0003/09-06-18	22.88	0	22.88	22.88	0	0	0	0	0	0	0	0	2.57
4	18-18	आर. व. शा. शा. शा.		24.84	24.84	2217-0004/09-06-08	24.84	0	22.27	22.27	0	0	0	0	0	0	0	0	16.17
5	18-18	आर. व. शा. शा. शा.	10/01.06.18	18.26	18.26	2217-0012/09-06-18	18.26	0	2.09	2.09	0	0	0	0	0	0	0	0	0.99
6	18-18	आर. व. शा. शा. शा.	18/24.05.18	1.97	1.97	2217-0011/09-06-18	1.97	0	0.98	0.98	0	0	0	0	0	0	0	0	11.25
7	18-18	आर. व. शा. शा. शा.	15/03.07.18	40.89	40.89	2217-0007/25-7-18	40.89	0	29.64	29.64	0	0	0	0	0	0	0	0	40.89
8	18-18	आर. व. शा. शा. शा.		40.89	40.89	2217-0008/25-7-18	40.89	0	0	0	0	0	0	0	0	0	0	0	41.81
9	18-18	आर. व. शा. शा. शा.	21/10.07.18	41.81	41.81	2217-0009/28-7-18	41.81	0	0	0	0	0	0	0	0	0	0	0	41.81
10	18-18	आर. व. शा. शा. शा.		41.81	41.81	2217-0010/28-7-18	41.81	0	0	0	0	0	0	0	0	0	0	0	67.63
11	18-18	आर. व. शा. शा. शा.		41.81	41.81	2217-0011/28-7-18	67.63	0	0	0	0	0	0	0	0	0	0	0	0.92
12	18-18	आर. व. शा. शा. शा.	24/17.7.18	67.63	67.63	2217-0011/28-7-18	67.63	0	6.78	6.78	0	0	0	0	0	0	0	0	3.59
13	18-18	आर. व. शा. शा. शा.	77/24.10.18	7.70	7.70	2217-0001/19-12-18	7.70	0	19.96	19.96	0	0	0	0	0	0	0	0	0
14	18-18	आर. व. शा. शा. शा.	82/31.10.18	23.55	23.55	2217-0005/03-11-18	23.55	0	23.55	23.55	0	0	0	0	0	0	0	0	23.38
15	18-18	आर. व. शा. शा. शा.		23.55	23.55	2217-0006/03-11-18	23.55	0	0	0	0	0	0	0	0	0	0	0	23.38
16	18-18	आर. व. शा. शा. शा.	120/25.01.19	23.38	23.38	2217-0001/20-02-19	23.38	0	0	0	0	0	0	0	0	0	0	0	2.65
17	18-18	आर. व. शा. शा. शा.		23.38	23.38	2217-0002/20-02-19	23.38	0	0	0	0	0	0	0	0	0	0	0	2.4
18	18-18	आर. व. शा. शा. शा.	87/20.11.18	5.14	5.14	2217-0001/01-01-19	5.14	0	2.49	2.49	0	0	0	0	0	0	0	0	49.77
19	18-18	आर. व. शा. शा. शा.		2.40	2.40	2217-0003/20-02-19	2.40	0	0	0	0	0	0	0	0	0	0	0	25.52
20	18-18	आर. व. शा. शा. शा.	133/28.02.19	49.77	49.77	2217-0018/18-03-19	49.77	0	0	0	0	0	0	0	0	0	0	0	40.18
21	18-18	आर. व. शा. शा. शा.	144/06.03.19	25.52	25.52	2217-0008/11-3-19	25.52	0	0	0	0	0	0	0	0	0	0	0	395.11
22	18-18	आर. व. शा. शा. शा.	174/30.03.19	66.20	66.20	2217-0035/30-3-19	66.20	0	25.82	25.82	0	0	0	0	0	0	0	0	560.02
TOTAL				560.02	560.02		560.02		164.91	164.91									

20/06/2019
Executive Officer
Nagar Panchayat Shahpur Bhojpur
21/6/19



कार्यालय नगर पंचायत शाहपुर-भोजपुर

वित्तीय वर्ष 2018-19 में प्राप्त सहायक अनुदान की निकाशी/व्यय एवं अवशेष राशि से संबंधित प्रतिवेदन।

D D O कोड- REV- 059 PL.Account no- 844800/020003

मह-अप्रैल-19

क्र० सं०	मद का नाम	आवंटन सं० एवं तिथि	प्राप्त आवंटन राशि	व्यय राशि	अवशेष राशि
1	2	3	4	5	6
1	कार्यपालक पदा० वेतन	07-22.05.018	7,00,000 /-	7,00,000 /-	-----
2	मु० मं० नाली-गली	09/30.05.18	1,45,112 /-	1,45,112 /-	-----
3	"	"	22,88,301 /-	22,88,301 /-	-----
4	"	"	24,83,637 /-	22,26,316 /-	2,57,321 /-
5	सफाई सुधार मद	10/01.06.18	18,26,400 /-	2,09,467 /-	16,16,933 /-
6	नगर प्रबंधक मानदेय	18/24.05.18	1,97,220 /-	98,610 /-	98,610 /-
7	पंचम राज वित्त आयोग	21/10.07.18	41,81,421 /-	-----	41,81,421 /-
8	"	"	41,81,422 /-	-----	41,81,422 /-
9	"	15/03.07.18	40,88,627 /-	-----	40,88,627 /-
10	"	"	40,88,628 /-	29,64,466 /-	11,24,162 /-
11	सम्राट अशोक भवन	24/17.07.018	67,63,000 /-	-----	67,63,000 /-
12	पेशाकर मद	77/24.10.18	7,70,090 /-	6,78,010 /-	92,080 /-
13	14वाँ वित्त आयोग	82/31.10.18	23,54,957 /-	23,54,957 /-	-----
14	"	"	23,54,957 /-	19,96,382 /-	3,58,575 /-
15	"	120/25.01.19	23,38,487 /-	-----	23,38,488 /-
16	"	"	23,38,487 /-	-----	23,38,487 /-
17	का० पदा० वेतन	87/20.11.18	5,13,572 /-	2,48,818 /-	2,64,754 /-
18	पार्षद भाता	121/31.01.19	2,40,000 /-	-----	2,40,000 /-
19	पथ पुलियाँ निर्माण	133/28.02.19	49,77,250 /-	-----	49,77,250 /-
20	मु० मं० नाली-गली	141/06.3.19	25,51,548 /-	-----	25,51,548 /-
21	विजली विपत्र	174/30.03.19	66,22,735 /-	25,82,355 /-	40,37,908 /-
		टोटल:-	5,60,03,110 /-	1,64,92,794 /-	3,95,10,585 /-

7/11/19
नगर कार्यपालक पदाधिकारी
नगर पंचायत शाहपुर-भोजपुर

2/11/19
6.5.19



thank you



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