AUDIT REPORT

F.Y. 2023-24

NAGAR PARISHAD

RAMPURA

DISTRICT: NEEMUCH (M.P.)

Prepared By:

M. Borar & Co.
Chartered Accountants
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M. BORAR & CO.
Chartered Accountants

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अंकेक्षण प्रमाण पत्र

हमारे द्वारा नगर परिषद –रामपुराजिला 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 31मार्च 2024 तक 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 प्रतिपालनकिया गया है जिन्हें सामान्यता भारत में मान्य किया जाता है और जो संस्था के वित्तीय स्थिति का आकलन करते हेतु अनिवार्य है।

अंकेक्षणकेदौरानहमारेद्वाराजोआपत्तियोंएवंअनियमितताएंपाईगईहैहमनेउनपरपरिषदएवंअधिकारियोंकेविचारविमर्शकियाहैजोअनियमितताएंकेसंचालनकेसमक्षप्रस्तुतकरनेयोग्यहैहमउन्हेंइसप्रतिवेदनकेसाथअंकेक्षणआक्षेपकेरूपमेंसलग्नरहकरहे है।

वास्ते: एम बोरार एंड कंपनी

चार्टर्ड अकाउंटेंट

स्थान: रामपुरा

दिनांक: 07/02/2025

CA स्वर्णिम गुप्ता

M. No. 430914

मुख्य नगर पालिका अधिकारी
नगर परिषद, रामपुरा (म.प्र.)

M. BORAR & CO.
Chartered Accountants

509 Onam Plaza,18 Palasia, AB
Road, Indore,452008
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AUDITREPORTINCONNECTIONWITHANNUALAUDITOFRAMPURANAGARPARISHAD

WehaveexaminedtheReceipt&PaymentAccountfortheyearended on 31stMarch2024,attachedherewith,ofNagarParishadwithregardstotheAudit;wehavemadethefollowing observation:

- We certify that the Receipt and Payment account, books of account maintained at the office of Nagar Parishad, Rampura.
- The observations/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 thereon attached in the report gives true and fair of the Receipt & Payment Account of Nagar Parishad, Rampura for the year ended 31st March 2024.

Place:Rampura

For: M/S. M. BORAR & CO.
Chartered Accountants

UDIN:
Date:07/02/2025

CA Swarnim Gupta
(Partner)
M. NO. 430914
FRN. 341255E

मुख्य नगर पालिका अधिकारी
नगर परिषद, रामपुरा (म.प्र.)

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

Name of ULB - Nagar Parishad, Rampura

Name of Auditor - M/S. M. BORAR & CO

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.	
		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. Also the sheet of revenue recovery as provided by the ULB does not match with figures stated in the Receipt & Payment Account.	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. 4) Proper narration should be written for every entry/ transaction in cash book.
		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.	

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नगर परिषद ... (म.प्र.)

2	Audit of Expenditure	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. 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.
		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.	
		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 but no such bifurcation of expenses is shown and it was observed that in some cases grant payment was made in excess of funds allocated.	
		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, except in most of the vouchers Budget head was not mentioned,	
		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.	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 vouchers should be properly maintained.
		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.	
		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.	

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		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 accounting 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	1) The books of accounts are being maintained in double entry accounting system.
		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.	
3	Audit of Book Keeping	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. Further we communicated with the management and found that some accounts were closed during the year.	
		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.	
		The auditor is responsible for audit of all fixed deposit and term deposit.	We have verified the Fixed Deposits as well as Term Deposits. The FDR details are given below:- 1) State Bank of India (39241402196) Rs.5500000 /- 2) AU Small Finance Bank Rs.15000000 /-	
4	Audit of FDR	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 FDR's & those FDR's which are maintained through MPGB 0017 Account i.e. Sanchit Nidhi was only shown in Sanchit Nidhi Cash Book. As per the explanation provided to us the FDRs are kept on auto renewal.	1) Idle funds should be invested in Mutual funds, as they provide better returns against any other form of investment.

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	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.	
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, as we stated some cases where tenders were allotted to contractors who didn't provided mandatory 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.		
	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.		
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.	During the year, 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.

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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 observed that proper classification was not made for capital & revenue receipts & expense, so we are unable to comment upon the incidence relating to 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 reg prepared

M/S. M. BORAR & CO.

Chartered Accountants
FRN:341255E

CA. Swarnim Gupta
(Partner)
M.NO.: 430914
UDIN:

For: Nagar Parishad
Rampura

मुख्य नगर पालिका अधिकारी
नगर परिषद्, रामपुरा (म.प्र.)

NAGAR PARISHAD, RAMPURA

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		97491368.82
Cash in hand	157696.00	157696.00	Salaries & Wages Payable	29410836.00	
Bank Accounts		53348072.36	Printing & Stationery	127541.00	
MPGB 0022	1444312.18		Travelling And Conveyance Staff	66626.00	
SBI 5501	647248.44		Fuel, Petrol and Diesel of Own Vehicles	2490251.00	
SBI 0681	748799.00		Legal Fees	200000.00	
SBI 9363	50138490.04		Advertisement Expenses	278537.00	
ICICI Bank 2098	330270.70		Publicity Expenses	221118.00	
AU Small Finance Bank 3950	38952.00		Miscellaneous Expenses	87123.00	
			Sanchit Nidhi	1512878.00	
			Power & Fuel- Water Works	3532664.00	
MP Gramin Bank 0017 (Sanchit Nidhi)	454575.10	454575.10	Power & Fuel- Street Lighting	1109891.00	
			Election expenses	226822.00	
Retained FD's			Power & Fuel- Swasth Shakha	5084946.00	
			Insurance Expenses	128419.00	
State Bank of India 2196	5500000.00	20500000.00	Repair & Maintainance- Infrastructure	2088060.00	
AU Small Finance Bank 9150/1	15000000.00		Assets		
			Audit Fees	96000.00	
			Repair & Maintenance- Vehicles	694312.00	
			Repair & Maintainance- Other Equipments	268842.00	
Indirect Incomes		77742957.00	Photocopies	11620.00	
Compensation in Lieu of Octroi	20534339.00		Bank Charges	4537.10	
Rent from Markets	330154.00		Own Programme Expenses	2670744.00	
Shop Auction Premium	1574432.00		Flood Victim	1125.00	
Mutation Fee	1254337.00		Contractors/Suppliers	664934.00	
Agreement Fees	143940.00		Consolidated Creditors	36120052.00	
Application Fees	110464.00		Ashangthit Shramik Yojna	50000.00	
Miscellaneous Fees	1338129.00		NPS	917904.00	

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नगर परिषद, रामपुरा (म.प्र.)

Ambulance Shulk	9484.00	Provident Fund	562000.00	
Manglik bhawan se kachra uthna shulk	13500.00	Vehicles	583772.00	
JCB rent shulk	186560.00	Income Tax Payble	523875.00	
Mudrank Shulk	217840.00	GST Tax	789979.00	
Swachta Shulk	325387.00	GST Shop Rent	161554.72	
Nal Connection	123700.00	VAT Paybale	110500.00	
Charges for Supply of Water by Tankers	37700.00	Electricity Expenses Payable	6679284.00	
Sale of Tender Papers	229000.00	Telephone Expenses Payable	14622.00	
Interest Income	930500.00			
Basic Minimum Programme	4292948.00			
15th Vitt Aayog	6666127.00	**Closing Balance**		
Grants from State Finance Commision	6855000.00	Bank Accounts		**33757356.54**
Grants for Road Development	2919207.00	MPGB 0022	11926277.08	
Ashangthit Shramik Yojna	105000.00	SBI 5501	647248.44	
SDRF	14693000.00	SBI 0681	851900.00	
Other Grants from State Government	3659768.00	SBI 9363	19767440.02	
Kayakalp Grant	1900000.00	ICICI Bank 2098	524150.00	
Vishesh Nidhi	2500000.00	AU Small Finance Bank 3950	40341.00	
Samekit Grant	505000.00			
Sansad Nidhi	50000.00	MP Gramin Bank 0017 (Sanchit Nidhi)	454575.10	**454575.10**
Contractors/Suppliers	873966.00			
GST Shop Rent	148220.00	**Retained FD's**		**20500000.00**
Property Tax- Current Year	267419.00	State Bank of India 2196	5500000.00	
Property Tax- Old Year	471229.00	AU Small Finance Bank 9150/1	15000000.00	
Samekit Tax- Current Year	157560.00			
Samekit Tax- Old Year	351000.00			
Development Tax- CurrentYear	129746.00			
Development Tax- Old Year	203946.00			
Education Tax- Current year	90857.00			
Education Tax- Old year	157224.00			
Water Supply- Current Year	2081465.00			
Water Supply- Old Year	245322.00			
Water Supply- Others	140611.00			
Rent Receivable- Bhumi Rent	111165.00			
Rent Receivable- Current Year	523182.00			

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नगर परिषद, रामपुरा (म.प्र.)

Rent Receivable- Old Year Lease Rentals	236012.00 48517.00				
		152203300.46			152203300.46

मुख्य नगर पालिका अधिकारी
नगर परिषद, रामपुरा (म.प्र.)

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

Annexure - A

Name of ULB - Nagar Parishad, Rampura
Name of Auditor - M/S. M. BORAR & CO.

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) Negative growth has been seen in revenue collection in some taxes due to lack of irregularity & also Positive growth has been seen in some taxes.	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	2,68,074	17,59,627	7,38,648	41.98	175.54		
(ii)	समेकित कर	1,99,320	27,21,000	5,08,560	18.69	155.15		
(iii)	नगरीय विकास उपकर	95,901	9,04,211	3,33,692	36.90	247.95		
(iv)	शिक्षा उपकर	1,36,645	8,85,352	2,48,081	28.02	81.55		
	कुल योग (A)	**6,99,940**	**62,70,190**	**18,28,981**	**29.17**	**161.31**		
(2) गैर राजस्व वसूली								
(i)	भवन भूमि किराया	4,44,656	15,77,350	7,59,194	48.13	70.74		
(ii)	जल कर	19,46,375	31,63,353	23,26,787	73.55	19.54		
(iii)	स्वच्छता कर	3,97,200	14,37,840	3,39,930	23.64	-14.42		
	कुल योग (B)	**27,88,231**	**61,78,543**	**34,25,911**	**55.45**	**22.87**		
	महा योग (A+B)	**34,88,171**	**1,24,48,733**	**52,54,892**	**42.21**	**50.65**		

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नगर परिषद, रामपुरा (म.प्र.)

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

Annexure-B

क्र.	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	सड़क मरम्मत	5228450	2919207	8147657	6512901	16,34,756
2	वाणिज्यकर मूलभुत सुविधा	1822494	4292948	6115442	3368774	27,46,668
3	राज्य वित्त आयोग	525551	6855000	7380551	4001581	33,78,970
4	समेकित अनुदान	0	602000	602000	321253	2,80,747
5	चूंगी क्षतिपूर्ति	0	20534339	20534339	20534339	0
6	15 वॉ वित्त आयोग	13653766	6666127	20319893	8465269	1,18,54,624
7	मुद्रांक शुल्क	0	217480	217480	217480	0
8	विशेष निधि कार्यालय भवन निर्माण	5000000	0	5000000	5000000	0
9	विशेष निधि	6036380	2500000	8536380	0	85,36,380
0	विधायक निधि	1171193	0	1171193	579974	5,91,219
1	यूआईडीएसएसएमटी पेयजल योजना	10643000	0	10643000	0	1,06,43,000
2	मुख्यमंत्री अधोसंरचना विकास तृतीय चर	1300000	0	1300000	1300000	0
3	एसडीआरएफ योजना	14561738	14693000	29254738	14922898	1,43,31,840
4	कायाकल्प अभियान योजना	3100000	1900000	5000000	3100000	19,00,000
5	एप्को योजना तालाब सौंदर्यीकरण	0	3562768	3562768	3464140	98,628
	योग	6,30,42,572	6,47,42,869	12,77,85,441	7,17,88,609	5,59,96,832

मुख्य नगर पालिका अधिकारी
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