

AUDIT REPORT

F.Y. 2023-24

NAGAR PALIKA PARISHAD

RATANGARH

DISTRICT: NEEMUCH (M.P.)

Prepared By:

B. Shroff & Co.

Chartered Accountants

M. No. 8085668800

Email: pushkarjain17@gmail.com



अंकेक्षण प्रमाण पत्र

हमारे द्वारा नगर परिषद - रतनगढ़ जिला नीमच (मध्य प्रदेश) का वित्तीय वर्ष 2023-24 का वित्तीय 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 1 अप्रैल 2023 से 31 मार्च 2024 तक के समस्त अभिलेखों/प्रपत्रों आदि का निरीक्षण 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 सलग्न 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 हैं हमने उन पर परिषद एवं अधिकारियों के विचार विमर्श किया है जो अनियमितताएं के संचालन के समक्ष प्रस्तुत करने योग्य है हम उन्हें इस प्रतिवेदन के साथ अंकेक्षण आक्षेप के रूप में सलग्न कर रहे हैं।

दिनांक: 02/02/2025

वास्ते: बी श्रॉफ एंड कंपनी

चार्टर्ड अकाउंटेंट्स

स्थान: रतनगढ़

CA पुष्कर जैन

M. No. 450290

P. CHADOFF & CO
Chartered Accountants



100, Market Street, Above Shop
Raffles, 100 Market Street, Singapore
Telephone 222222 (M.F.)
Website: www.chadoff.com.sg
Email: info@chadoff.com.sg

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10000/100/1000



AUDIT REPORT IN CONNECTION WITH ANNUAL AUDIT OF RATANGARH NAGAR PARISHAD

We have examined the Receipt & Payment Account for the year ended on 31st March 2024, attached herewith, of Nagar Parishad with regards to the Audit, we have made the following observation:

- We certify that the Receipt and Payment account, books of account maintained at the office of Nagar Parishad, Ratangarh.
- 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, Ratangarh for the year ended 31st March 2024.

Place: Ratangarh

Date: 02/02/2025

UDIN:

For: B SHROOF & CO
Chartered Accountants


CA Pushkar Jain
(Partner)
M. NO. 450290
FRN. 006514W

NAGAR PARISHAD, RATANGARH
Madhya Pradesh
Receipts and Payments for the year ended
01 Apr-2023 to 31-Mar-2024

Receipts	Amount (Rs.)	Payments	Amount (Rs.)
Opening Balance		Indirect Expenses	
Bank Accounts		Printing and Stationery	154600.00
Canera Bank 6088	90444.00	Fuel Petrol Diesel	1350937.00
AU Bank 7222	29738.00	Audit Fees	101300.00
CBI 3103	39469.00	Legal Expenses	18000.00
SBI 3038	219239.00	Advertisement And Publicity	1799860.00
SBI 0781	4166583.00	Other Administrative Expenses	9066801.00
FD		Water Works	10703500.00
CBI	1003092.00	Repairs & Maintenance Infrastructure	16205226.00
		Repairs & Maintenance Vehicles	2052335.00
Indirect Incomes		Repairs & Maintenance Office Equipments	755629.00
Sewerage Tax	30.00	Election Expenses	141943.00
Compensation In Lieu Of Octopis	6320143.00	Own Programme	2303032.00
Rent From Market	71288.00	Grants From state Government	1651513.00
Rent From Community Hall	255730.00	Road Construction Infrastructure Assets	1743335.00
Shop Auction Premium	34490452.00	Water Works & cm Payjal Yojna	1671551.00
Mutation Fees	113440.00	CM Monit	2414239.00
Agreement Fees	5000.00	CM Infra	1538237.00
Consolidated Penalties and fines	44750.00	Water Supply	1794610.00
Delay Fees	700.00	Ward 12 shopping complex	2030473.00
Road Cutting Charges	34313.00	ward 13 shopping complex	1041667.00
Application fess	112362.00	Deposits From Contractor/Suppliers	171781.00
Miscellaneous Fess	11481759.00	Creditors	8034115.00
Aantaran Sulk	1080.00	Employee Liability	11921178.00
Nal Connection	150080.00	Recoveries Payable	26643.00
Pm Awas	240.00	Government Dues payable	509827.00
Ambulance Charges	1150.00	Provision For Expenses	1879420.00
Charges For Supply Of Water By Tanker	20746.00	Street Lighting	1138303.00
Sale Of Tender Papers	477000.00	Swasth Shakha	1845886.00
Interest From bank Accounts	92455.00	Park Maintenance Infrastructure Assets	0.00
Basic Munimum Programme	5668756.00	Miscellaneous Expenses	1302374.00
15th Vitt Ayyog	3489225.00	Closing Balance	
Grants from State Finance Commission	2984000.00	Bank Accounts	
Grants From Road Development	1270755.00	Canera Bank 6088	731259.00
Kayakalp Grant	3100000.00	AU Bank 7222	34551.00
SDRF	1570000.00	CBI 23103	976875.00
Vishesh Nidhi	1200000.00	SBI 3038	218590.00
Vidhayak Nidhi	649795.00	SBI 0781	6641426.00
Mudrnak	125258.00	Jila Sehkari bank	998613
Consoli Receivable For Property Tax	231265.00	FD	
Property Tax Receivable Current Year	333986.00	CBI 322454	488053.00
Consolidated Receivable For Samekit Tax	227222.00	CBI 356543	1000000.00
Development TaxOld Year	6275.00		
Consolidated Samekit TaxCurrent Year	82088.00		
Development TaxCurrent Year	333699.00		
Education Tax Current Year	24862.00		
Education Tax Old Year	4504.00		
Swatchta Shulk Current Year	61810.00		
Swatchta Shulk Old	53709.00		
Water Supply Receivable Old Year	217694.00		
Water Supply ReceivableCurrent Year	1006908.00		
Water Supply Receivable Year	5280.00		
Rent Receivable Old Year	37320.00		
Premium	14295762.00		
Rent Receivable Current Year	256224.00		
	96457682.00		96457682.00

मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ़



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

Name of ULB - Nagar Panshad, Ratangarh
Name of Auditor - B SHROFF & CO (CA PUSHKAR JAIN)

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 full revenue recovery were not met. Also the sheet of revenue recovery as provided by the ULB does not match with the figures stated in the Receipt & Payment Account.	
		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 accrual basis due to which correct interest income is not reflected in financial statements.	
		The cases where the investment are made on	Investment (if any) are made at rate prevailing in bank.	

मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ



		lesser interest rates shall be brought to the notice of the commissioner/ cmo.		
		The auditor is responsible for audit of expenditure under all the schemes.	We have audited the expenditures incurred by the municipality using sample test check basis during the FY 2023-24.	
		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 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.	
2	Audit of Expenditure	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.	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.
		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.	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 mentioned.


 मुख्य नगरपालिका अधिकारी
 नगर परिषद् रतनगढ



		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.
		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 discrepancy were found. BRS details are attached as per Annexure-B.
		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. Also ULB maintains some separate cash books apart from the main cash book, so we also not shown the balances of separate cash books in Receipt & Payment Account .
		The auditor shall verify the fixed asset from other records and discrepancies shall be brought to the notice of commissioner\ cmo.	We have verified 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.

मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ़



4	Audit of FDR	The auditor is responsible for audit of all fixed deposit and term deposit.	We have verified the Fixed Deposits as well as Term Deposits, and we also mentioned the details of consolidated FDR's in R&P. The individual details of FDR are given below:- 1) Central Bank of India 5537675423- Rs. 1000000/- 2) Central Bank of India 3880095793- Rs. 488053/-	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, 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.		


 मुख्य नगरपालिका अधिकारी
 नगर परिषद् रतनगढ़



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.	1) Refer Details of Grants Released & Utilized during audit. 2) More and more assets should be created for the welfare of the people as well as for generating more revenue.
		He is responsible for audit of grants received from State Government and its utilization.	Details of grant received under various head as provided to us by ULB have been attached as per Annexure-C.	
		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 & no information regarding repayment of old loans given by ULB.	
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 discrepancy were found.	Bank reconciliation statement should be regularly prepared.

For For: B. Shroff & Co.
Chartered Accountants
FRN:006514W

CA. Pushkar Jain
(Partner)
M.NO.: 450290
UDIN:

For: Nagar Parishad
Ratangarh

मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ़

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

Annexure - A

Name of ULB - Nagar Parishad, Ratangarh

Name of Auditor - CA Pushkar Jain

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 % Comparison	% of Growth		
(i)	रापात कर	4,20,372	18,16,254	5,65,253	31.12	34.46	1) Due to lack of staff the revenue is not increasing throughly.	1) Proper control should be established to recover outstanding amount .
(ii)	समाकृत कर	2,57,896	6,73,448	3,09,310	45.93	19.94	2) The data reveals that the budgets estimated of income are estimates on higher side.	2) Dedicated staff specifically for this work should be assigned and camp may be organized.
(iii)	विकास उपकर	22,425	27,137	3,39,974	1,252.81	1416.05		
(iv)	शिक्षा उपकर	13,696	28,458	29,366	103.19	114.41		
	कुल योग (A)	7,14,389	25,45,297	12,43,903	48.87	74.12		
(2)	गर राजस्व वसूली							
(i)	भवन भूमि किराया	1,74,564	2,43,483	2,93,544	120.56	68.16	3) Negative growth has been seen in revenue collection in some taxes due to lack of irregularity & Positive growth has also been seen in some taxes but in low volume.	3) Budgeted income should be estimated on the basis of actual past income collections.
(ii)	जल कर	7,51,091	16,45,730	12,24,602	74.41	63.04		
(iii)	स्वच्छता कर	2,23,488	4,72,522	11,55,19	24.45	-48.31		
	कुल योग (B)	11,49,143	23,61,735	16,33,665	69.17	42.16		
	महा योग (A+B)	18,63,532	49,07,032	28,77,568	58.64	54.41		4) ULB should impose strict penalties and legal actions to improve past collections.

मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ़



Bank Reconciliation Statement

ANNEXURE-B

STATE BANK OF INDIA 0781

DATE	PARTICULARS	DR	CR
	Balance as per Book 31/03/2024	63,51,252.00	
	CR IN CASHBOOK BUT NOT DR IN BANK TO BE ADDED		
21/03/2024	Payment Due	2,70,338.00	
28/03/2024	Payment Due	19,836.00	
	Balance as per Bank 31/03/2024		66,41,426.00
	Total	66,41,426.00	66,41,426.00

DATE	PARTICULARS	DR	CR
	Balance as per Book 31/03/2024	5,21,510.00	
	CR IN CASHBOOK BUT NOT DR IN BANK TO BE ADDED		
20/03/2024	Payment Due	14,600.00	
27/03/2024	Payment Due	1,15,867.00	
27/03/2024	Erroneously Recorded	71,325.00	
28/03/2024	Payment Due	1,68,392.00	
30/03/2024	Payment Due	85,181.00	
	Balance as per Bank 31/03/2024		9,76,875.00
	Total	9,76,875.00	9,76,875.00

DATE	PARTICULARS	DR	CR
	Balance as per Book 31/03/2024	7,31,259.00	
	Balance as per Bank 31/03/2024		7,31,259.00
	Total	7,31,259.00	7,31,259.00

DATE	PARTICULARS	DR	CR
	Balance as per Book 31/03/2024	34,551.08	
	Balance as per Bank 31/03/2024		34,551.08
	Total	34,551.08	34,551.08

DATE	PARTICULARS	DR	CR
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मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ



Balance as per Book 31/03/2024

2,18,590.00

Balance as per Bank 31/03/2024

2,18,590.00

Total

2,18,590.00

2,18,590.00

JILA SEHKARI BANK 8849			
DATE	PARTICULARS	DR	CR
	Balance as per Book 31/03/2024	9,98,207.00	
	CR IN CASHBOOK BUT NOT DR IN BANK TO BE ADDED		
30/03/2024	Payment Due	406.00	
	Balance as per Bank 31/03/2024		9,98,613.00
	Total	9,98,613.00	9,98,613.00


मुख्य नगरपालिका अधिकारी
नगर परिषद् रतनगढ



कार्यालय नगरपालिका परिषद, रतनगढ (म.प्र.)

दिनांक 31.03.2024 की स्थिति में
वर्ष 2023-24 में प्राप्त अनुदान एवं व्यय राशि की जानकारी

Annexure-C

क्र.	मद नाम	पूर्व वर्ष की शेष राशि	वर्ष में प्राप्त राशि	गागे	व्यय राशि	शेष राशि
	2	3	4	5 (3+4)	6	7 (5-6)
1	मूलभूत अनुदान	0	5668756	5668756	5668756	0
2	राज्य वित्त आयोग	0	2984000	2984000	2984000	0
3	सड़क मरम्मत अनुदान	0	1270755	1270755	1270755	0
4	15 वां वित्त आयोग	0	3489225	3489225	3489225	0
5	सी.एम.मानिट सामुदायिक भवन निर्माण	10000000	0	10000000	2414239	7585761
6	कायाकल्प अंतर्गत नवीन सड़क निर्माण	0	3100000	3100000	3100000	0
7	एस.डी.आर.एम योजना	0	1570000	1570000	1570000	0
8	विशेष निधी योजना	0	1200000	1200000	1200000	0
9	विधायक निधि	828839	649795	1478634	650000	828634
10	सांसद निधि	86440	0	86440	0	86440
11	आई.एच.एस.डी.पी. योजना	515573	0	515573	515573	0
12	प्रधानमंत्री आवास योजना	0	18389450	18389450	18389450	0
13	मुद्रांक शुल्क	0	125258	125258	125258	0
14	अमृत 2.0	0	1,99,650	199650	1,99,650	0
15	स्व.भा.मिशन	0	89450	89450	89450	0
	योग	11430852	38736339	50167191	41666356	8500835

मुख्य नगरपालिका अधिकारी
नगर परिषद रतनगढ



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नगर परिषद् रतनगढ

