

MUNICIPAL COUNCIL PATHRIYA

AUDIT OBSERVATIONS

Audit of Revenue

- We have audited the resources of revenue on the sample basis.
- Yes, we checked some Revenue receipts from the counter file of Receipt Book on test check basis and verified that the money received is duly deposited in respective Bank Accounts on time.
- CMO gives 2 working days for the deposition of money to the Bank and at the time of audit, we found that there was no delay in deposit the amount of revenue collected.
- There was no FDR made by the council.
- No, we have not seemed any Investment on lesser interest rate.
- Receipts and Payments Account was prepared and provided by the council. We checked the same on test check basis.

Audit of Expenditures

- We covered the Expenditures on test check basis during the process of Audit.
- We have checked entries in cash book with respective vouchers and found satisfactory.
- While checking Accountant Cash Book, the bills and vouchers were correct according to books.
- We verified that Expenditures of Particular schemes were not over Budget and expended according to guidelines, directives,



acts and rules issued by Government of India/ State Government.

- All the Expenses were under financial propriety and the Expenditure was according to the financial, technical and administrative sanction accorded by the competent authority.
- In our view, no such material cases were observed in which appropriate sanction has not been taken, hence there is no need to report the instances to CMO.
- As per the ULB guideline, if the Fire Brigade goes outside of Municipal area, there is some decided amount which has to be paid by the other MC/Gram Panchayat is not taken by the ULB.

Audit of Book Keeping

- We checked the books of accounts which were maintained and provided during the audit by the Municipal Council.
- Except Cash book, some of registers/records have not been maintained properly. Observations in respect of records of ULB are as follows -

Accounts Department

Audit observations about accounts department are as follows -

- Cash book was maintained properly but only system based cash book, not manually.
- EMD and SD Registers have not found during the audit.
- Since FDR has not made by the council so there is no need to maintain FDR register.



Store Department

During the examination of stock records, we found that proper records were maintained and balances of items were brought forward from last year properly but yet some irregularities were observed -

- Generally, demand letters/Slips are not obtained for issuing material.
- Fixed asset register was not found during the audit.
- According to store register, some issued receipts books were not submitted back to store department.

Revenue Department

During the examination of revenue records, we found that proper records were maintained and balances of dues were brought forward from last year properly. However, maximum revenue collections are practiced in online system. Sometimes, revenue officer in charge has not verified the collection registers; we suggested them to regulate the observations during the audit.

Sanitation Department

During the examination of sanitation records, some irregularities were observed -

- Chemical usage records were not found.
- Proper light & Vehicle repairing register should be kept.
Record of them should be maintained separately not only in store register.



Water Supply Department

During the examination of water supply records, some irregularities were observed -

- Record of repairing of motor pumps, hand pumps, pipe lines should be maintained in stock register only.
- Record of chemical usage was not found during the audit.

Establishment Department

- Charge list or register was not maintained by the ULB.
- Dispatch register was not found during the audit.

PWD Department

- Construction Register was not maintained by the ULB.
- Repairing register was not maintained.

Audit of FDRs

- While auditing, we found that there was no any FDR made by the council.



Audit of Tenders

- During the audit, on the basis of examination of tender files provided and note sheets attached with the vouchers, we found that tender procedure has been followed by the council. However, some irregularities were found and suggest them to rectify.
- No Bank guarantee has been received.

Audit of Grants & Loans

During the audit, we found some observations about grants are as follows -

- We examined all the grants received from the Central/State government and of their utilization on test check basis.
- During the Audit, we found that some grants are like mixed nature i.e. Capital & revenue nature therefore in that cases we can't bifurcate how much portion belongs to revenue or capital except that all grants have been used for the purpose for which grants have received.

For .RAHUL CHOUDHARY AND ASSO.

CHARTERED ACCOUNTANTS



(Partner)

MUNICIPAL COUNCIL PATHRIYA

District- Damoh

RECEIPT & PAYMENT ACCOUNT

As On 31.03.2024

Head of Account	Schedule No.	Municipal Council pathriya 1-Apr-23 to 31-Mar-24		Head of Account	Schedule No.	Municipal Council pathriya 1-Apr-23 to 31-Mar-24	
Opening Balance				REVENUE/ CAPITAL EXPENDITURE			
Cash Balance				Administrative Expenses (प्रशासनिक व्यय)	RP-8	1,41,61,950.00	
Bank Balance		2,22,86,934.72	2,22,86,934.72	Capital Work-in-Progress (कार्य प्रगति पर)	RP-9	3,15,000.00	
				Deposit Paid - (भुगतान निक्षेप)	RP-10	-	
REVENUE/CAPITAL RECEIPT				Establishment Expenses (स्थापना व्यय)	RP-11	3,14,61,583.00	
Assigned Revenues & Compensation	RP-1	2,75,50,966.00		Fixed Assets (अचल संपत्तियां)	RP-12	-	
Deposits Received - (प्राप्त निक्षेप)	RP-2	-		Interest & Finance Charges (व्याज / वित्त प्रभार)	RP-13	-	
Fees & User Charges (शुल्क / उपभोक्ता प्रभार)	RP-3	10,17,292.00		Operations & Maintenance (परिचालन / अनुरक्षण)	RP-14	15,42,254.00	
Grants, Contribution for specific purposes	RP-4	4,54,33,428.00		Recoveries payable - Expenses (वसूली देयक)	RP-15		
Rental Income from Municipal Properties	RP-5	3,02,240.00		Scheme Expenses -(योजना व्यय)	RP-16	1,74,93,584.00	6,49,76,371.00
Sale & Hire Charges (विक्रय / भाडा प्रभार)	RP-6	2,98,500.00					
Tax Revenue (करो से आय)	RP-7	6,70,933.00	7,52,73,359.00				
Bank Intrest			2,36,031.00	Closing Balance			
				Cash Balance			
				Bank Balance		3,28,19,953.72	3,28,19,953.72
			9,77,96,324.72				9,77,96,324.72

For Rahul Choudhary & Associates
Chartered Accountants

CA Rahul Choudhary
(Partner)
UDIN : 25077703BM124Z6435
Date : 15/03/2024

Accountant
Municipal Council Pathriya
District-Damoh

Chief Municipal Officer
Municipal Council Pathriya
District-Damoh

Schedule RP-1 : Assigned Revenues & Compensation

Particulars	Amount
Compensation-Octroi (चुंगी)	2,61,96,139.00
Compensation-Export Tax (निर्यात कर)	2,35,524.00
Compensation-Stamp Duties(मुद्रक शुल्क)	11,19,303.00
Total : Assigned Revenues & Compensation	2,75,50,966.00

Schedule RP-2 : Deposits Received

Particulars	Amount
Earnest Money Deposit (अमानत प्राप्त)	-
Total : Deposits Received	-

Schedule RP-3 : Fees & User Charges

Particulars	Amount
Fees & User Charges	10,17,292.00
Penalties & Fine	
Total : Fees & User Charges	10,17,292.00

Schedule RP-4 : Grants, Contribution for specific purposes



Particulars	Amount
Grant GoMP-State Finance Commission(राज्य वित्त आयोग)	42,78,000.00
Grant GoMP-(SDRF	1,53,00,000.00
Grant GoMP-Mulbhoot(मूलभूत सुविध)	36,86,432.00
समेकित अनुदान	1,52,000.00
MDM	43,044.00
Grant GoI-विशेष निधि	50,00,000.00
Grant GoI-15th Finance Commission(15वा वित्त आयोग)	1,22,93,952.00
संबल योजना	2,00,000.00
AHP अंशदान	44,80,000.00
Total : Grants,Contribution for specific purposes	4,54,33,428.00

Schedule RP-5 : Rental Income from Municipal Properties

Particulars	Amount
Rent-Market (बाजार बैठक)	
Rent-Land & Building(भूमि एवम् भवन किराया)	2,86,190.00
Other rent(Tankar)	16,050.00
Total : Rental Income from Municipal Properties	3,02,240.00

Schedule RP-6 : Sale & Hire Charges

Particulars	Amount
Sale-Tender (टेंडर से आय)	2,98,500.00
	-
Total : Sale & Hire Charges	2,98,500.00



Schedule RP-7: Tax Revenue

Particulars	Amount
Property Tax - Current - (संपत्तिकर)	3,12,712.00
Samekit Kar - (समेकित कर)	1,84,051.00
Education Cess-(शिक्षा उपकर)	84,360.00
Urban Development Cess - (नगरिय विकास कर)	84,360.00
Seva tax - Current (सेवा कर चालू)	5,450.00
Total : Tax Revenue	6,70,933.00



Schedule RP-08 : Administrative Expenses (प्रशासनिक व्यय)

Particulars	Amount
Tant Exp.	2,97,490.00
Electricity Expense (विधुत बिल)	40,72,030.00
Fuel, Petrol & Diesel-(डीजल व्यय)	36,78,000.00
Stationary exp	1,75,267.00
Office Expenses(कार्यालयीन व्यय)	52,54,623.00
Publicity Expenses(प्रचार-प्रसार व्यय)	5,08,800.00
Web, Internet Expenses (इंटरनेट व्यय)	71,062.00
Purchase-Fire Wood(अलाव लकड़ी)	59,850.00
Other exp.	
Printing Exp.	44,828.00
Total : Administrative Expenses	1,41,61,950.00

Schedule RP-09 : Capital Work-in-Progress

Particulars	Amount
Construction - Roads & Bridges-Concrete Road (रोड निर्माण)	
Construction - Sewerage Drainage - Drain open (नाली निर्माण)	2,00,000.00
Construction-शवदाह ग्रह	1,15,000.00
Total : Capital Work-in-Progress	3,15,000.00



Schedule RP-10 : Deposit Paid

Particulars	Amount
Return - Security Deposits (सुरक्षा निधि)	
Return - Earnest Money Deposits (अमानत रकम)	
Total : Deposit Paid	-

Schedule RP-11 : Establishment Expenses

Particulars	Amount
Salaries & Wages and Temporary Staff	3,14,61,583.00
Total : Establishment Expenses	3,14,61,583.00

Schedule RP-12 : Fixed Assets

Particulars	Amount
Office & Other Equipment	
Total : Fixed Assets	-

Schedule RP-13 : Interest & Finance Charges

Particulars	Amount
Transfer other Account	
HUDCO Loan	
Total : Interest & Finance Charges	-



Schedule RP-14 : Operations & Maintenance

Particulars	Amount
Hire Charges-JCB	1,40,723.00
Hire Charges-Vehicle (वाहन किराया)	72,480.00
Other Expenses - (अन्य व्यय)	
R & M-Vehicle (वाहन मरम्मत)	
R&M-Computer	
R&M-Concret Road(सड़क मरम्मत)	
R&M-Infra Assets (अन्य मरम्मत)	
R&M-Covid Centre	
R&M-Open Dari (नाली मरम्मत)	
R&M-Park, Nurseries & Garden	
R&M-Handpump	3,96,170.00
R&M-Water Ways	
R&M-Waterways-Pipeline	
Sanitation/Conservancy Material (सफाई सामग्री क्रय)	9,32,881.00
Water Ways Material (जल प्रदाय सामग्री क्रय)	
Electrical store (विधुत सामग्री क्रय)	
R&M-Motichoor River	
Total : Operations & Maintenance	15,42,254.00



Schedule RP-15 : Recoveries payable - Expenses

Particulars	Amount
TDS & GST उपकर	
Total : Recoveries payable - Expenses	-

Schedule RP-16 : Scheme Expenses

Particulars	Amount
MDM	
Sambal Yojna	2,00,000.00
Payjal yojna	1,72,95,584.00
Total : Scheme Expenses	1,74,95,584.00

Schedule RP-17: BANK BALANCE

Particulars	Amount
A/c. 7763	3,18,21,799.14
A/c. 442	6,55,992.58
HDFC 9128511	3,21,631.00
935781	20,531.00
Total : Scheme Expenses	3,28,19,953.72



REVISED ABSTRACT SHEET FOR REPOTION ON AUDIT PARAs FOR FINANCIAL YEAR 2023-24

NAME OF ULB :- PATHRIYA

NAME OF AUDITOR :- RAHUL CHOUDHARY & ASSOCIATES

Sr No	PARAMETERS	DESCRIPTION			OBSERVATION IN BRIEF	SUGGESTION
1	Audit of Revenue	Receipts in Rs.				
		2022-23	2023-24	% of Growth		
	A. REVENUE COLLECTION					
a.	Property Tax	2,75,299	3,12,712	13.59%	Tax collection has increased gracefully.	Council Should keep on working towards maintaining such a high growth rate in the up coming years.
b.	Consolidated Tax	1,75,419	1,84,051	4.92%	Tax collection has increased, but not satisfactory	Council Should take good steps to increse the growth rate in the up coming years.
c.	Devlopment Cess	95,073	84,360	-11.27%	Negative growth	Council Should prepare a strategy and take strict action towards it to make it positive growth.
d.	Education Cess	96,459	84,360	-12.54%	Negative growth	Council Should prepare a streategy and take strict action towards it to make it positive growth.
TOTAL (A)		6,42,250	6,65,483			
	B. NON REVENUE COLLECTION					
a.	Rent of Land & Buliding/Shops	3,87,735.00	3,02,240.00	-22.05%	Negative growth, Very less collection	Council Should prepare a strategy and take strict action towards it to make it positive growth.
b.	Water Tax	-	-	0.00%	No comments	No comments
c.	Solid Wastage Management	-	-	0.00%	No comments	No comments
d.	Other Fees & Taxes	3,28,827.00	10,17,292.00	209.37%	Tax collection has increased gracefully.	Council Should keep on working towards maintaining such a high growth rate in the up coming years.
TOTAL (B)		7,16,562	13,19,532			
GRANT TOTAL (A) + (B)		13,58,812.00	19,85,015.00			



Sr No.	PARAMETERS	DESCRIPTION	OBSERVATION IN BRIEF	SUGGESTION
1	Audit of Expenditure	Some bills and vouchers were found with irregularities regarding necessary aspects.	During the audit, some bills and vouchers were found with irregularities such as date, signatures etc. which were suggested for rectification and for paying attention in future in this regard.	Council should obtain proper bills and should maintain vouchers properly with all regards.
2	Audit of Book Keeping	We checked the books of accounts which maintained and made available for us during the audit by the Municipal Council.	Departments had some issues in regards of book keeping. [For more details Refer Observation sheet]	Council should maintain proper books of accounts for all departments
3	Audit of FDRs	While Auditing, we found that there was no any FDR in the ULB.	FDR was not made by the council.	If FDR made, proper Register should be maintained & Interest on FDRs should be recorded in cashbook timely.
4	Audit of Tenders / Bids	1. We examined Tenders/bids documents on the basis of note sheets attached with the vouchers and some files which were made available for us during the audit. 2. Tenders which were found during the audit have followed proper tendering procedures.	As per our observation, ULB has followed proper tender process.	Proper Files/Records should be maintained for Tenders & Bids and proper process should be kept followed.



5	Audit of Grants & Loans	Refer the "Audit of Grants & Loans" head of audit observation sheet	During Audit we found that some grants are like mixed nature i.e. Capital & revenue nature therefore in that cases we can't bifurcate how much portion belongs to revenue or capital. Except that all grants have been used for the purposes for which grants have been received.	Grants Register must be Prepared as per ULB apperoved format
6	Incidences relating to diversion of fund from Capital receipts/ grants / Loans to Revenue Nature Expenditure and from one scheme / Project to another	No Such diversion of fund We didn't found any incidences relating to diversion of funds from Capital receipts\Grants\Loans to Revenue Nature Expenditure and from one scheme to another scheme.	No Such Observation Found	There Should be proper bifurcation of capital and revenue nature receipts and expenditure.
a.	Percentage of Revenue Expenditure (Establishment, Salary, Operation & Maintenance) with respect to revenue Receipts (Tax and non tax) excluding Octroi, Entry Tax, Stamp Duty and other grants etc.	508.10%	No Such Major Observation found	The Total Expenses is very High in comparasion of Income, so council should make more efforts to meet out the Expenditure form its Revenue Receipts.
b	Percentage of Capital Expenditure with respect to total Expenditure	22.99%	No Such Major Observation found	The capital expenditures are very low in comparasion of Total expenditures, Council should make policies to increase the percentage of capital expenditures sothat council can have more valuable assets.
7	Whether all the temporary advances have been fully recovered or not.	No advances found during the year.	No observations	Advances should be recovered rgularly from salary of employees and proper register should be maintained and updated timely.
8	Whether bank recociliation statement is being regularly prepared.	No, Bank Reconciliation Statements were not found during the audit.	No observations	BRSs should be prepared on monthly basis and proper File should be maintaied for keeping such BRSs.

Date :

Place : Bhopal

FOR RAHUL CHOUDHARY & ASSOCIATES

Chartered Accountants



Rahul Choudhary
(Partner)

**Revised Abstract Sheet For Reporting on Audit Paras
2021-22 INCOME & EXPENDITURE INFORMATION**

Sr. No.	Division	District	ULB Name	ULB Type	REVENUE RECEIPTS							CAPITAL RECEIPTS				TOTAL
					PROPERTY TAX	OTHER TAX REVENUE	FEE & USER CHARGES	REVENUE FROM MUNICIPAL PROPERTY	ASSIGNED REVENUE	REVENUE GRANTS, CONTRIBUTION & SUBSIDIES	OTHER INCOME	CAPITAL RECEIPTS	CENTRAL FINANCE COMMISSION RECEIPTS	STATE FINANCE COMMISSION RECEIPTS	OTHER GRANTS	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1	Sagar	Damoh	Pathriya	Nagar Parishad	312712	358221	1017292	302240	27550966	45433428	534531	0			0	7,55,09,390.00

REVENUE EXPENDITURE							TOTAL EXPENDITURE
ESTABLISHMENT EXPENSES	ADMINISTRATIVE EXPENSES	OPERATION & MAINTENANCE CHARGES	INTEREST & FINANCE CHARGES	OTHER EXPENSES	LOAN REPAYMENT (PRINCIPAL)	OTHER CAPITAL EXPENDITURE	
18	19	20	21	22	23	24	25
31461583	14161950	1542254	0	17495584		315000	64976371

