AUDIT REPORT

Of

Nagar Parishad Bagli

Financial year: 2023-24

Registered Address: Nagar Parishad Bagli Office, Ward No. 03, Near SBI Branch, Tehsil - Bagli, District – Dewas, Madhya Pradesh - 455227

Gupta Shailendra & Associates
CHARTERED ACCOUNTANTS

AUDITOR'S REPORT

To

The Chief Municipal Officer
Nagar Parishad Bagli
District Dewas, Madhya Pradesh

Qualified Opinion

We have audited the accompanying **Receipts and Payments Account** of **Nagar Parishad Bagli, District Dewas, Madhya Pradesh**, for the financial year ended **March 31, 2024**, along with related books of accounts and records maintained by the Parishad.

In our opinion and to the best of our information and according to the explanations provided to us, the **Receipts and Payments Account** presents fairly, in all material respects, the cash receipts and payments of **Nagar Parishad Bagli** for the year ended **March 31, 2024**.

However, due to the absence of the **Income and Expenditure Account**, the **Balance Sheet**, and **the Cash Flow Statement**, the financial performance, position and cash flows of the Nagar Parishad for the year under review are not comprehensively represented.

Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Nagar Parishad in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the applicable provisions, and we have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our **qualified opinion**. The Basis for our **Qualified Opinion** are:

1. The Nagar Parishad has prepared only the **Receipts and Payments Account** for the financial year ended **March 31, 2024**, and has not prepared an **Income and Expenditure Account**, a **Balance Sheet** and a **Cash Flow Statement** as required under generally accepted accounting principles for local bodies. These omissions prevent a complete representation of the financial performance, position, and cash flows, limiting our ability to assess the financial standing of the **Nagar Parishad** for the year under review.

2. Due to the non-preparation of the **Balance Sheet**, we were unable to verify or ascertain the existence, valuation, and completeness of fixed assets owned by the Nagar Parishad.

3. The absence of an **Income and Expenditure Account** also prevents the determination of the true financial performance of the Nagar Parishad for the year under audit.

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4. The non-preparation of the **Cash Flow Statement** further limits the assessment of the Parishad's liquidity, cash management practices, and cash flow movements during the financial year.

Emphasis of Matter

We draw attention to the fact that the Receipts and Payments Account records transactions on a cash basis and does not provide information on outstanding liabilities, receivables, fixed assets, or the financial results for the year. These limitations may affect the understanding of the financial position and performance of the Nagar Parishad.

Other Matter

Our audit report is limited to the Receipts and Payments Account and does not extend to an evaluation of the financial performance or financial position due to the absence of the required financial statements, which are necessary for a comprehensive assessment.

Responsibility of Management for the Financial Statements

The management of Nagar Parishad Bagli is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position and financial performance of the Nagar Parishad in accordance with the Accounting Standards for local bodies issued by chartered Accountants of India and 15th Finance Commission and State Finance Commission.

This responsibility also includes maintenance of adequate accounting records in accordance with the applicable laws t for safeguarding the assets of the Nagar Parishad and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making Judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements (Receipts and Payments Account).

This Audit Report is prepared and included the scope mentioned in the letter No. 265/7827 issued by the Directorate, Urban Administration and Development, Bhopal, Madhya Pradesh dated 24/04/2024. The Chief Municipal Officer has not directed us to perform audit of any other section in addition to the scope defined in the abovementioned letter.

Report on Other Legal and Regulatory Requirements

1. we report that:
   a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
   b. the Receipts and Payments Account dealt with by this Report are in agreement with the books of account;
   c. The Receipts and Payments Account has been prepared in accordance with the applicable laws and prescribed format for municipal bodies in M

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d. With respect to the reporting requirements mentioned in Letter No. 265/7827 issued by the Directorate, Urban Administration and Development, Bhopal, Madhya Pradesh dated 24/04/2024, please refer to 'Annexure B', 'Annexure C', and 'Annexure E'.

2. Observations:

a. The non-preparation of the **Income and Expenditure Account** and **Balance Sheet** is a significant non-compliance with municipal accounting norms, which impairs the ability to assess the Parishad's financial performance and position.

b. We recommend that the Nagar Parishad adopts an **accrual-based accounting system** in future periods to comply with municipal accounting standards and guidelines issued by the Ministry of Housing and Urban Affairs (MoHUA).

For Gupta Shailendra & Associates
Chartered Accountants
Firm's Registration No. 006946C

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CA SIDDHARTHA TAPADIA
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CA Siddhartha Tapadia
(Partner) (MRN – 427367)
UDIN: **25427367BMOJEK4995**

January 21, 2025, Ujjain

Revised Abstract Sheet for Reporting on Audit Paras

Name of ULB : Bagli
Name of Auditor : Gupta Shailendra & Associates

S. No.	Parameters		Description	Observation in brief	Suggestions
II					
1	Audit of Revenue	(i)	The auditor is responsible to check revenue from various sources.	The details of revenue receipts provided by Nagar Parishad were checked.	The receipt amounts were found to be correct.
		(ii)	He is also responsible to check the revenue receipts from the counterfiles of receipt books and verify that money received is duly deposited in respective bank account.	At times, the collected amount could not be deposited promptly and was deposited after public holidays.	Establish a system to ensure timely deposits, even around public holidays, to avoid delays and maintain financial consistency.
		(iii)	Percentage of revenue collection, increase/decrease in various heads in property tax, Samekit Kar, Shiksha Upkar, Nagriya Vikas Upkar and Other Tax, compared to previous year shall be part of report.	The percentage changes in revenue collection across various heads are detailed in Annexure B.	Focus on improving revenue tax collection by addressing inefficiencies, managing arrears effectively, and encouraging timely payments to ensure steady cash inflows.
		(iv)	Delay beyond 2 working days shall be immediately brought to the notice of Commissioner /CMO.	Instances of revenue cash deposits delayed beyond 2 working days are detailed in Annexure D and were found accurate and acknowledged by the CMO.	Ensure strict compliance with deposit timelines to avoid delays, and promptly notify the Commissioner/CMO of any exceptions for timely action.
		(v)	The entries in cash book shall be verified.	The entries in the cash book have been checked and verified by us.	The receipts side of the cash book is not properly maintained and requires immediate attention to ensure accurate record-keeping.
		(vi)	The auditor shall specifically mention in the report, the revenue recovery against the quarterly and monthly	During the audit, it was found that monthly and quarterly revenue recovery targets were not available.	Establish monthly and quarterly targets to track performance, ensure timely recovery, reward and

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			targets. Any lapses in revenue recovery shall be part of report.		incentivize employees accordingly.
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		(viii)	The cases where, the investments are made on lesser interest rates shall be brought to the notice of the Commissioner /CMO.	STDR A/c No. 41314722696, deposited on 30.09.2022 for one year, was at an interest rate of 5.95%, while STDR A/c No. 41522557236, deposited on 21.12.2022 for one year, was at 7.25%.	Investments should be reviewed to ensure they are made at competitive interest rates. Cases of lower interest rates should be promptly brought to the attention of the Commissioner/CMO for further action.
2	Audit of Expenditure	(i)	The auditor is responsible for audit of expenditure under all the schemes.	The expenditure under all the schemes was audited, and the irregularity related to the payment of ₹35,000 to the auditor, as mentioned in point (ii), where TDS was not deducted, was observed.	Regular reviews should be conducted to prevent any potential discrepancies.
		(ii)	He is also responsible for checking the entries in cash book and verifying them from relevant vouchers.	While checking the entries in the cash book and verifying them from relevant vouchers, it was observed that a payment of ₹ 35,000 made to the auditor did not have TDS deducted as required.	Ensure TDS is deducted on all applicable payments as per tax regulations and verify such deductions during future audits to prevent discrepancies.
		(iii)	He should also check the monthly balances of the cash book and guide the accountant to rectify errors, if any.	The monthly balances of the cash book were reviewed, and no errors requiring rectification were found.	Continue regular checks on cash book balances to ensure accuracy.
		(iv)	He shall verify that the expenditure for a particular scheme is limited to the funds allocated for that particular scheme, any over payment shall be brought to	Expenditure for all schemes was verified and found to be within the allocated funds, with no instances of overpayment.	Continue to monitor expenditures to ensure they remain within the allocated funds.

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			/CMO.		
		(v)	He shall also verify that the expenditure is in accordance with the guidelines, directives, acts and rules issued by Government of India/State Government.	All expenditures were verified and found to be in accordance with the guidelines, directives, acts, and rules issued by the Government of India and the State Government.	Maintain adherence to the prescribed guidelines and ensure periodic training for staff to stay updated with any changes in government directives or rules.
	मुख्य नगर पालिका अधिकारी नगर परिषद बागली जिला देवास (म.प्र.)	(vi)	During the audit financial propriety shall also be checked. All the expenditure shall be supported by financial and administrative sanctions accorded by competent authority and shall be limited to the administrative and financial limits of the sanctioning authority.	All expenditures reviewed during the audit were supported by appropriate financial and administrative sanctions from the competent authority and adhered to the prescribed limits.	Continue ensuring that all expenditures are backed by proper sanctions and remain within the authorized limits to maintain financial propriety.
		(vii)	All the cases where appropriate sanctions have not been obtained shall be reported and the compliance of audit observations shall be ensured during the audit. Non-compliances of audit paras shall be brought to the notice of Commissioner /CMO.	All sanctions were found to be appropriate and complied with the prescribed procedures set by the governing authority of Nagar Parishad.	Continue to ensure that all sanctions are obtained as per the prescribed guidelines. Any deviations should be promptly addressed and reported to the Commissioner/CMO.
		(viii)	The auditor shall be responsible for verification of scheme project wise utilization Certificates (UCs). UC's shall be tallied with the income & expenditure records and creation of fixed asset.	It was informed that Utilization Certificates (UCs) are prepared as and when required.	UCs should be prepared promptly and aligned with income, expenditure, and asset creation records to ensure accurate reporting and compliance.
3	Audit of Book Keeping	(i)	The auditor is responsible for audit of all the books of accounts as well as stores.	The audit of all books of accounts and stores was	Ensure that the books of accounts and stores are regularly updated and

				conducted, and necessary records were reviewed.	maintained accurately for transparency and proper financial management.
		(ii)	He shall verify that all the books of accounts and stores are maintained as per Accounting rules applicable to Urban Local Bodies. Any discrepancies shall be brought to the notice of Commissioner /CMO.	All the Books of Accounts and stores are maintained, except for the Fixed Asset Register.	Ensure that the Fixed Asset Register is promptly maintained.
		(iii)	The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances. All the cases of non-recovery shall be specifically mentioned in audit report.	No advances were made during the audit period.	In case advances are made in the future, ensure that an advance register is maintained, and all advances are recovered timely according to the conditions set.
		(iv)	Bank Reconciliation Statement (BRS) shall be verified from the records of ULB and the bank concerned. If bank reconciliation statements are not prepared, the auditor will help in the preparation of BRS.	The Bank Reconciliation Statement (BRS) has been regularly prepared. A difference of ₹600 was noted in the balance of SBI Account No. 31733103718 due to an incorrect credit entry by the bank, which was duly addressed on June 10, 2024. A certificate confirming this correction has been obtained by the ULB from the bank.	Ensure that such discrepancies are promptly identified and resolved.
		(v)	He shall be responsible for verifying the entries in the Grant Register. The receipt and payments of grants shall be duly verified from the entries in the cash book.	The entries in the Grant Register were verified, and the receipts and payments of grants were checked against the entries in the cash book.	Ensure that the Grant Register is consistently updated, and all receipts and payments of grants are properly reflected in the cash book for accurate financial reporting and transparency.
		(vi)	The auditor shall verify the fixed asset register from other records and discrepancies	The Fixed Asset Register was not maintained.	The Fixed Asset Register should be properly maintained and updated regularly. All fixed assets

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			shall be brought to the notice of Commissioner /CMO.		should be recorded in the register to ensure proper records, accurate tracking, and compliance.
		(vii)	The auditor shall reconcile the accounts of receipts and payments especially for project funds..	The reconciliation of accounts for receipts and payments, particularly for project funds, was carried out.	Ensure regular reconciliation of receipts and payments, especially for project funds, to ensure accuracy and proper tracking of financial transactions.
4	Audit of FDR/TDR	(i)	The auditor is responsible for audit of all fixed deposits and term deposits.	The audit of Fixed Deposits (FDs) and term deposits was conducted.	Ensure that all Fixed and Term Deposits are regularly monitored, and appropriate documentation is maintained to verify their proper management.
		(ii)	It shall be ensured that proper records of FDR's are maintained and all renewals are timely done.	The records of Fixed Deposit Receipts (FDRs) were maintained, and renewals were checked to ensure they were done in a timely manner.	Continue to ensure proper record-keeping of all FDRs and ensure that renewals are carried out promptly to avoid any lapses or missed opportunities for reinvestment.
		(iii)	The cases where FDR's/TDR's are kept at low rate of interest than the prevailing rate, shall be immediately brought to the notice of Commissioner /CMO.	STDR A/c No. 41314722696, deposited on 30.09.2022 for one year, was at an interest rate of 5.95%, while STDR A/c No. 41522557236, deposited on 21.12.2022 for one year, was at 7.25%. The first deposit was made at a lower interest rate than the prevailing market rate.	FDR/TDRs with lower interest rates should be immediately reviewed and re-deposited at prevailing market rates, ensuring future deposits align with current rates.
		(iv)	Interest earned on FDR/TDR shall be verified from entries in the cash book.	Interest earned on Fixed Deposit (FDRs) was not recorded in the Cash Book.	Ensure that interest earned on FDRs is accurately recorded in the Cash Book.
5	Audit of Tenders and Bids	(i)	The auditor is responsible for audit of all tenders /bids invited by the ULB's.	The audit of all tenders/bids invited by the ULBs was conducted. All relevant documents and procedures	Regular monitoring and timely updates on tendering practices will help enhance accountability and efficiency.

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				were reviewed to ensure compliance with the prescribed guidelines.	
		(ii)	He shall check whether competitive tendering procedures are followed for all bids.	Competitive tendering procedures were followed for all bids.	Ensure that the competitive tendering process remains consistent and transparent for future bids to maintain fairness and accountability.
		(iii)	He shall verify the receipts of tender fee /bid processing fee/performance guarantee both during the construction and maintenance period.	The receipts of tender fees, bid processing fees, and performance guarantees were verified for both the construction and maintenance periods.	-
		(iv)	The bank guarantees, if received in lieu of bid processing fee/performance guarantee shall be verified from issuing banks.	No cases of bank guarantees received in lieu of bid processing fees or performance guarantees were found during the audit.	Ensure proper verification of bank guarantees from issuing banks if such guarantees are provided in the future to maintain transparency and compliance.
		(v)	The conditions of BG's shall also be verified; any BG with any such condition which is against the interest of the ULB shall be verified and brought to the notice of Commissioner/CMO.	No cases were found during the audit where the conditions of bank guarantees were against the interest of the ULB.	Continue to carefully review the conditions of bank guarantees in the future and promptly bring any discrepancies or conditions that may be detrimental to the ULB's interests to the attention of the Commissioner/CMO.
		(vi)	The cases of extension of BG's shall be brought to the notice of Commissioner/ CMO, proper guidance to extend the BG's shall also be given to ULB's.	In the case of Fixed Deposits taken as performance guarantees, there were instances where the extensions were not made.	Ensure that timely extensions of Fixed Deposits as performance guarantees are made when required. Provide proper guidance to ULBs to ensure compliance with the extension process and avoid any lapses.
6	Audit of Grants and Loans	(i)	The auditor is responsible for audit of grants given Central	The grants provided by the Central Government and their utilization were	

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			Government and their utilization.	checked. The grants have been utilized in compliance with the guidelines set by the Central Government, and necessary records were properly maintained to ensure accountability and transparency.	-
		(ii)	He is responsible for audit of grants received from State Government. and their utilization.	The grants provided by the State Government and their utilization were checked. The grants have been utilized in compliance with the guidelines set by the Central Government, and necessary records were properly maintained to ensure accountability and transparency.	-
		(iii)	He shall perform audit of loans provided for physical infrastructure and its utilizations. During this audit the auditor shall specifically comment on the revenue mechanism i.e. whether the asset created out of the loan has generated the desired revenue. He shall also comment on the possible reasons for non-generation of revenue.	No loans were taken for physical infrastructure during the audit period. Therefore, there is no revenue mechanism to evaluate in relation to assets created from loans.	In case loans are considered for physical infrastructure in the future, ensure a clear mechanism is in place to monitor the revenue generation from the created assets and provide regular updates for effective utilization.
7	Diversion of funds		Incidences relating to diversion of funds from capital receipt/grants/Loans to revenue expenditure and from one scheme/project to another	It has been observed that there were instances of fund diversion, with the expenditure incurred against Moolbhut Suvidha Grant exceeding by ₹3,615, Rajya Vitta Ayog by ₹3,811, Samekit Anudan by ₹1,986, and Janbhagidari (Trenching	A clear demarcation of funds should be ensured to prevent diversion from capital receipts, grants, and loans to revenue expenditure. Proper budgeting and monitoring mechanisms should be implemented to maintain

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				Ground Boundary wall) by ₹1,64,310. The deficit in these grants was, as informed to us, met from Nikai Nidhi. Furthermore, it was noted that Rajya Vitta Ayog Grant, 15th Vitta Ayog Grant, Vishesh Nidhi Grant (Moolbhut Suvidha), Sadak Marammat, and Anurákshan Grant were used for both revenue and capital expenditure.	fund integrity and adherence to grant-specific objectives.
8	Other Percentage	(a)	Percentage of Revenue expenditure (Establishment, salary, Operation & Maintenance) with respect to revenue receipts (Tax & Non Tax)	83.78% (2,49,21,170/2,97,45,132) X 100 It indicates a significant allocation of fund towards operational costs, which could potentially reduce the contribution towards capital expenditure.	It is recommended to focus on optimizing operational costs and explore opportunities to increase revenue receipts, including diversifying non-tax revenue sources, to ensure adequate funds for both operational and capital expenditures.
		(b)	Percentage of Capital expenditure with respect to Total expenditure	43.17% (1,89,33,086/4,38,54,256) X 100 It reflects a reasonable investment in asset creation and infrastructure; however, assessing its impact on revenue generation is essential to ensure long-term financial sustainability.	Regular assessment of capital expenditure is crucial to ensure alignment with long-term development goals. Investments should be strategically directed towards revenue-generating projects to enhance financial sustainability.
9	Whether all the temporary advances have been fully recovered or not		It is essential to verify whether all temporary advances have been fully recovered.	No temporary advances have been given.	Continue to monitor and ensure that temporary advances, if issued in the future, are recovered promptly.

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10	Whether Bank Reconciliation statements is being regularly prepared.		The preparation of Bank Reconciliation Statements is regularly monitored.	Yes, Bank Reconciliation Statements are prepared.	Continue preparing Bank Reconciliation Statements regularly and ensure they are reviewed for accuracy.

For Gupta Shailendra & Associates
Chartered Accountants
Firm's Registration No. 006946C

GUPTA SHAILENDRA & ASSOCIATES
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PARTNER
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CA Siddhartha Tapadia
(Partner) (MRN – 427367)
UDIN: **25427367BMOJEK4995**

January 21, 2025, Ujjain

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परिषद बागली जिला देवास (म.प्र.)

Revised Abstract Sheet for Reporting on Audit Paras

Name of ULB : Bagli
Name of Auditor : Gupta Shailendra & Associates

S. No.	Parameters	Receipts in ₹ Year 2022-23	Year 2023-24	% of Growth	Observation in Brief	Suggestion
I	Audit of Revenue					
A	Revenue Tax Collection (राजस्व कर वसूली)					
1	Property Tax (संपत्ति कर)	1,72,393	1,59,517	(7.47%)	It is observed that there is a consistent outstanding property tax balance, indicating a delay in collection or non-payment by property owners. Such long-standing arrears (Refer Annexure C) can lead to a buildup of uncollected taxes, negatively impacting the Nagar Parishad's cash flow and financial stability.	ULB shall: (i) Ensure timely follow-ups and reminders to property owners about the dues. (ii) Regular and prompt issuance of demand notices can encourage property owners to clear their dues within the stipulated time frame. (iii) Increase awareness campaigns regarding property tax payment deadlines. (iv) Implement easy online payment facilities to encourage timely payments. (v) Conduct a thorough review to identify non-paying properties and take necessary legal actions or impose stricter measures for recovery.
2	Samekit Kar (समेकित कर)	1,88,153	1,62,672	(13.54%)	The revenue from Samekit Kar has decreased by 13.54% compared to the previous year, indicating inefficiencies in the collection of current year's dues.	ULB shall: (i) Enhance communication and awareness to encourage timely payment, and simplify the tax payment process. (ii) Prioritize a balanced approach by focusing on the collection of current-year dues while simultaneously recovering past dues, and implement measures to reduce delays in payments.

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						(iii) Identify defaulters and take necessary actions to recover outstanding dues.
3	Urban Development Cess (नगरीय विकास उपकर)	35,671	37,583	5.36%	The revenue from Urban Development Cess has seen a modest growth of 5.36%, primarily driven by the recovery of past dues. The charges collected for the current year were lower than the previous year, indicating that efforts have been focused more on clearing arrears rather than improving the efficiency of current-year collections.	ULB shall: (i) Focus on enhancing the collection process for the current year's Urban Development Cess by implementing automated billing, offering multiple payment options, and setting up timely reminders to encourage prompt payment. (ii) Prioritize the recovery of past dues while ensuring that efforts to collect current-year charges are not neglected. Resources must be allocated efficiently to manage both the recovery of arrears and timely collection of current dues, in order to prevent a buildup of future arrears. (iii) Educate property owners and businesses about the importance of timely payment and the specific benefits of the Urban Development Cess for local infrastructure projects. (iv) Consider introducing penalties for delayed payments and Certificates of Appreciation for early payments to encourage the timely settlement of dues. (v) Reassess the number of properties subject to the cess and ensure all eligible properties are included.
4	Education Cess (शिक्षा उपकर)	58,297	52,220	(10.42%)	The revenue from Urban Development Cess decreased by 10.42%, mainly due to the focus on recovering past dues, with current-year collections	ULB shall: (i) Strengthen efforts to improve the collection of current-year dues while simultaneously recovering past dues. (ii) *Streamline the collection process through automated*

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					being lower than the previous year.	systems and reminders to ensure timely payments. (iii) Identify and take action against defaulters to reduce arrears and increase revenue. (iv) Educate taxpayers on the importance of timely payments to improve compliance.
	Sub-Total (कुल योग)	4,54,514	4,11,992	(9.36%)	The overall revenue tax collection has decreased by 9.36%, indicating a decline in the efficiency of tax collection processes. The decrease suggests that both current-year dues and past arrears are not being effectively managed, which could impact the Nagar Parishad's financial stability.	Immediate attention should be given to addressing the inefficiencies in the collection processes and ensuring that both current dues and past arrears are managed effectively.
B	Non-Revenue Tax Collection (गैर-राजस्व कर वसूली)					
1	Building and Land Rent (भवन भूमि किराया)	99,945	1,72,203	72.30%	Building and Land Rent includes **Building Rent received from banks** and **Shop Rent**. The revenue from Building and Land Rent increased significantly by 72.30%. While this growth is commendable, it suggests that overdue amounts were recovered. However, this sharp increase may also indicate inconsistent rent collection in prior periods or lapses in timely updates of rental agreements, highlighting the need for improved collection mechanisms and monitoring.	ULB shall: (i) Ensure timely and regular collection of building and land rent to avoid large fluctuations in revenue between financial years. (ii) Periodically review and update rental agreements to ensure they reflect current market rates and conditions. (iii) Implement an automated system to track rental collections, overdue amounts, and upcoming payments to minimize delays or lapses. (iv) Identify tenants with outstanding dues and take immediate steps for recovery to maintain a steady inflow of funds. (v) Educate tenants on their responsibilities and deadlines for

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						rent payment to minimize defaults or delays.
2	Water Consumer Charge (जल उपभोक्ता प्रभार)	5,91,955	10,98,725	85.61%	The revenue from Water Consumer Charge marked a significant growth of approximately 85.61%. During the current year, a substantial amount of ₹4,51,100 was recovered from past water dues. However, such sharp growth may also indicate irregular billing practices or delays in previous collections. Additionally, the number of new water connections during the year was lower compared to the previous year.	ULB shall: (i) Ensure timely and consistent issuance of water bills to prevent the accumulation of outstanding dues in the future. (ii) Continue targeted efforts to recover past dues, using incentives or legal measures where necessary, to improve cash flow. (iii) Implement automated billing and collection systems to track payments and overdue amounts, minimizing errors and delays. (iv) Promote the benefits of water connections through awareness campaigns and consider offering subsidized connection fees to encourage more households to opt for new connections. (v) Conduct a thorough review of past billing practices to identify and address any gaps or inconsistencies, ensuring fair and accurate charges for all consumers.
3	Solid Waste Management Consumer Charge (ठोस अपशिष्ट प्रबंधन उपभोक्ता प्रभार)	1,26,720	1,40,340	10.75%	The revenue from Solid Waste Management Consumer Charge reflects a modest growth of 10.75%. This growth appears to be driven by the recovery of past dues, as the charges collected for the current year were lower compared to the previous year. This suggests a focus on recovering arrears rather than improving current-year collection efficiency.	ULB shall: (i) Continue efforts to recover past dues but ensure this does not compromise the efficiency of collecting current-year charges. Allocate resources to balance both recovery of arrears and timely billing. (ii) Identify and include unregistered households or businesses that are utilizing waste management services to increase revenue. (iii) Implement stricter mechanisms for timely collection

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						of charges, such as automated reminders or penalties for late payments. (iv) Educate residents on the importance of waste management and the need for timely payment of charges to ensure better service quality. (v) Periodically review the fee structure to ensure it reflects the actual cost of waste management services while remaining affordable. (vi) Conduct inspections to ensure all eligible consumers are paying their dues and address non-compliance promptly.
4	Other Taxes/Charges (अन्य कर/शुल्क)	6,18,220	7,54,519	22.05%	The Other Taxes/Charges show a positive growth of 22.05%, reflecting efficient recovery and strong payment performance from consumers.	Continue the effective recovery practices and actively encourage consumers to make timely payments.
	Sub-Total (कुल योग)	14,36,840	21,65,787	50.73%	The Non-Revenue Tax Collection has seen a significant growth of 50.73%, indicating an improvement in overall collection efficiency and successful recovery of overdue amounts. However, it is crucial to ensure that this growth remains consistent and sustainable in future periods.	(i) Ensure that the growth in tax collection is sustained by focusing on regular, timely collection practices, avoiding reliance on overdue amounts. (ii) Implement automated systems to track payments and overdue amounts, minimizing delays and ensuring more consistent cash flows. (iii) Continuously evaluate and improve the tax collection methods to reduce lapses and optimize efficiency. (iv) Ensure that large fluctuations in revenue do not occur by improving forecasting and monitoring mechanisms.

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	Grand Total (महायोग)	18,91,354	25,77,779	36.29%	Overall tax collection has increased by 36.29%, with Revenue Tax Collection declining by 9.36%, while Non-Revenue Tax Collection has grown by 50.73%.	Although overall tax collection (Revenue and Non-Revenue) shows a significant increase of 36.29%, Revenue Tax Collection has declined by 9.36%. Immediate attention is needed to address inefficiencies in the collection process and effectively manage both current dues and past arrears. Meanwhile, Non-Revenue Tax Collection increased by 50.73%, emphasizing the need to continue effective recovery practices and encourage timely payments for steady cash inflows.

Note: The other taxes and charges in Non-Revenue Tax Collection include various fees such as Market Fee (बाजार फीस), Slaughterhouse Fee (वध शुल्क), Application Fee (आवेदन शुल्क), Ration Card Certificate Fee (राशन कार्ड प्रमाण पत्र शुल्क), A.B. Pass Fee (ए.बी. पास शुल्क), Mutation Certificate Fee (नामांतरण शुल्क), Trade License Fee (व्यापार लाइसेंस शुल्क), Septic Tank Cleaning Fee at Mela (मेला टैंकर सेप्टिक टैंक शुल्क), Fire Safety Fee (अग्नि शमन शुल्क), Tender Fee (टेंडर शुल्क), and others (अन्य).

For Gupta Shailendra & Associates
Chartered Accountants
Firm's Registration No. 006946C

GUPTA SHAILENDRA & ASSOCIATES
CA SIDDHARTHA TAPADIA
PARTNER
M.No.427367
FREEGANJ, UJJAIN

CA Siddhartha Tapadia
(Partner) (MRN – 427367)
UDIN: **25427367BMOJEK4995**

January 21, 2025, Ujjain

मुख्य नगर पालिका अधिकारी
नगर परिषद बागली जिला देवास (म.प्र.)

Annexure C

List of dues pending for 2 years or more, including Property Tax, Samakit Kar, Shiksha Upkar, Nagariya Vikas Upkar, and Upbhokta Prabhar:

S. No.	Ward No.	Name	Sampatti Kar		Samekit Kar		Shiksha Upkar		Nagariya Vikas Upkar		Upbhokta Prabhar		Total
			O/S	Current	O/S	Current	O/S	Current	O/S	Current	O/S	Current	
1	9	Sonibai w/o Nandram	614	307	240	120	202	101	-	-	120	120	1824
2	9	Ayub Kha/Yusuf Kha	1018	137	3120	120	378	51	-	-	120	120	5064
3	9	Hasan Khan/ Wajeer Kha	3024	462	360	120	1008	154	-	-	120	120	5368
4	9	Gopal Radheshyam Mangilal	3244	350	360	120	1082	117	1082	117	120	120	6712
5	10	Harcharan Kaur/Suraj Singh	3024	462	360	120	1316	154	-	-	120	120	5676
6	12	Basanti Mohanlal	5244	627	840	120	1748	209	1748	209	120	120	10985
7	12	Satnam singh (H.No. 10/1)	3158	444	480	120	988	150	988	150	120	120	6718
8	12	Satnam singh (H.No. 16)	2386	257	1200	120	792	84	-	-	120	120	5079
9	11	Meena Omprakash	4182	561	960	120	1394	187	1394	187	120	120	9225
10	8	Mohammad Kha	566	83	360	120	206	28	-	-	120	120	1603
11	8	Lokendra Singh/Arjun Singh	1428	374	360	120	484	127	484	127	120	120	3744
Total			27888	4064	8640	1320	9598	1362	5696	790	1320	1320	61998

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Annexure D

Instances of Revenue Cash Deposits delayed beyond 2 days -

S. No.	Date of Collection	₹	Description		Date of Deposit
1	01/03/2024	21734	Samekit Kar (Current)	1200	04/03/2024
			Samekit Kar (O/S)	600	
			Upbhokta Prabhar (Current)	1200	
			Upbhokta Prabhar (O/S)	600	
			Bajar Baithak	210	
			Vadhshala	30	
			Sampatti kar (Current)	693	
			Sampatti kar (O/S)	528	
			Shiksha Upkar (Current)	264	
			Shiksha Upkar (O/S)	209	
			Jalkar (Current)	10800	
			Jalkar (O/S)	5400	
2	02/02/2024	3915	Jalkar (Current)	3600	05/02/2024
			Vadhshala	60	
			Bajar Baithak	255	
3	01/02/2024	300	Bajar Baithak	270	05/02/2024
			Vadhshala	30	

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NAGAR PARISHAD BAGLI

Receipt and Payment Account
For the period from April 01, 2023 to March 31, 2024

Receipt		₹
To Opening Balance		
Cash Balance including imprest		
Balances with Banks		
SBI - 4953	20882799	
SBI - 0120	466712	
SBI - 3718	977133	
Canara Bank - 0029	5912547	
Kotak Bank - 9431	15194220	43433411
Operating Receipts		
To Tax Revenue		
Property Tax	159517	
Samekit Kar	162672	
Urban Development Cess	37583	
Education Cess	52220	
Upbhokta Prabhar	140340	
Private Water Tax, Water Connections, Supply Charges	1098725	
A.B. Pass		
Application Fee	77712	
Anugya Shulka	105587	
Development Cess	52701	
Water Harvesting Shulka	7000	
Water Tax	1500	
Malma Shulka	1500	1897057
To Rental Income from Municipal Properties		
Building and Shop Rent		172203
To Fees and Other User Charges		
Bajar Fee (Market Fee)	176275	
Ration Card Certificate Fee	30847	
Mutation Certificate Fee	162000	
Slaughterhouse Fee	13553	
Tender Fee	70000	
Trade License Fee	22950	
Septic Tank Cleaning		
Fee at Mela	18000	
Fire Safety Fee	1500	
Application Fee	4803	499928

Payment		₹
Operating Payments		
By Establishment Expenses		
Salary and Wages	14240787	
NPS (Both Contribution)	600474	
GPF	259450	
PT	28896	
Additional Labour Expenses	1634952	16764559
By Administrative Expenses		
General Administration		
Digital Communication Expenses	19434	
Printing and Stationery Expenses	75852	
Advertisement and Newspaper Bill Exp.	126870	
Office Items	16630	
Office Repair & Maintenance	4728	
Audit Fee	35000	
Legal & Consultancy Fee	15000	
Professional Fee	36000	
E-Tender Fee	50000	
Furniture and Computers Repairs	40910	420424
Operation and Maintenance Expenses		
Jalpraday		
Electricity Bill	813484	
Jalpraday Samagri	7111	
Motor Repair	801264	
Generator Repair	16390	
Pipeline Repair	72167	
Tanker Repair	27239	
Jal Parivahan	1112053	
Jalpraday Marammat	15700	
Jalpraday Other Expenses	71600	2937008
Path Prakash		
Vidyut Samagri Kray	149566	
Street Light Repair	40875	
Vidyut Samagri Marammat	51670	
Agnishaman Vehicle Repair	9258	251369

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To **Revenue Grants, Contributions & Subsidies**		
Samekit Grant	230000	
Fund	175000	
Rajya Vitta Ayog	3849000	
15th Vitta	3506453	
Vishesh Nidhi	2500000	
Moolbhut Suvidha	2410166	
Road Maintenance	1638914	
Octroi	10809328	
Stamp Duty	684251	25803112
To **Interest Earned**		1364241
To **Other Income**		8591
Non-Operating Receipts		
To **Deposits Received (Amanat)**		27400
To **Grants and Contributions for Specific Purposes**		
SDRF for Sewerage and Drainage	4047000	
MP Development Fund	400000	
MLA Development Fund	200000	4647000
To **Canara Bank FD Matured**		7610882
[₹ 4,11,465 FD Interest shown under Interest Earned, excluded from Maturity Value]		

Karmshala Vahan Vyavastha		
Diesel Expenses	1014464	
Vehicle Repair	349204	
Vehicle Rent	177450	
Vehicle Insurance	11284	1552402
Swacchta		
SBM Consultant	611880	
Swacchta Samagri	198690	
Trenching Ground Expenses	123829	
Kachra Gadi and JCB Rent	92600	
Public Toilet and Urinal Repair	81315	
Swacchta Anya Vyay	220892	1329206
Lok-Nirman		
Road Repair & Maintenance	378090	
Nali Repair and Maintenance	101215	
DPR	75600	554905
By **Other Operating & Maintenance Expenses**		183489
By **Interest and Finance Charges**		
Bank Charges		3598
By **Programme Expenses**		
Election Expenses	215729	
Dussehra Festival Expenses	95000	
Flag Expenses	75000	
Viksit Bharat Sankalp	51655	
Ladli Behna Yojna Expenses	24510	
Other Programmes & Festival Expenses	264151	
Plantation Expenses	13165	739210
By **Revenue Grants, Contributions & Subsidies**		
MLA Discretionary Fund for Financial Assistance		185000
Non-operating Payments		
By **Kayakalp Grant Returned**		2000000
By **Refund of Deposits (Amanat)**		17240
By **Transfer to Sambal Yojana**		120000
By **Acquisition/ purchase of Fixed Assets**		
Sewerage and Drainage		
Nala Nirman (SDRF)	9626281	
Waterfront and Riverfront Development		
Ghat Nirman Saundaryakaran	5008313	
Roads and Bridges	833066	
Trenching Ground Boundary Wall	1164310	

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Saraswati Sishu Mandir Boundary Wall		963109	
Waterways			
Well, Tube well & Borewell	619894		
New Pipe Line	79308		
Other	44000	743202	
Motor		191675	
Public Lighting & Electrical Equipments		235418	
Fiber Urinal		41734	
Sanitation & Solid Waste Management Assets			
Dustbins		49000	
Hath Kachra Gadi		31860	
Water Tank		35818	
Tanker		9300	18933086
By **Investments**			76401
Sanchit Nidhi			
By **Fixed Deposits**			8022347
Canara Bank			
By **Closing Balance**			
Cash Balance including imprest		-	
Balances with Banks			
SBI - 4953		4866618	
SBI - 0120		23526	
SBI - 3718		1427458	
Canara Bank - 0029		11323281	
Kotak Bank - 9431		13732698	31373581

85463825		85463825

As per our report of even date attached

for Siddhartha Tapadia & Associates
Chartered Accountants
Firm's Registration No. 0205

GUPTA SHAILENDRA & ASSOCIATES CA SIDDHARTHA TAPADIA PARTNER M.No.427367 FREEGANJ UJJAIN

CA Siddhartha Tapadia
(Proprietor) Membership No. 427367
UDIN: **25427367BMOJEK4995**

January 21, 2025, Ujjain

For and on Belalf of the Nagar Parishad Bagli

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नगर परिषद बागली जिला-देवास (म.प्र.)