कार्यालय नगर पालिका परिषद सिहोरा जिला जबलपुर (म.प्र.)

क्र./ले.वि./2025/3100 सिहोरा दिनांक 18.06.2025

प्रति,

संयुक्त संचालक,
(वित्त)
नगरीय प्रशासन एवं विकास
भोपाल म.प्र.।

विषय :– वित्त वर्ष 2023–24 की ऑडिट रिपोर्ट प्रेषित किये जाने बावद्।

संदर्भ :– श्रीमान का पत्र क्रमांक/ऑडिट/लेखा शा–4(क)/266/7827 भोपाल दिनांक 24.04.2024

विषयांतर्गत संदर्भित पत्र के क्रम में वित्तीय वर्ष 2023–24 के नगर पालिका परिषद सिहोरा के लेखाओं की संपरीक्षा चार्टर्ड अकाउन्टेंट के द्वारा कराया जाकर वित्त वर्ष 2023–24 की ऑडिट रिपोर्ट संलग्न कर श्रीमान की ओर सादर प्रेषित है।

संलग्न :– उपरोक्तानुसार।

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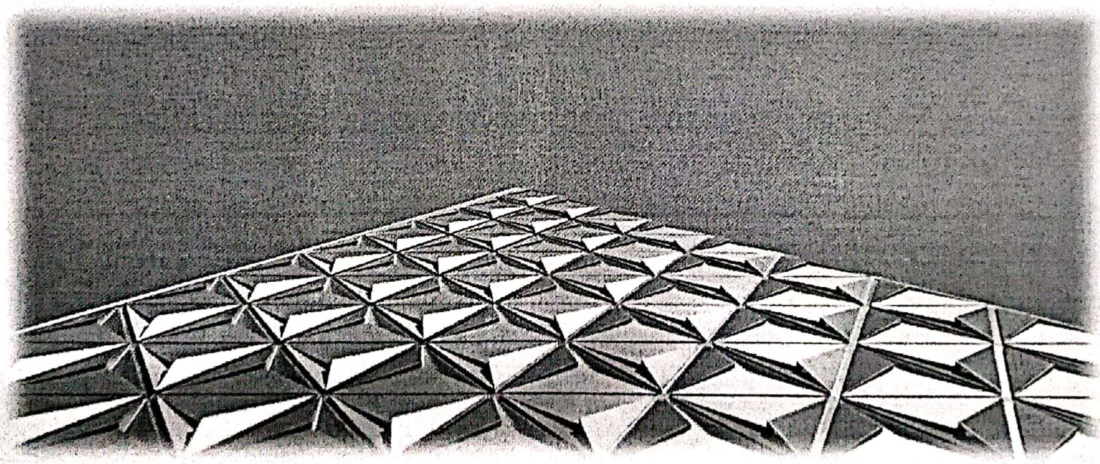
AUDIT REPORT

NAGAR PARISHAD SIHORA

FINANCIAL YEAR 2023-24



NPJS AND ASSOCIATES

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सहायक लेखाधिकारी
नगर पालिका परिषद सिहोरा

मुख्य नगर पालिका अधिकारी
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INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of NAGAR PARISHAD SIHORA

Report on the Financial Statements	We have audited the accompanying financial statements of NAGAR PARISHAD SIHORA ("the ULB"), which comprise the Receipt & Payment Account for the year then ended, and other explanatory information.
Management's Responsibility for the Financial Statements	The ULB's Management is responsible for the matters with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the ULB in accordance with the provisions of Madhya Pradesh Municipalities act 1961 and accounting principles generally accepted in India, including the Municipal Accounting Manual ("the Manual") and Accounting Standards applicable to the Urban Local Bodies. This responsibility also includes maintenance of adequate accounting records in accordance with the Municipal Accounting Manual for safeguarding of the assets of the ULB 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 . However, in this case ULB is not in practice of maintaining balance sheet & Income and expenditure account, so receipt and payment account shall be considered as final statement on which we express our opinion.
Auditor's Responsibility	Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the Municipal Accounting Manual, the accounting and auditing standards and matters which are required to be included in the audit report as per the letter issued by

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	Directorate, Urban Administration & Development, M.P., Bhopal in this regard. The Commissioner/CMO has not directed us to perform audit of any other section in his office in addition to the above scope. We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the ULB's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the ULB's officers, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.
Qualified Opinion	In our opinion and to the best of our information and according to the explanations given to us, in absence of basic document's and information such as complete cashbook, bank statement, grant registers, fixed asset registers etc. we cannot comment over true and fair view of financial transactions affected by ULB.
Basis for	The details which form the basis of qualified opinion are reported in

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Qualified Opinion	the Annexure 1 and Annexure 2 annexed to this report.
Emphasis of Matters	We draw attention to the following matters reported in Annexure - 2, annexed to this report. • Accounts in form of receipt and payment statement is prepared for the year instead of double entry balance sheet. • Revenue department's records related to recovery of revenue taxes and other revenue dues has differences with accounting records maintained by accounting department. • Non-maintenance or incomplete registers as prescribed under manual and mentioned at point 3 of annexure 2. • Non verification of grant records in the absence of certified registers and utilisation documents. • Non verification of statutory & non statutory dues such as TDS, GST, EPF, royalty etc. as same has not been made available to us by the ULB.
We further report that:	a) We have sought and, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit; b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by Municipal Accounting Manual have not been kept by the ULB. c) The Receipt & Payment Account prepared for the year could not verified from the manual register of the ULB. d) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the ULB. e) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.

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	With respect to the adequacy of the internal financial controls over financial reporting of the ULB and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1".

For NPJS & Associates

Chartered Accountants

[illegible] Patidar

Partner

MRN – 441867

Date: 17/06/2025

UDIN: 25441867BMLLAB0931

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Annexure '1'

Report on Internal Financial Controls over Financial Reporting

Report on the Internal Financial Controls of the ULB ("the ULB")	We have audited the internal financial controls over financial reporting of NAGAR PARISHAD SIHORA ("the ULB") as of March 31, 2024 in conjunction with our audit of the financial statements of the ULB for the year ended on that date.
Management's Responsibility for Internal Financial Controls	The ULB's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the ULB. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to ULB's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required in accordance with the Madhya Pradesh Municipalities Act, 1961 including the Municipal Accounting Manual and accounting principles generally accepted in India applicable to the Urban Local Bodies.
Auditors' Responsibility	Our responsibility is to express an opinion on the ULB's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively

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	in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the ULB's internal financial controls system over financial reporting.
Meaning of Internal Financial Controls Over financial Reporting	A ULB's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A ULB's internal financial control over financial reporting includes those policies and procedures that a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the ULB; b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the ULB are being made only in accordance with authorizations of management and officers

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	of the ULB; and c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the ULB's assets that could have a material effect on the financial statements.
Inherent Limitations of Internal Financial Controls Over Financial Reporting	Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.
Qualified opinion	According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2024: a) The ULB did not have an appropriate internal financial control system over financial reporting since the internal controls adopted by the ULB did not adequately consider risk assessment, which is one of the essential components of internal control, with regard to the potential for fraud when performing risk assessment b) The ULB did not have an appropriate internal control system for tax and user charges collection, tax demand evaluation, which could potentially result in the ULB recognizing revenue without establishing reasonable certainty of ultimate collection. c) The ULB did not have an appropriate internal control system for inventory with regard to receipts, issue for production and physical verification. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate.

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<table>
<tr><td></td><td>These could potentially result in material misstatements in the ULB's trade payables, consumption, inventory and expense account balances.

d)The ULB did not have an appropriate internal control system for fixed asset with regard to purchase, construction, transfer and physical verification. Further, the internal control system for identification and allocation of overheads to fixed asset was also not adequate. These could potentially result in material misstatements in the ULB's grants, payable to contractors, tax and other statutory dues, fixed assets, capital work in process and accumulated depreciation account balances.</td></tr>
<tr><td colspan="2">A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the ULB's annual or interim financial statements will not be prevented or detected on a timely basis. In our opinion, because of the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the ULB has not maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as of March 31, 2024 based on the criteria established by the ULB. We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2024 financial statements of the ULB, and these material weaknesses do not affect our opinion on the financial statements of the ULB.</td></tr>
</table>

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Annexure '2'
The Annexure referred to in paragraph 5 & 6 of Our Report:

1. **Audit of Revenue**

1)	The auditor is responsible for audit of revenue from various sources.	The complete cashbook & other records such grant register and revenue register were not provided to verify the entries of receipts & payment statement. Hence, we could not comment over accuracy of revenue figures from various sources.
2)	He is also responsible to check the revenue receipts from the counter files of receipt book and verify that the money receipt is duly deposited in respective bank account.	The bank statement were not made available to verify the deposit of money. Also the counter foils or revenue receipts were not made available to us for verification. A detailed statement containing outstanding demand and tax collected during the year was provided to us by the concerned department duly certified by the concerned officer.
3)	Percentage of revenue collection increase or decrease in various heads in property tax, samekitkar, shikshaupkar, nagriyavikasupkar, and other tax compared to previous year shall be part of report.	See Annexure C attached to this report.
4)	Delay beyond 2 working days shall be immediately brought to the notice of commissioner/CMO.	Delay beyond two working days could not be verified in absence of complete bank statement records. Hence, we could not comment over the same.
5)	The entries in Cash book shall be verified	We have not noticed certain deficiencies related to totalling and balancing on some dates as provided at

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		sub point 3 of point 2 of this annexure. Also the complete cashbook were not provided to us to verify the entries and closing balances. Also, due to quantum of transactions and inherent limitation of audit we cannot provide our absolute assurance on the entries of the cash book. It is generally recommended that entries of the cash book should be duly supported by necessary documentary evidences and authorizations.
6)	The auditor shall specifically mention in the report the revenue recovery against the quarterly and monthly targets any lapses in revenue recovery shall be a part of the report.	Revenue recovery against quarterly and monthly targets were not made available by the ULB. Hence, we could not comment over non recoveries.
7)	The auditor shall verify the interest income from FDR's and verify that interest is duly and timely accounted for in cash book.	ULB explained that no investments were held by ULB during the year. Hence, we cannot comment over interest income over FDR's and its accounting in cashbook.
8)	The case where, the investments are made on lesser interest rates shall be brought to the notice of the Commissioner/CMO.	As explained in above point, in case of no investments during the year, we are unable to comment over investments are made on lesser interest rates.

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18/6/25
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2. Audit of Expenditure:

<table>
<tr><td>1)</td><td>The auditor is responsible for audit of expenditure under all the schemes.</td><td>Expenditure are summarised in receipt and payment statement prepared by the ULB. Complete cashbook was not made available to verify the payments for the whole year. Scheme wise payment details were not provided by the ULB. The main cashbook does not contain details of payment out of scheme funds. Hence, we could not comment over expenditure under all schemes.</td></tr>
<tr><td>2)</td><td>He is also responsible for checking the entries in cash book and verifying them relevant vouchers.</td><td>In absence of cashbook we could not verify the entries with relevant vouchers/note sheets. However, considering the bulk quantum of entries and the weak internal control procedures, the discrepancies in the entries of cash book cannot be ruled out.

It was also noticed that the dues pertaining to royalty and labour tax were not deposited during the year.</td></tr>
<tr><td>3)</td><td>He should also check monthly balance of the cash book and guide the accountant to rectify errors, if any.</td><td>On verification of cashbook totalling and balancing, we noticed issues in receipt amount on various dates. The details for the same are provided below:
<table>
<tr><th>Date</th><th>Amount</th><th>Remark</th></tr>
<tr><td>06/04/2023</td><td>26,53,860.00</td><td>Amount not recorded in receipt side of cashbook</td></tr>
<tr><td>11/04/2023</td><td>2,67,570.00</td><td>Amount not recorded in receipt side of cashbook</td></tr>
<tr><td>12/04/2023</td><td>7,500.00</td><td>Amount not recorded in receipt side of cashbook</td></tr>
<tr><td>13/04/2023</td><td>(52,367.00)</td><td>Amount excess recorded in receipt side of cashbook</td></tr>
</table>
The above issues were noticed while verifying the April month of the cashbook on sample basis. The issues might also be there for rest of the cashbook period.</td></tr>
<tr><td>4)</td><td>He shall verify that the expenditure for a</td><td>Details relating to deviation of expenditure, if any, of particular scheme is specified at sub point 4 of point 6.</td></tr>
</table>

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	particular scheme is limited to the funds allocated for that particular scheme any over payment shall be brought to the notice of the Commissioner / CMO.	
5)	He shall also verify that the expenditure is accordance with the guideline, directives, acts and rules issue by Government of India/ State Government.	ULB didn't provided such directives with written confirmation and hence it was not possible for us to verify the expenditures in accordance with such guidelines etc.
6)	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.	Details relating to financial and administrative sanctions accorded by competent authority was not made available to us in respect of the expenditures. Hence, we could not comment over financial propriety of the expenditures.
7)	All the cases where appropriate sanctions have not been obtained shall be reported and the compliance of audit observation shall be	In absence of complete information relating to appropriate sanctions, we could not comment over the same.

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	ensured during the audit. Non- compliance of audit paras shall be brought to the notice of Commissioner / CMO.	
8)	The auditor shall be responsible for verification of scheme wise/ project wise Utilization Certificate (UC's). UC's shall be tallied with the Receipt & Payment Account and creation of Fixed Asset.	Utilization certificates of various schemes for verification of scheme wise project/ wise Utilization Certificate (UCS) were not provided to us by the ULB. Hence same cannot be commented upon. We are unable to verify the details of capitalization of expenditure since there is neither any proof available nor completion of work from respective department. There is no cross check mechanism exist to ensure the completion of project except payment of final bill. It is suggested that a proper internal control system should be framed to identify the fixed asset and its recognition in fixed asset register and books of account of the ULB.
9)	He shall verify that all temporary advances of other than employees have been fully recovered.	Details regarding temporary advances were not provided to us by the ULB and hence we cannot comment on the same.

3. **Audit of Book Keeping**

1)	The auditor is responsible for audit of the books of accounts as well as stores.	The ULB has not provided for verification Fixed Asset Registers, Security Deposit Registers, Grant register Advance Registers, Register of Advances to employees, Register of Earnest Money Deposits as prescribed under MP MAM
2)	He shall verify that all the	As stated in point no. 1 above, as the books stores are

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	books of accounts and stores are maintained as per Accounting Rules applicable to the Urban local Bodies. Any discrepancies shall be brought to the notices of Commissioner / CMO.	not provided for verification, so it was not possible for us to verify whether the same is maintained as per Accounting Rules applicable to the urban local Bodies.
3)	The auditor shall verify advance register and see that all the advance to employees are timely recovered according to the condition of advance. All the case of non-recovery shall be specifically mentioned in audit report.	As per the information and explanation provided to us by the management of the ULB, no specific condition related to advances are placed. Hence, it is not possible for us to verify the cases of timely recovery of advances, if any.
4)	Bank reconciliation statement (BRS) shall be verified from the records of ULB and the bank concerned. If bank reconciliation Statement are not prepared the auditor will help in the preparation of BRS's	Bank Reconciliation is not provided to us by the ULB. The closing balances of cashbook were not provided by the ULB. The bank statement were also not produced before us to cross verify the entries and year end balances
5)	He shall be responsible for verifying the entries in the Grant register. The receipts and payment of grants shall be duly	Grant registers were not made available to us. Hence verification of the same cannot be done from the entries in cash book. A summarised statement of grants received as maintained by the ULB has been provided to us and same has been provided in the

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	verified from the entries in cash book.	point 6(1) of this report.
6)	The auditor shall verify the fixed assets register from other records and discrepancies shall be brought to the notices of Commissioner / CMO.	Fixed asset registers were not provided to us for verification. Therefore we are not able to verify the same and comment upon whether it is complete and correctly balanced.
7)	The auditor shall reconcile the account of receipt and payment especially for project funds.	ULB does not maintain separate cash books for different schemes and projects and hence we cannot comment on reconciliation with Receipt & Payment.

4) **Audit of FDR**

1)	The auditor is responsible for audit of all fixed deposits and term deposits.	As per the explanation provided by the ULB, it does not held any fixed/term deposit during the year. Hence, we were unable to audit the same.
2)	It shall be ensured that proper record of FDR's are maintained and renewals are timely done.	As explained above, in absence of any FDR's renewables could not be commented upon.
3)	The case where FDR'S / TDR are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of Commissioner/ CMO.	In case of no investment in FDR's/TDR's by the ULB, we could not comment over low rate of interest than the prevailing rates.

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4)	Interest earned on FDR/TDR Shall be verified from entries in the cash book.	In absence of any investment there was no interest earned and recorded in the cashbook.

5) Audit of Tenders / Bids

1)	The auditor is responsible for audit of all tenders / bids invited by the ULB.	Tender related documents were provided to us on test check basis. On verification of produced documents we can conclude that procedure of tendering was followed by the ULB. Bid were invited online where the tender amount exceeding Rs. One Lakh and for value less than one lakh, manual bids were asked.
2)	He shall check whether competitive tendering procedures are followed for all bids.	Tender related documents were provided to us on sampling basis, and except few minor irregularities we found them complete and appropriate. Competitive tendering procedures were followed for all bids.
3)	He shall verify the receipts of tender fee / bid processing fee / performance guarantee both during the construction and maintenance period.	Tender related documents were provided on test check basis, and we have verified the receipts of tender fee / bid processing fee / performance guarantee etc. No major irregularities were found during our verification in the produced documents.
4)	The bank guarantees, if received in lieu of bid processing fee / performance guarantee shall be	No such bank guarantees were produced before us for verification.

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	verified from the issuing banks	
5)	The conditions of BG shall also be verified; any BG with any such condition which is against the interests of the ULB shall be verified and brought to the notice of Commissioner /CMO.	No such bank guarantees were produced before us for verification. Therefore, it is not possible for us to comment on the conditions of BG.
6)	The cases of extension of BG shall be brought to the notice of Commissioner / CMO. Proper guidance to extend the BC's shall also be given to ULB	No such bank guarantees were produced before us for verification. Therefore, it is not possible for us to comment on the conditions/extensions of BG.
7)	The contract closure shall also be verified by the auditor.	No contract closure documents were made available to us for verification.

6) Audit of Grants and Loans

1)	The auditor is responsible for audit of grants given by Central Government and its utilization.	Register related to grant receipt & utilisation were not provided to us for verification. The receipt details of grant during the year were made available to us in a summarised form as provided in the receipt & payment statement of the ULB.
2)	He is responsible for audit of grants received	Register related to grant receipt & utilisation were not provided to us for verification. The receipt details of

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	from State Government and its utilization.	grant during the year were made available to us in a summarised form as provided in the receipt & payment statement of the ULB.
3)	He shall perform audit of loans provided for physical infrastructure and its utilization. During his 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 or not. He shall also comment on the possible reasons for non-generation of revenue.	As per information provided by the ULB there were no outstanding loan at year end. Hence we could not comment whether the asset created out of the loan has generated the desired revenue or not. We cannot comment on the possible reasons for non-generation of revenue.
4)	The auditor shall specifically point out any diversion of funds from capital receipts/ grants/ bans to revenue expenditure.	Due to non-availability of all the necessary records of utilisation of grant and scheme fund, we could not comment over diversion of funds from capital receipts/ grants to revenue expenditure. Due to inherent limitation of internal controls over financial reporting possibilities of fund diversion cannot be ruled out completely.

NPJS & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ F.R.No. 019014C

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Other Audit Observations

Most of the records pertaining to the financial year 2023–24 were either not made available for verification or were found to be incomplete. In view of this, we recommend a thorough departmental verification of the records of the ULB for the said financial year. Users of the financial statements presented in this report are advised to exercise caution and independently re-verify the underlying records before placing reliance on the information contained herein.

Urban Local Bodies (ULB) earns revenue from their own resources through taxes, rent, fees, issue of licenses etc. In test check of Nagar Parishad as of 31 March 2024 a sum of Rs 81.77 lakhs (as shown in Table Below) plus Interest & Penalties were outstanding against the taxpayers, although the ULBs had powers under section 165 of Madhya Pradesh Municipalities Act, 1961 to approach a Magistrate to seek orders for recovery by distress and sale of any movable property of attachment and sale of immovable property belonging to defaulters, however they had not invoked these power to recover the outstanding taxes. Failure to invoke its powers resulted in non-recovery of outstanding taxes and resource crunch, leading to hindrance in development works.

Non Recovery of dues

(Amount in Lakhs)

Sl. No.	Revenue Head	Previous year's recoverable as on 01/04/2023	Received From Previous Dues	Un-Recovered Due for More than a Year	Current Year Demand	Current Year's Recovery	Un-Recovered due of Current Year	Total Recovery	Total un-recovered amount
1	Sampatti Kar	47.51	27.18	20.33	36.95	26.74	10.21	53.93	30.54
2	Samekit Kar	16.11	14.69	1.42	15.83	14.99	0.83	29.68	2.25
3	Nagar Vikas Upkar	10.13	9.25	0.88	9.70	9.01	0.69	18.26	1.57
4	Siksha Upkar	11.81	9.49	2.32	9.24	8.63	0.61	18.12	2.93
5	Water Tax	3.94	1.78	2.16	2.63	1.14	1.49	2.92	3.65
6	Other Tax	34.89	7.18	27.71	27.12	14.01	13.12	21.18	40.83
	Total	**124.38**	**69.57**	**54.82**	**101.47**	**74.52**	**26.95**	**144.09**	**81.77**
	Total Un-Recovered amount								**81.77**

The demand and recovery figures were taken out of wasooli patrak of the revenue department of the ULB. There are variation in the opening balance of current year and closing balance of previous year wasooli patrak.

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Reporting on Audit Paras for Financial Year 2023-24

NAGAR PARISHAD SIHORA

Auditor: NPJS & Associates, Chartered Accountants

S. no.	Parameters	Description	Observation in brief	Suggestions
2	Audit of Expenditure:	Verification of Expenditures are as per guidelines, directives, and rules under all schemes and entries of expenditures in cash book, Diversion of Funds, financial propriety of expenditures, scheme project wise utilisation certificate.	Observations were listed in brief in point no. 2 of annexure 2 of audit report attached	Records relating to grant receipt and utilisation should be prepared to identify any diversion of funds and scheme wise utilisation of funds.
3	Audit of Book keeping	Verification of books of accounts and stores are maintained as per accounting rules, advance register and check timely recovery, Bank reconciliation statement, grant register, fixed asset register	Observations were listed in brief in point no. 3 of annexure 2 of audit report attached	Required books of accounts as prescribed under MP MAM Should be maintained.
4	Audit of FDR/TDR	Verify fixed deposits and term deposits and their maintenance	NA	NA.

NPJS & ASSOCIATES F.R.No. 019014C CHARTERED ACCOUNTANTS

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5	Audit of Tenders and Bids	Verify Tenders/Bids invited by ULB and competitive tendering procedures followed	Observations were listed in brief in point no. 5 of annexure 2 of audit report attached	Procedure for Tenders opening and Performance review should be carefully monitored.
6	Audit of Grants & Loans	Verification of Grant received from Government and its utilisation	Observations were listed in brief in point no. 6 of annexure 2 of audit report attached	Grant register should be prepared along with the utilisation certificates.
7	Verify whether any diversion of funds from capital receipt /grants /Loans to revenue expenditure and from one scheme /project to another.	Observations related to diversion of funds has been pointed out in point no. 6 (iv) of annexure 2 of report attached Diversion of funds could not be noticed due to non-availability of all the necessary information such as grant registers, utilisation certificates and bank statements.		
8	Percentage of revenue expenditure (Establishment, salary, Operation& Maintenance) with respect to	9,59,76,707.78 ÷ 7,71,55,452.00 : 124.39%		

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	revenue receipts (Tax & Non Tax).			
	Percentage of Capital expenditure wrt Total expenditure.	5,17,99,323.00 ÷ 14,77,76,030.78 : 35.05%		
9	Whether all the temporary advances have been fully recovered or not.		Details not made available.	Details not made available.
10	Whether bank reconciliation statements is being regularly prepared		BRS not prepared by the ULB	ULB should prepared BRS to reconcile the difference between cashbook balance and bank balance at year end.

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Annexure D

Revised abstract sheet for reporting on audit paras

2023-24

Income & Expenditure Information

S.no.	Division	District	ULB name	ULB type
1	2	3	4	5
1	Jabalpur	Jabalpur	Sihora	Parishad

Revenue receipts						
Property Tax	Other tax revenue	Fees & user charges	Revenue from municipal property	Assigned revenue	Revenue grants, Contribution & Subsidies	Other Income
6	7	8	9	10	11	12
48,00,649.00	2,02,735.00	59,80,805.00	70,88,115.00	5,86,62,677.00	-	4,20,471.00

Capital receipts				Total Receipts
Capital receipts	Central Finance Commission receipts	State Finance Commission receipts	Other Grants	
13	14	15	16	17
-	1,61,57,670.00	2,05,83,000.00	2,37,04,556.00	13,76,00,678.00

Revenue Expenditure							Total Expenditure
Establishment Expenditure	Administrative Expenditure	Operation & Maintenance	Interest & Finance Charges	Other Expenses	Loan repayment (Principle)	Other Capital Expenditure	
18	19	20	21	22	23	24	25
6,22,08,745.00	16,64,404.00	3,11,04,694.78	-	17,99,424.00	-	5,17,99,323.00	14,85,76,590.78

Auditor: NPJS & Associates
FRN: 019014C
MRN: 441867

NPJS & ASSOCIATES F.R.No. 019014C CHARTERED ACCOUNTANTS

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Name of ULB Nagar Parishad Sihora
Name of Auditor NPJS & Associates

Annexure C
Amt in lakhs

S.no.	Parameters	Description		% of growth	Observation in brief					Suggestions
	Audit of Revenue	Receipt in (Rs.)								
	Rajaswa Kar wasooli	2022-23	2023-24							
1	Sampatti Kar	30.80	53.93	75.11	Collection % w.r.t. total dues is	63.85%	which is	Average	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
2	Samekit Kar	13.68	29.68	116.93	Collection % w.r.t. total dues is	92.96%	which is	Very good	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
3	Nagar Vikas Upkar	7.76	18.26	135.26	Collection % w.r.t. total dues is	92.09%	which is	Very good	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
4	Siksha Upkar	7.62	18.12	137.82	Collection % w.r.t. total dues is	86.07%	which is	Good	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
	Total	59.86	119.99							
	Gair-Rajaswa wasooli									
5	Water Tax	2.92	2.92	0.00	Collection % w.r.t. total dues is	44.38%	which is	Below Average	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
6	Other Tax	21.18	21.18	0.00	Collection % w.r.t. total dues is	34.16%	which is	Below Average	Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
	Total	24.10	24.10							
	Grand Total	83.96	144.09							

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The above recovery figures are taken from wasooli patrak provided by the Revenue depratment of the Parishad.

18/6/25
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NAGAR PARISHAD SIHORA

Receipts and Payments Statement

1-Apr-23 to 31-Mar-24

Receipts	Amount	Payments	Amount
Opening Balance	**8,23,13,327.92**	**Establishment Expenses**	
Tax Revenue		Remuneration & Fees Councillors	5,48,413.00
Property Tax C.Y.	15,57,362.00	Employee Liability -Salary Payble	2,96,31,972.00
Property Tax P.Y.	9,39,865.00	Daily Wages	2,68,42,412.00
Samekit Kar C.Y.	5,41,204.00	Travel & Conveyance-Staff	48,762.00
Receiavle Samekit Kar PY	5,11,303.00	Leave Encashment	8,63,464.00
Education Cess C.Y.	3,89,219.00	Recovery Payble GPF	1,38,399.00
Education Cess P.Y.	2,21,812.00	EPF	18,28,595.00
Urban Development Cess C.Y	4,11,646.00	Arrears Salary	60,480.00
Urban Development Cess P.Y	2,28,238.00	Death Cum Retirement Benefit	2,03,000.00
Other Taxes	2,02,735.00	Employee Loan	20,26,163.00
Assigned Revenues & Compensation		Dar credit	17,085.00
Stamp Duty on Transfer of Properties	42,20,417.00	**Administrative Expenses**	
Compensation-Passenger Tax	19,90,000.00	Telephone Expenses	1,61,392.00
Compensation- in Samekit Anudan	53,43,500.00	Newspapers	24,000.00
Compensation in Lieu of Octroi	4,71,08,760.00	Printing, Stationery & Postage	3,15,571.00
Rental Income from Municipal Properties		Consolidated Professional and Other Fees	8,950.00
Rent From Markets CY	2,78,046.00	Legal Fee	9,000.00
Rent From Markets PY	18,57,734.00	Consultancy Fees,Charges	2,55,868.00
Mutation Fee	64,050.00	Insurance	1,32,847.00
Shop Premium	43,93,040.00	Advertisement Expenses	7,11,436.00
Rent-Lease of Lands	4,95,245.00	Religious Festival Celeberation Expense	36,150.00
Fees & User Charges		National Festival Celebration Expense	9,190.00
Receivable Water Tax C.Y.	19,33,314.00	**Operations & Maintenance**	
Receivable Water Tax PY	5,42,470.00	Bulk Purchase of Power-Electricity	60,11,428.00
Solid Waste Management CY	10,01,640.00	Bulk Purchase of Power- Fuel	23,90,232.00
Solid Waste Management PY	5,46,653.00	Bulk Purchase of Water-Ways	3,68,105.00
Fee-Application	33,072.00	Bulk Purchase - Sanitation/Conservancy Material	18,13,084.00
Penality & Fine -Rent	1,48,708.00	Bulk Purchase-Electrical Store	21,44,965.00
Penality & Fine -Water	1,08,000.00	Bulk Purchase-Others	10,15,663.00
Penality & Fine -Other	3,72,499.00	Hire Charges Of Machineries	54,913.00
Fee-Delay	38,350.00	Hire Charges Vehicle	23,624.00
Permission Fee-Building Plan	1,28,750.00	Hire charges Tent	6,92,397.00
License Fee-Other	38,025.00	Painting Work	10,22,783.00
License Fee-Trade	1,37,500.00	R & M Open Drains	2,24,080.00
Advertisement fees	72,720.00	R & M Water Ways	45,62,645.00
Supervision Charges	1,89,640.00	R & M-Other Structures	3,17,210.00
Charges for Supply of Water By Tankers	45,150.00	R & M-Motor Pump	1,74,004.00
Ashray Shulk	2,46,565.00	R & M Street Lights	3,900.00
Development Charges	2,68,489.00	R & M-Concrete Road	2,90,265.00
Process Shulk	13,600.00	R & M-Road Other	7,20,165.00
Labour Shulk	93,320.00	R & M Machinery	27,244.00
Copying Fees	22,340.00	R & M Computers	2,69,454.00
Sale & Hire Charges		R & M-Refrigerator	9,596.00
Sale of Tender Paper	1,44,100.00	R & M-Tanker	1,10,598.00
Sale-Ration Card & Other forms	2,150.00	R & M-Tractor	65,087.00
Miscellaneous Income		R & M-Transformer	92,512.00
Misc Income	2,74,221.00	R & M-Vehicle Others	6,58,333.00
Grants-Central Govt.		R & M fogging machine	4,79,982.00
Central Finance Commission	1,61,57,670.00	R & M electrical appliances	35,30,100.00
Grants-State Govt.		R & M-Building Hospital	30,659.00
Grants From State Finance Commission	2,05,83,000.00	R & M-Building Office	12,06,718.00
Grants for Road Development	30,80,892.00	R & M-Building-Maternity and Child welfare cent	16,347.00

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Grant Go Mp Mulbhoot	59,27,006.00	R & M-Building-Temple	3,44,664.00
MLA LAD (Local Area Development Funds)	20,00,000.00	R & M-Causeway/Culvert	3,35,053.00
Grant GoMP-CM Special Purpose	18,00,000.00	R & M-Park,Nurseries & Garden	7,78,798.00
Other Grants	73,19,773.00	R & M-Public Convenience / Toilets	1,46,234.00
CM Sehri Swachhta		R & M-Building community	89,484.00
Special Fund for Kayakalp	35,00,000.00	R & M Motor Pump	90,015.00
Grant for labour	55,000.00	R & M Gymnassium/sports/club equipment	
Grant for child welfare	21,885.00	O & M Garbage & Clearance Expenses	37,008.00
Other Receipts		O & M-Others	9,57,345.78
Security Deposit	4,36,100.00	**Programme Expenses**	
Water Deposit	5,250.00	Consolidated Election Expenses	31,740.00
GST	3,66,836.00	Consolidated Own Programme	9,67,124.00
		Revenue Grants, Contribution and Subsidies	
		SBM informantion & communication & education	5,03,747.00
		Anteyeshti Sahayata	2,96,813.00
		Deposits Received	
		Security Deposit	16,70,414.00
		Other Liabilities	
		GST-TDS	7,93,985.00
		TDS On Contractor\supplier	9,46,041.00
		Advances	
		Advance salary	2,14,092.00
		Fixed Assets	
		Air Conditioner	1,88,150.00
		Furniture-Chair,Table, Fans	1,35,847.00
		Computer & Photo copiers	3,15,409.00
		Motor Pump	88,200.00
		Plant & Machinery	5,400.00
		CWIP	
		Borewell	18,17,510.00
		Building-Office	16,85,342.00
		Building community hall	5,75,429.00
		Building-Maternity and Child welfare centre	6,02,988.00
		Building-Public Convenience	1,31,075.00
		Building-Chabutra	31,14,532.00
		Roads & Bridges-Culvert	1,83,735.00
		Building shed	86,084.00
		Building-Sanjivini clinice	12,98,169.00
		Building welcome gate	69,215.00
		Roads, Bridges & Flyovers	1,52,84,394.00
		Sewerage and Drainage-Drain-Open	62,27,459.00
		Building shoping complex	3,10,797.00
		Roads & Bridges-Concrete Road	1,49,75,874.00
		Public-Lighting-Electrical Pole Work	40,21,997.00
		Other Structure	6,81,717.00
		Closing Balance	**6,85,21,069.14**
Total	**22,07,22,191.92**	**Total**	**22,07,22,191.92**

NAGAR PARISHAD SIHORA
Chief Municipal Officer

Accounts Officer

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नगर पालिका परिषद सिहोरा

सहायक लेखाधिकारी
नगर पालिका परिषद सिहोरा