AUDIT REPORT

F.Y. 2023-24

NAGAR PARISHAD

NAYAGAON

DISTRICT: NEEMUCH (M.P.)

Prepaid by:

Maheshwari Kaushik And Associates.

(Formally Known As-Anil Kumar Maheshwari And Associates)

Chartered Accountants

M. No. 8989411150

Email: canayanjain@rediffmail.com

Maheshwari kaushik And Associates
Chartered Accountants

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अंकेक्षण प्रमाण पत्र

हमारे द्वारा नगर परिषद-नयागांवजिला नीमच(मध्य प्रदेश) का वित्तीय वर्ष 2023-24का वितीय अंकेक्षण कार्य पूर्ण किया गया है।अंकेक्षण के दौरान हमारे द्वारा संचनालाय, नगरीय प्रशासन एवं विकास भोपाल (मध्य प्रदेश) द्वारा प्रतिपादन निर्देशों/परिपत्रों एवं अधिनियम का पालन किया गया है।

हमारे द्वारा नगर परिषद के 1अप्रैल 2023 से 31 मार्च 2024तक के समस्त अभिलेखों/प्रपत्रो आदि का निरिक्षण किया गया है। परिषद द्वारा उपलब्ध कराए गए अभिलेखों के आधार पर हमारे द्वारा प्राप्ति एवं भुगतान खाता तैयार कर इस प्रतिवेदन के साथ के सलंग्र किया जा रहा है।

हमारे द्वारा अंकेक्षण के दौरान उन मानकों का प्रतिपालन किया गया है जिन्हें सामान्यता भारत में मान्य किया जाता है और जो संस्था के वित्तीय स्थिति का आकलन करते हेतु अनिवार्य है।

अंकेक्षण के दौरान हमारे द्वारा जो आपत्तियों एवं अनियमितताएं पाई गई है हमने उन पर परिषद एवं अधिकारियों के विचार विमर्श किया है जो अनियमितताए के संचालन के समक्ष प्रस्तुत करने योग्य है हम उन्हें इस प्रतिवेदन के साथ अंकेक्षण आक्षेप के रूप में सलग्रग्ह कर रहे हैं

वास्ते: : मशेवरी कौशिक एंड एसोसिएट्स

दिनांक: 20-01-2025

चार्टर्ड अकाउंटेंट

स्थान:नयागांव

UDIN:

Nayan

M/S. MAHESHWARI KAUSHIK & ASSOCIATES
FRN NO 022769C
Chartered Accountants

CA नयनजैन

M. No. 429918

मुख्य नगर पालिका अधिकारी
नगर परिषद,नयागांव

Masheshwari Kaushik And Associates.
Chartered Accountants

CA

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AUDIT REPORT IN CONNECTION WITH ANNUAL AUDIT OF NAYAGAON NAGAR PARISHAD

WehaveexaminedtheReceipt&PaymentAccountfortheyearended on 31stMarch2023,attachedherewith,ofNagarParishadwithregardstotheAudit,wehavemadethefollowingobservation:

- We certify that the Receipt and Payment account, books of account maintained at the office of Nagar Parishad,Nayagaon.
- The observation/ discrepancies/ inconsistencies observed in the scope of audit have been detailed out in Audit Report.
- Details regarding revenue collection against the budgeted targets and the growth attained during the year in comparison to the previous year is given in **Annexure-A.**
- We report the following observations/ suggestions in the audit report.
- Subject to above-
  - I. We have obtained on the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
  - II. In our opinion, proper books of accounts have been kept by them above named Entity so far as it appears from the examination of the books.
  - III. In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read with notes there on attached in the report gives true and fair of the Receipt & Payment Account of Nagar Parishad, Nayagaon for the year ended 31st March 2024.

Place: Nayagaon
Date:20-01-2025
UDIN:

For:Maheshwari Kaushik And Associates

Chartered Accountants

M/s. MAHESHWARI KAUSHIK & ASSOCIATES • FRN NO 022769C • Chartered Accountants

Nayan

CA Nayan Jain
(Partner)
M. NO. 429918
FRN. 022769C

मुख्य नगर पालिका अधिकारी
नगर परिषद,नयागांव

Abstract Sheet for reporting on Audit Paras for Financial Year 2023-24

Name of ULB - Nagar Parishad, Nayagaon
Name of Auditor - Maheshwari Kaushik And Associates.

S.No	Parameter	Description	Observation	Suggestion
1	Audit of Revenue	The auditor is responsible for audit of revenue from various sources.	We have audited all the sources by applying Sample Test Check Basis from where municipality is deriving its revenue for the financial year 2023-24 and details of various sources has been reported in Receipt & Payment Account.	1) Actual Collection of Various taxes are less than the budgeted amount of taxes because of lack of manpower and robust collection methods. Hence proper staffing is required and some robust methods like collecting the tax by sending the staff directly to homes for collection of cheques or with card swiping machines to collect the tax and also penalty for late submission of such taxes, such methods should be adopted. 2) Various schemes and incentives should be introduced on regular intervals to increase the revenue collection.
		He is also responsible to check the revenue receipt from the counter files of receipt books and verify that the money received is duly deposited in respective bank account.	The Counter foils or revenue receipts of property tax, water tax and shop rent collection were made available to us for verification. As per information provided to us that the revenue/ tax collector/ officer directly deposits the amount collected with main cashier at the cash counter, who in turn this amount directly to bank account.	
		Percentage of revenue collection increases\ decreases 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 comparison of all the taxes with regard to yearly targets have been duly verified and is forming part of report, annexed here with Annexure-A.	
		Delay beyond 2 working days shall be immediately brought to the notice of commissioner/ cmo.	We have verified the bank statements given to us against the receipt and we found that there was no delay beyond 2 working days in depositing cash into respective bank accounts except during Bank holidays.	
		The entries in cash book shall be verified.	We have verified all the entries reported in the cash book on sample test check basis and found to be satisfactory.	3) The cash/ bill/ receipt books should be maintained by only one person. Further the receipt of daily taxes should be done by a single person rather than different individuals.
		The Auditor shall verify that the advances have been received..	As per books there were some advances received during the year.	
		The auditor shall specifically mention in the report, the revenue recovery against the quarterly and monthly targets .	The targets given to the ULB with regard to revenue recovery are yearly. As per the information provided to us the targets of revenue recovery were not met.	
		The auditor shall verify the interest income from FDRs and verify that interest income are duly and timely accounted for in cash.	Interest income is recorded in cash book on cash basis instead of accural basis due to which correct interest income is not reflected in financial statements.	
		The cases where the investment are made on lesser interest rates shall be brought to the notice of the commissioner/ cmo.	Investment (if any) are made at rate prevailing in bank.	
		The auditor is responsible for audit of expenditure under all the schemes.	We have audited the expenditures incurred by the municiaplity using sample test check basis during the FY 2023-24.	1) On the Note sheet the CMO and the President should put their official Seal with the Signature
		He is also responsible for checking the entries in cash book and verifying them from relevant vouchers.	The entries in cash book have been verified from relevant vouchers.	

M/s. MAHESHWARI KAUSHIK & ASSOCIATES • Chartered Accountants
FRN NO 022769C

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		He should also check monthly balances of the cash book and guide the accountant to rectify errors, if any.	The monthly balances of cash book were checked and the errors were rectified.	
		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 the notice of any commissioner/ cmo.	We have sample checked the fund allocation, records are properly maintained showing the funds allocated and it was observed that in some cases grant payment was made in excess of funds allocated.	*2) Whenever the signature of a Witness is taken the details of witness like the name, address should be mentioned.* 3) Purchase of goods/services should be from supplier registered under GST.
2	Audit of Expenditure	He shall also verify that the expenditure is in accordance with the guidelines, directives, acts and rules issued by government of India/ state government.	We have verified the expenditure on sample test basis and not observed any deviation	
		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.	On the basis of our audit we observed that all the expenditure have been supported by financial and administrative sanctions accorded by competent authority and are limited to the administrative and financial limits of the sanctioning authority.	
		All the cases where appropriate sanction have not been obtained shall be reported and the compliance of audit observations shall be ensured during the audit and non compliance of audit paras shall be brought to the notice of Commissioner/ CMO.	During the course of audit by applying sample test check basis, we did not come across any such expenditure which has been incurred without obtaining permission from the relevant sanctioning authority.	4) The attendance register should be kept with a person incharge and should be daily verified and signed by the CMO/ Chief Accountant. 5) Budget head in the vouchers should be properly mentioned.
		The auditor shall be responsible for verification of scheme project wise utilization certificates [UC].	No Utilization certificate has been provided to verify the same.	
		The auditor shall verify that all the temporary advances have been fully recovered .	As per observations there were no temporary advances given by ULB during the period of the audit.	
		The auditor is responsible for audit of all the book of account as well as stores.	We have verified the books of accounts as well as stores and our observations are mentioned in below points.	
		He shall verify that all the books of account and stores are maintained as per accounting rules applicable to urban local bodies. Any discrepancies shall be brought to the notice of commissioner\ cmo.	The books of accounts are maintained as in single entry system of accounting. Errors identified and were duly rectified.	
		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.	As per information and explanation given to us there were no advances given by ULB during the period under audit.	
3	Audit of Book Keeping	The auditor shall verify that all the temporary advances have been fully recovered.	As per information and explanation given to us there were no temporary advances given by ULB during the period under audit.	

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		...statement (BRS) shall be verified from the records of ULB and the bank concerned.	The Bank reconciliation statements were made available to us for checking by the ULB and no discrepany were found.	
		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.	We have verified the account so receipts and payments for the grant received and utilized during the year. Details have been mentioned in Audit of Grants and Loans.	
		The auditor shall verify the fixed asset from other records and discrepancies shall be brought to the notice of commissioner\ cmo.	We have verifed the fixed asset register and no discrepancies have been found.	
		The auditor shall reconcile the accounts of receipt and payment especially for project fund.	The project fund has been reconciled with the receipts and payments no major irregularity found.	
4	Audit of FDR	The auditor is responsible for audit of all fixed deposit and term deposit.	We observed that ULB has only 1 FDR as on 31st March, 2024.	1) Idle funds should be invested in Mutual funds, as they provide better returns against any other form of investment.
		It shall be ensured that proper record of FDR are maintained and all renewals are timely done.	We observed that the ULB maintains proper record of FDRs. As per the explanation provided to us the FDRs are kept on auto renewal.	
		The cases where FDR\ TDR are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of commissioner/ cmo.	The FDR/ TDR are kept on auto renewal so the latest rates of interest are not known, also as reported above the interest income are duly recorded in the books of accounts.	
5	Audit of Tender	The auditor is responsible for audit of all tenders/ bids invited by the ULB's.	We have audited tenders/ bids invited by the ULB during the FY 2023-24 by applying sample test check basis and no contravention or exceptions were noticed during the course of audit other than those which has been discussed in next points.	1) More competitive tendering processes should be implemented. 2) The limit of online tendering should be reduced so that more and more tenders are put online so as to increase the transparency. 3) The tenders should be allotted after proper checking of documents.
		He shall check whether competitive tendering procedures are followed for all bids.	We found that competitive tendering procedures are being followed by the municipality.	
		He shall verify the receipts of tender fee/ bid processing fee/ performance guarantee both during the construction and maintenance period .	We did not find any error in the receipt of tender fee/ bid processing fee/ performance guarantee both during the construction and maintenance period.	
		The bank guarantees, if received in lieu of bid processing fee/ performance guarantee shall be verified from the issuing banks.	As per the information and explanation provided to us there were no Bank Guarantees received by ULB during the period of audit.	
		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.		

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		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.		
6	Audit of Grants and Loans	The auditor is responsible for audit of grants given by Central Government and its utilization.	We have audited various grants received from the central/ state government during the year covered under audit. Details of grant received under various head as provided to us by ULB have been attached as per Annexure-B.	1) Refer Details of Grants Released & *Utilized* during audit.
		He is responsible for audit of grants received from State Government and it's utilization.		
		He shall perform audit of loans provided for physical infrastructure and its utilizations. During this audit the auditors shall specifically comment on the revenue mechanism i.e. whether the asset created out the loan has generated the desired revenue or not. He shall also comment on the possible reasons for non generation of revenue.	There were no loans availed for physical infrastructure & for any other purpose by the ULB.	2) More and more assets should be created for the welfare of the people as well as for generating more revenue.
7	Incidence relating to diversion of funds	The auditors shall specifically point out any diversion of funds from capital receipts /grants /loans to revenue expenditure and from one scheme/ project to another.	On Sample Test Check basis of the records, we didn't find any diversion of fund from capital receipts/ grants/ loans to revenue expenditure and from one scheme/ project to another.	
8	Whether all the temporary advances have been fully recovered or not	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.	As per information and explanation given to us there were no advances given by ULB during the period under audit.	
9	Whether the bank reconciliation statement have been regularly prepared	Bank reconciliation statement [BRS] shall be verified from the records of ULB and the bank concerned.	The Bank reconciliation statements were made available to us for checking by the ULB and no discrepany were found.	Bank reconciliation statement should be regularly prepared.

For: Maheshwari Kaushik And Associates
Chartered Accountants
FRN:022769C

Nayan

CA. NAYAN JAIN
(Partner)
M.NO.: 429918
UDIN:

MAHESHWARI KAUSHIK & ASSOCIATES • M/S • Chartered Accountants • FRN NO 022769C

For: Nagar Parishad
Nayagaon

मुख्य नगर पालिका अधिकारी
नगर परिषद, नयागांव

NAGAR PARISHAD, NAYAGAON

Madhya Pradesh

Receipts and Payments for the year ended

1-Apr-2023 to 31-Mar-2024

Receipts	Amount (Rs.)		Payments	Amount (Rs.)	
Opening Balance			**Indirect Expenses**		
Bank Accounts		3179621.28	Printing & Stationary	63670.00	24085351.80
45021-00 HDFC Bank 9045	7467.00		Fuel, Petrol & Diesel of Own Vehicles	688491.00	
45021-00 HDFC Bank 7446	38633.25		Legal Fees	67000.00	
45021-00 State Bank of India 9342	3133521.03		Advertisment Expenses	338624.00	
			Publicity Expenses	77080.00	
			Power & Fuel- Water Works	668292.00	
Indirect Incomes		30113146.36	Power & Fuel- Street Lighting	301213.00	
Compensation in Lieu of Octopi	5945120.00		Power & Fuel- Swastha Shakha	2136544.00	
Shop auction premium	690000.00		Deposits of Contractors & Suppliers	7000.00	
Advertisement Fees	59000.00		Repairs & Maintainance- Infrastructure Assets	736109.00	
Penalties	13500.00		Repairs & Maintainance- Vehicles	400187.00	
Application Fees	9345.00		Repairs & Maintainance- Office Equipments	209940.00	
Miscellaneous Fees	1000786.36		Bank Charges	11.80	
Mudrank shulk	168171.00		Election expenses	149626.00	
Nal Conection	94200.00		Own programme Expenses	679045.00	
Bhawan Rent	312510.00		Ashangthit Shramik Yojna	15000.00	
Ambulance Charges	400.00		Creditors	7829267.00	
Charges for Supply of Water by Tankers	15150.00		Salaries & Wages Payable	8672996.00	
Sale of Tender Papers	199500.00		Provident Fund	38400.00	
Interest	23474.00		Labour Welfare Fund	37669.00	
Vishesh Nidhi	1200000.00		GST	35550.00	
Basic Minimum Programme	1468515.00		Electricity Expenses Payable	911987.00	
15th Vitt Ayyog	3382378.00		Telephone Expenses Payable	21650.00	
Grants From State Finance Commission	2822000.00				
Kayakalp Grant	1900000.00		**New FD** (SBI)	5450000.00	5450000.00
Road Development Grants	1064897.00				
Rent received- old year	100000.00		**Closing Balance**		3757415.84
Deposits of Contractors & Suppliers	120501.00		**Bank Accounts**		
Property Tax- Old Year	70811.00		45021-00 HDFC Bank 9045	7467.00	
Property Tax- Current Year	167794.00		45021-00 HDFC Bank 7446	38633.25	

MAHESHWARI KAUSHIK & ASSOCIATES FRN NO 022769C

मुख्य नगर पालिका अधिकारी
नगर परिषद नयागांव

Samekit Tax- Old Year	76197.00		45021-00 State Bank of India 9342	3711315.59	
Samekit Tax- Current Year	175656.00				
Development Tax- Old Year	18324.00				
Development Tax- Current Year	49428.00				
Education Tax- Current Year	35380.00				
Education Tax- Old Year	13247.00				
Water Supply Receivable- Old Year	240932.00				
Water Supply Receivable- Current Year	368682.00				
FDR	8307248.00				
		33292767.64			33292767.64

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नगर परिषद, नयागांव

Revised Abstract sheet for the reporting on Audit Paras for Financial Year 2023-24

Annexure - A

Name of ULB - Nagar Parishad, Nayagaon
Name of Auditor - Maheshwari Kaushik And Associate

Sr. No.	Parameters	Description					Observation in Brief	Suggestions
1	Audit of Revenue							
(1) राजस्व कर वसूली		Receipts in Rs.						
		Year 2022-23	Budgeted 2023-24	Year 2023-24	Budgeted % Comparision	% of Growth	1) Due to lack of staff the revenue is not increasing throughly. 2) The data reveals that the budgets estimated of income are estimates on very higher side. 3) Low growth has been seen in revenue collection in some taxes due to lack of irreguiarity.	1)Proper control should be estabilished to recover outstanding amount . 2) Dedicated staff specifically for this work should be assigned and camp may be organized. 3) Budgeted income should be estimated on the basis of actual past income collections. 4) ULB should impose strict penalties and legal actions to improve past collections.
(i)	संपत्ति कर	2,05,638	9,29,512	2,38,605	25.67	16.03		
(ii)	समेकित कर	2,15,628	5,97,346	2,51,853	42.16	16.80		
(iii)	विकास उपकर	59,484	2,94,748	67,752	22.99	13.90		
(iv)	शिक्षा उपकर	41,986	1,90,014	48,627	25.59	15.82		
	कुल योग (A)	**5,22,736**	**20,11,620**	**6,06,837**	**30.17**	**16.09**		
(2) गेर राजस्व वसूली								
(i)	जल कर	5,34,160	11,73,433	6,09,614	51.95	14.13		
	कुल योग (B)	**5,34,160**	**11,73,433**	**6,09,614**	**51.95**	**14.13**		
	महा योग (A+B)	**10,56,896**	**31,85,053**	**12,16,451**	**38.19**	**15.10**		

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मुख्य नगर पालिका अधिकारी
नगर परिषद, नयागांव

कार्यालय नगर परिषद, नयागांव, नीमच (म.प्र.)
दिनांक 31.03.2024 की स्थिति में
वर्ष 2023--24 में प्राप्त अनुदान एवं व्यय राशि की जानकारी

Annexure-B

क्रं.	मद नाम	पूर्व वर्ष की शेष राशि	वर्ष में प्राप्त राशि	योग	व्यय राशि	शेष राशि
1	2	3	4	5 (3+4)	6	7 (5–6)
1	मूलभूत अनुदान	0	14,68,515	**14,68,515**	14,68,515	**0**
2	सड़क मरम्मत अनुदान	0	10,64,897	**10,64,897**	10,64,897	**0**
3	राज्य वित्त आयोग	0	28,22,000	**28,22,000**	28,22,000	**0**
4	15वां वित्त आयोग	0	33,82,378	**33,82,378**	33,82,378	**0**
5	मुद्रांक शुल्क	0	1,68,171	**1,68,171**	1,68,171	**0**
6	विशेष निधि	0	12,00,000	**12,00,000**	12,00,000	**0**
	योग	**0**	**10105961**	**1,01,05,961**	**1,01,05,961**	**0**

Nayan

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