

# **Bruhat Bangalore Mahanagara Palike**

AC/Advt/PR/ /15-16

Office of Assistant Commissioner (Advt)  
BBMP, Head Office, NR Square  
Bangalore – 560002.  
Dated : 24.03.2016

## **7<sup>th</sup> Report on Administrative Reforms in BBMP**

To : Honourable Commissioner,  
Bruhat Bangalore Mahanagara Palike  
Bangalore – 560002.

Sir,

**Sub : Loss of Revenue running into crores of Rupees due to Wrong Accounting system as well as Faulty Audit practices followed by BBMP and the need to Conduct Complete Re-Audit by Expert External Auditors as well as Comptroller and Auditor General**

### **Purpose of Auditing.**

A systematic and independent examination of books, accounts, documents and vouchers to ascertain that the records kept represent a true and fair picture of the transactions. Audit points out mistakes and irregularities observed, in case if the transactions do not comply with the existing Acts, Rules, Regulations, Orders and Circulars as applicable to the concerned department from time to time. Audit should be directed to set right the lapses/mistakes/irregularities within a time frame so as to comply with the law.

### **Wrong Accounting and Faulty Audit Practices followed in BBMP.**

Wrong accounting and Faulty Audit practices are followed in advertisement department of BBMP for the past several years which has resulted in camouflaging the lapses which in turn has led to loss of revenue undetected continuously for

several years and even till today. The same must be the case in all other departments of BBMP. Never in the past auditors had pointed out the real irregularities observed in the auditing and never requisitioned compliance from concerned dept. Even recently, when AC Advt had submitted his 5<sup>th</sup> Administrative Reforms Report seeking an enquiry by BMTF pertaining to irregularities in AC Advt office that had not been brought to notice for several years was not ordered to be enquired by BMTF. About 30 crores of rupees which was required to be collected from advertisers had not been collected for several years and the same could not be pointed out by Audit for several years. It was mainly due to the reasons that faulty audit practices are followed in BBMP.

**BBMPs Audit System instead of becoming a tool of administration has become a tool to hide lapses.**

Every audit system points out lapses and demands compliance within a specified time frame. But the audit system followed in advertisement department of BBMP as could be seen from the documents maintained in the department is totally faulty.

Advertisement department like any other deptt, had to maintain mainly 3 important registers.

- (a) Kirdi Book
- (b) Cash Book
- (c) Demand Collection Balance Register

It is strange that advertisement department of BBMP head office had not maintained the above registers properly for the past several years. Even auditors also has not pointed out those mistakes as well as non collection of advertisement revenue for several years. It is still more surprising that the columns drawn on the printed Cash Book and DCB is not as per the accepted norms of accounting. The following lapses could be seen from the extracts of the documents as mentioned below. Copies of DCB and Cash Book extracts are enclosed along with this report.

- (a) Kirdi book is not traceable at all in advertisement department as per the reports from AROs and Manager.



- (b) Cash Book does not have any columns like "C/F" or "B/F" to show that a particular advertisement agency owes so much as balance to BBMP.
- (c) DCB Register also does not reflect any "Balance to be paid" column so that it can be ascertained that a particular agency owes so much to the Palike. But strangely though there exists in the printed register a column showing "Amount Written Off". It is very strange that under what rules writing off of DCB is permitted.

It is therefore requested that a comprehensive audit of advertisement department as well as other departments be ordered to be conducted by expert external auditors as well as by Comptroller and Auditor General of India in the interests of BBMPs revenue collection and to make good the losses suffered by BBMP for the past several years due to faulty audit practices followed.

Thanking you Sir.

**Yours faithfully,**

  
(K Mathai) 24/03

**Assistant Commissioner Advertisement**

<sup>1</sup>Copy to :

1. Worshipful Mayor – for kind information and for suitable directions please sir.
2. Honourable Deputy Mayor – for kind information please.
3. Honourable Special Commissioner (Welfare, Revenue and Advt) – For Kind information and suitable directions please.
4. Honourable Special Commissioner (Finance) – For suitable action, please
5. Honourable Special Commissioner (Planning) – For kind information please.
6. Honourable Special Commissioner (SWM and Markets) – for kind information please.
7. Honourable Ruling Party Leader – for kind information please.
8. Honourable Opposition Party Leader – for kind information please. Honourable Chairman, Standing Committee for taxation – for kind information please.
9. Honourable Chairman, Standing Committee for Administration – for kind information pl.
10. Office file.

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Amount Cancelled or Written Off

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[illegible]

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**MAHANAGARA PALIKE**  
DEMAND REGISTER

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