

AUDIT REPORT

OF

NAGAR PALIKA KHURAI

Address:

NAGAR PALIKA KHURAI
TEHSIL KHURAI
DISTRICT SAGAR (M.P.)

Financial Year Ended – 31st March 2021

Balwinder Associates

Office Address:

5/15B, Sadar Bazar

Sagar (M.P.) – 470002

Contact No. +91-735425566

E-mail: ca.jasmeetsaluja@gmail.com

Web: www.balwinderassociates.com

Balwinder Associates

Chartered Accountants

Partner:
CA Jasmeet Singh Saluja
FCA

Office Address: 5/15B, Sadar Bazar,
Sagar (M.P) 470002.
Email: ca.jasmeetsaluja@gmail.com
Contact: +91 735425366
Web: www.balwinderassociates.com

To,

The Directorate,
Urban Administration & Development
Main Rd 1, Opp Chitraali,
No 6 Locality, Shivaji Nagar,
Bhopal, Madhya Pradesh, 462016

Respected Sir,

We have audited the cash book and relevant records for the year 2020-21 of Nagar Parishad Khurai. Preparation of financial statements is the responsibility of organization. Organization is responsible for its accuracy and completeness. Our responsibility is to express our opinion on these financial statements based on our audit. Financial statements are not being prepared by Nagar Parishad, therefore we express on cash book maintained and prepared by Nagar Parishad.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure used and significant estimate made by management, as well as evaluating the overall financial statements presentation.

We believe that our audit provides a reasonable basis of our opinion and subject to sample size in the enclosed annexure of this report for the year ending 31st march 2021.


We are thankful to the staff for their co-operation in carrying out the audit.

Thanks & Regards.

For Balwinder Associates
Chartered Accountants



CA. Jasmeet Singh Saluja
Partner
M. No. 4287-2



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद, खुरई

Place: Sagar
Date: 11th April 2022

Balwinder Associates

Chartered Accountants

Partner:
CA Jasmeet Singh Saluja
FCA

Office Address: 5/15B, Sadar Bazar,
Sagar (M.P) 470002.
Email: ca.jasmeetsaluja@gmail.com
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To,

**The Chief Municipal Officer
Nagar Parishad Khurai
District Sagar (M.P)**

Respected Sir,

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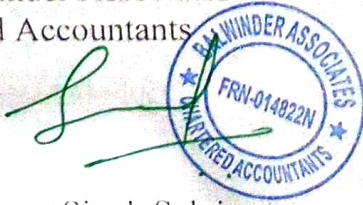
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We believe that our audit provides a reasonable basis of our opinion and subject to sample size in the enclosed annexures of this report for the year ending 31st march 2021.

We are thankful to the staff for their co-operation in carrying out the audit.

Thanks & Regards,

For Balwinder Associates
Chartered Accountants



CA. Jasmeet Singh Saluja
Partner
M. No. 428742

मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद, खुरई

Place: Sagar
Date: 11th April 2022

NAGAR PALIKA KHURAI

AUDIT OF REVENUE

| S.No. | INDICATORS | OBSERVATIONS | REMARKS |
|-------|---|--|--|
| (i) | 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 2020-21 and details of various sources have been reported in Receipt & Payment account. | Audit of revenue is carried on sample basis on vouchers and receipt books provides for the purpose of audit. |
| (ii) | The Auditor is responsible for checking the revenue receipts from the counter files of receipts books & verifies that the money received is duly deposited in respective bank accounts. | We have checked the sources of revenue from various sources, by applying sample test check basis from the counterfoil of the receipt books and found that, in some cases there was delay in depositing the cash in the bank accounts. However it was explained to us that, the same was due to bank holiday. Moreover it was observed that proper receipt registers were not maintained by the different Revenue Departments of the ULB because of which it was difficult to reconcile the daily receipt with the cash book. | In some cases, delayed deposit was observed due to Bank Holiday/ Saturday/ Sunday. |
| (iii) | Percentage of revenue collection increase / decrease in various heads in Property tax, Samekitkar, Shiksha Upkar, Nagariye Vikash Upkar & other tax as compared to previous year shall be part of audit report. | Percentage of revenue collection increase / decrease in various heads in Property Tax, Water Tax, Samekit Kar, Shop Rent, Nagag Vikash Upkar and education cess has been mentioned in "Annexure-c" | Percentage of revenue collection has not been increased. Municipality should focus on recovery of above mentioned taxes in best possible manner and take appropriate action also for long time defaulters. |

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|------|--|---|--|
| (iv) | Delay beyond 2 working days shall be immediately brought to the notice of Commissioner / CMO | We have check the source of revenue from various sources, by applying Sample basis from the counterfoils and that, in some cases there was a delay of the posting the cash in the bank account. However it was explained to us that, the same was due to Bank Holiday. | No discrepancies observed. |
| (v) | Entries in cash book should be verified. | While verifying the entries in the cashbook it was observed that all the receipts and the fund received are properly recorded as & when received. | The entries in the cash book have been verified and are properly recorded under the respective head under which it is received. |
| (vi) | Auditor shall specifically mention in report the revenue recovery against the Quarterly and Monthly Target. Any lapse in revenue recovery shall form part of report. | Budgets estimate of income and expenditure are prepared on very higher side we suggest that budgeted income and expenditure should be estimated on the basis of actual past income and expenditure. Recovery against the target has been specifically mentioned in the table below: | Municipality should use actual figures of past years while preparing budget so that under or over recovery is comparable against budgeted figures. |

Details Regarding Revenue Collection against the Budgeted Targets.

| S. No. | Particulars | F. Y. 2020-21 | | |
|--------|---------------------|---------------|---------|----------------|
| | | Target | Actual | Under recovery |
| 1 | Sampatti Kar | 66.33/- | 27.16/- | 39.17/- |
| 2 | Samekit Kar | 58.90/- | 13.28/- | 45.62/- |
| 3 | Shiksha Upkar | 29.43/- | 13.28/- | 16.15/- |
| 4 | Nagriya Vikas Upkar | 15.58/- | 6.53/- | 9.05/- |

We suggest that budgeted income should be estimated on the basis of actual past income collection. If we compare with the budgeted figures the realization of income is not up to the remark where as when we compare the same with the past year actual income the growth is positive.

| | | | |
|-------|--|---|--|
| (vii) | The auditor shall verify the interest income from FDR and verify that interest income duly and timely recorded in cash book. | During the course of audit it was observed that there was no new investment in FDR during the financial year. | We suggest that accounts should be linked with auto sweep accounts with the bank so that idle fund automatically get transferred to short term deposit without affecting the liquidity of fund. So that interest income can be earned. |
|-------|--|---|--|


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| (viii) | The cases were investments are made On lesser interest rates Shall be brought to the Notice of Commissioner/CMO. | No such Instances observed. | No such Instances observed. |
|--------|--|-----------------------------|-----------------------------|

AUDIT OF EXPENDITURE

| S.No. | INDICATORS | OBSERVATIONS | REMARKS |
|-------|---|---|---|
| (i) | 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 basic during the F.Y. 2020-21. | Discrepancies observed have been shown under the respective heads below. |
| (ii) | The Auditor is responsible for checking the entries in Cash Book & Verifying them from relevant vouchers. | We have audited the expenditures Incurred by the municipality by applying sample test check basis. | No Discrepancies Observed on our sample test basis observation. |
| (iii) | Auditor shall check monthly balance of the Cash Book & guide the accountant to rectify the errors. | We have verified the balance of the cash book. On some instances differences has been observed. No reconciliation of balance maintained by management. Due to which entire financial statement prepared with the help of Bank Statement. | Double checking of the balances of the cash book should be done to avoid differences. |
| (iv) | Auditor shall verify that the expenditure of a particular scheme is limited to the funds allocated for that particular for that particular scheme any other payment shall be brought to the notice of Commissioner/CMO. | The ULB have maintained a single Cash Book & Bank Accounts for all the State received Grants & ULB's revenue is same and all the expenditures are routed through said Bank accounts. Therefore there is high probability that the expenditure of a particular scheme is done in excess of the funds allocated for the said schemes. | It is advisable that municipality should book expenses/ payments in correct head. |
| (v) | Auditor shall verify that expenditure is accordance with the guideline's directives act and rules issued by government of India. | We have verified the expenditure and it is accordance with the guideline's directives act and rules issued by government of India. | Not Applicable |

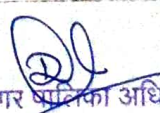

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| (vi) | During the audit financial propriety shall also be checked. All the expenditure should be supported by financial administrative sanctions | We found that all that expenditures Were properly supported by the relevant and required Vouchers. They were also adequately supported by the administrative and financial sanction accorded by the competent authority i.e., CMO/President. | No discrepancies found |
| (vii) | All the cases where appropriate sanction has not been obtained shall be reported and the compliance of audit observation shall be observation shall be ensured during the Audit. | 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. | All the expenses were properly Sanctioned. |
| (viii) | Auditor shall be responsible for verification of scheme project wise Utilization certification (UC'S) & shall be tallied with Income & Expenditure records and creation Of Fixed Assets. | ULB has not provided the Utilization Certificates for the purpose of audit. | It is suggested that project wise utilization certificates should be prepared. Further ensure that expenses are line with their projections. |
| (ix) | The Auditor shall verify that all the temporary advances have been fully recorded. | No separate advance register has been maintained by ULB. | It is suggested that advance register should be maintained by ULB so that proper recovery of advances should be done. |


AUDIT OF BOOK KEEPING

| S. No. | INDICATORS | OBSERVATIONS | REMARKS |
|--------|--|---|---|
| (i) | Auditor is responsible for audit of all the books of accounts as well as stores. | We have verified the Cash Book, Cashier cash book, Grant register, Bank account statements, Vouchers, Receipt books, and all the records maintained by the municipality and found some discrepancies as mentioned in the notes to accounts attached to this report. | The Books of accounts and records as provided by municipality for the purpose of audit has been verified. Municipality has not properly maintained SD register, EMD register, Fixed asset register. |


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 नगरपालिका परिषद, खुरई



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| (ii) | Auditor shall verify that all the books of accounts and store are maintained as per Accounting rules applicable to ULB. Any discrepancies observed should be brought into notice. | The Books Of Accounts are being maintain in Single Entry Accounting System by applying cash system of Accounting | The Books Of Accounts are being maintain in Single Entry System based on cash bases Apart from the only cash Books Are Maintained We suggested that ULB should follow proper accounting standards based on Double Entry System |
| (iii) | Auditor shall verify advance register and see that all the advance are timely recovered according to the conditions of advances. All the cases of non- recovery shall be specifically mentioned in the audit report | No separate advance register has been maintained by the ULB. | It is suggested that advance register should be maintained by the ULB. So that proper recovery of advance should be done. |
| (iv) | The Auditor shall verify that all the temporary advances have been fully recovered | No separate advance register has been maintained by the ULB. | It is suggested that advance register should be maintained by the ULB. So that proper recovery of advance should be done. |
| (v) | Bank Reconciliation Statement shall be verified from the records of ULB & the bank concerned. | Bank Reconciliation Statement has been prepared by ULB and discrepancies have been observed by us. | No discrepancies observed |
| (vi) | Auditor shall be responsible for verifying the entries in the grant register. The Receipt & Payment of grant shall be duly verified from the entries in the cash book. | Grant register have been prepared by the municipality. Receipt & Payment are verified from grant register and no discrepancies have been observed. | Municipality should enquire on timely basis for clarifying the head under which the grants are provided by the government |
| (vii) | The Auditor shall verify THE Fixed assets register from the records & the discrepancies shall be brought to the notice of CMO. | During the course or Audit we observed the Fixed assets register is not properly maintained by the ULB. | We suggest that Fixed assets register is maintain by municipality indicating both quality and valued Fixe Assets. |


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AUDIT OF FDR

| S.NO | INDICATORS | OBSERVATIONS | REMARKS |
|-------|---|---|-----------------------------|
| (i) | The Auditor is responsible for audit for all FDR & TDR. | Audit for all FDR & TDR is carried on by us and found that no new investments in FDR in -the financial year. | No such cases are observed. |
| (ii) | Auditor shall ensure that proper records of FDR are maintained and all renewals are timely done. | Separate registers for investments made in FDR is not maintained by the ULB. | No such cases are observed. |
| (iii) | Case where FDR and TDR are kept at low rate of interest and the prevailing rate shall be immediately brought to the notice of Commissioner/CMO. | No such instances observed. | No such cases are observed. |
| (iv) | Interest earned on FDR shall be verified from entries in the Cash Book. | Interest certificates are taken by the ULB from bank and interest are recorded on cash basis and not accrual basis. | No such cases are observed. |

AUDIT OF TENDER / BIDS

| S. No. | INDICATORS | OBSERVATIONS | REMARKS |
|--------|---|--|--|
| (i) | The auditor is responsible for audit of all tenders/bids invited by ULB. | We have audited tenders/bids invited by ULB during the FY 2020-21 by applying Sample Test Check Basis and no contraventions or exceptions were noticed during the course of audit has been mentioned in Notes to accounts. | Mentioned in Notes to accounts. |
| (ii) | Auditor shall check whether competitive tendering procedures Are followed for all bids. | By applying Sample Test Check Basis, We found that competitive tendering procedures are being followed by the municipality. | No discrepancies were observed. |
| (iii) | Auditor shall verify that receipts of tender fee/bid processing fee/performance guarantee both during the | We have verified the receipts of Bid processing fees Tender fees on sample test basis. | Separate register should be maintained mentioning the details of tender fees received from the tender and SD |



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| | construction and maintenance period. | | deducted. |
| (iv) | The Bank guarantee, if received in lieu of bid processing fee/ performance guarantee shall be verified from the issuing bank. | As a performance guarantee the municipality obtained bank guarantee from the contractors. During the year no Bank guarantee has been expired as explained to us by Municipality. | No such instances have been found. |
| (v) | The Conditions of BG's shall also be verified and any BG with any such condition which is against the interest of the ULB shall also be verified and brought to the notice of the Commissioner/CMO. | As explained to us no guarantees were received by the municipality during the period covered under the audit. | Not applicable. |

AUDIT OF GRANTS AND LOAN

| S. No. | INDICATORS | OBSERVATIONS | REMARKS |
|--------|--|---|---|
| (i) | Auditor is responsible for audit of Grants given by CG and its utilization. | The Audit of grants has been carried on by us and it has been observed that proper grouping of some of the grants are not done. | Utilization Certificates are not prepared by the ULB for the purpose of audit. |
| (ii) | Auditor is responsible for Grants received from State and its utilization. | We have verified Grants given by CG and its utilization during the course of audit. | Grants must be recorded under proper heading so that its utilization can be recorded and entries in the cash book should be done on which amount is received. |
| (iii) | The auditor shall perform audit of loans provided for physical and infrastructure and its utilization. During this audit the auditor shall specifically comment on the revenue mechanism i.e. whether the asset created out of the loan has been generated desired revenue or not. He shall also comment on the possible reasons for non - | During the course of audit, it was observed that, loan from HUDCO had been taken by the ULB. However no further details of the application of the Loan. Utilization Certificates have been provided to us for verification. | No such instances observed. |


 मुख्य नगर पालिका अधिकारी
 नगरपालिका परिषद, खुर्सई



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| | generation of the revenue. | | |
| (iv) | The auditor shall specifically point out any diversion of funds from capital receipts/grants/loans to revenue expenditure and from one scheme/project to another. | Diversion of Funds cannot be determined due to improper maintenance of Grant Registers and due to non adherence of guidelines of opening a different Bank account for each of the specified Grant. The ULB have maintained a Single Cash Book & Bank Accounts for all the State received Grants & ULB's State received Grants & ULB's revenue is same and all the expenditure are routed through said Bank accounts. Therefore there may be chances that there may be diversion of Grants. | No such instances observed. |

For Balwinder Associates
Chartered Accountants



CA. Jasmeet Singh Saluja
Partner
M. No. 428742

मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई

Place: Sagar
Date: 11th April 2022

Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2020-21

Name of ULB : Municipal Council Khurai

Name of Auditor : Balwinder Associates

| Sr. No. | Parameters | Description | | | | Observation in Brief | Suggestions |
|---------|-------------------------------------|-------------------------|--------------|-------------|--|--------------------------|--|
| | | Receipts (Rs. In Lakhs) | | | | | |
| 1 | Audit of Revenue | | | | | | |
| | राजस्व कर वसूली | | | | | | |
| | | Year 2019-20 | Year 2020-21 | % of Growth | | | |
| (i) | संपत्तिकर | 29.57 | 27.16 | -8.87% | | Growth rate is negative. | MC has to see this area of Collection and recovery process should be improved |
| (ii) | समेकित कर | 21.12 | 13.28 | -59.04% | | Growth rate is negative. | MC has to see this area of Collection and recovery process should be improved. |
| (iii) | नगरीय विकास उपकर | 5.03 | 6.53 | 22.97% | | Growth rate is Positive. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| (iv) | शिक्षा उपकर | 7.81 | 13.28 | 41.19% | | Growth rate is Positive. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| | कुल योग | 63.53 | 60.25 | | | | |
| | गैर राजस्व वसूली | | | | | | |
| (i) | भवन भूमि किराया | 0.37 | 1.02 | 63.73% | | Growth rate is Positive. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| (ii) | जल उपभोक्ता प्रभार | 75.95 | 68.62 | -10.68% | | Growth rate is negative. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| (iii) | टोस अपशिष्ट प्रबंधन उपभोक्ता प्रभार | | 5.52 | 0 | | Growth rate is Positive. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| (iv) | अन्य कर / शुल्क | 41.02 | 58.50 | 29.88% | | Growth rate is positive. | MC has a very good improvement in this area of Collection and can further make more improvement. |
| | कुल योग | 117.34 | 133.66 | | | | |
| | महा योग | 180.87 | 193.91 | | | | |



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई


Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2020-21

Name of ULB : Municipal Council Khurai

Name of Auditor : Balwinder Associates

| Sr. No. | Parameters | Description | Observation in Brief | Suggestions |
|---------|-------------------------|-----------------------|-----------------------|-----------------------|
| 2 | Audit of Expenditure | Refer to Schedule 'B' | Refer to Schedule 'B' | Refer to Schedule 'B' |
| 3 | Audit of Book Keeping | Refer to Schedule 'C' | Refer to Schedule 'C' | Refer to Schedule 'C' |
| 4 | Audit of FDR | Refer to Schedule 'D' | Refer to Schedule 'D' | Refer to Schedule 'D' |
| 5 | Audit of Tenders/Bids | Refer to Schedule 'E' | Refer to Schedule 'E' | Refer to Schedule 'E' |
| 6 | Audit of Grants & Loans | Refer to Schedule 'F' | Refer to Schedule 'F' | Refer to Schedule 'F' |




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Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2020-21

Name of ULB : Municipal Council Khurai
Name of Auditor : Balwinder Associates

| Sr. No. | Parameters | Description | Observation in Brief | Suggestions |
|---------|--|--|-----------------------|-----------------------|
| 7 | Incidences relating to diversion of funds from Capital receipts/Grants/Loans to Revenue Nature Expenditure and from one scheme/project to another | Refer to Schedule 'F' | Refer to Schedule 'F' | Refer to Schedule 'F' |
| 8 | Any Other | Revenue Expenditure Is 2.09 times of Revenue Income | | |
| | 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. | | | |
| | b) Percentage of Capital Expenditure with respect to Total Expenditure | Capital Expenditure is 38.14 % With Respect to Total Expenditure | | |



मुख्य नगर-मैलिका अधिकारी
नगरपालिका परिषद, खुरई

NAGAR PALIKA KHURAI DISTRICT SAGAR

EXPENDITURE INFORMATION F.Y 2020-21

| DIVISION | DISTRICT | ULB NAME | REVENUE EXP. | | | | CAPITAL EXP. | | | TOTAL EXPENDITURE |
|----------|----------|----------|-----------------------|------------------------|-----------------------------------|---------------|--------------|---------------|-------------------|-------------------|
| | | | ESTABLISHMENT EXP. | ADMINISTRATIVE EXP. | OPRETION & MAINTANANCE EXP. | INTEREST EXP. | OTHER EXP. | CAPITAL EXP. | LOAN REPAYMENT | |
| SAGAR | SAGAR | KHURAI | 39,471,515.00 | 36,903,790.81 | 28,866,016.41 | 29,552.00 | 5,181,817.00 | 68,090,249.83 | - | 178,542,941.05 |



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद, खुरई

NAGAR PALIKA- KHURAI

Balance Sheet

1-April-2020 to 31-March-2021

Liabilities

Amount

Amount

Assets

Amount

Amount

Capital Account

Municipal Fund

Grants & Contributions

Grant- PM Awas Yojna

Revenue Subsidies Given PMAY

PMAY Grant

Grant- 15th Central Finance Commission

Grant- Other

Grant- Mulbhoot

Loans & Liabilities

Loan From CM Infra Schemes

Current Liabilities

Recoverise Payble- Roylty

Recoveries Payble-IT

Recoveries Payble Gst TDS

Security Deposit

Labour Welfare Cess

Fixed Assets

Consolidated Building

Borewell

Water Ways

GI Pipe

Motor Pump 6hp

Water HDPE Pipe 110M

Water Sumserseble Moter Pump 6hp

Culverts & Puliya

Hath Thela Garbage Vehicle

Mobile Toilet

Computer

Hamar Machinery

Vehicle-Van

Printer

UPS

Chairs

Almirah

Furniture

Waste Containers 100l

Tree Guard

Other Assets

CC Road

Shop Complex

CC Drain

Boundry Wall

Community Hall

Road & Bridge

Sewerage and Drains

Public Lighting

Teen Shed

Railing Work

Badminton Hall

Other Investment

FD CBI

FD Vijaya Bank

Current Asset

Bank Account

TOTAL

373,835,325

Total

373,835,325

Note - We have audited the accounts based on information and documents produced before us on sampling basis.

Chief Municiple Officer

Accountant

Signature

Signature

Date: 11/04/2022

Palace, Sagar (M P)

For Balwinder & Associates

Chartered Accountants

FRN : 014822N



Jasmeet Saluja

Partner

M. No. 428742

UDIN: 22428742AKRFHD2161

मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई

NAGAR PARISHAD KHURAI DIST. SAGAR (M.P.)

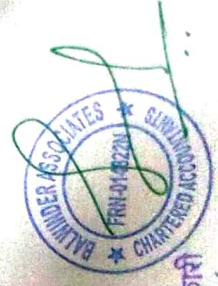
Income & Expenditure A/c
1-Apr-2020 to 31-Mar-2021

| Particulars | Amount | Particulars | Amount |
|--|------------|--|------------|
| Establishment Exps | | Receipts of Grants | 39,471,515 |
| Contribution- Provident Fund | 4,955,764 | Compensation- Octroi | 67,090,914 |
| Retirement Gratuity | 238,985 | Compensation- Passenger Tax | 1,515,000 |
| Compensation Amount for Employee | 150,000 | Compensation- Export Tax | 693,000 |
| Consolidated Pension | 634,751 | Grant- Mudrank Shulk | 2,816,000 |
| Salaries & Allowances- Officer & Staff | 32,418,782 | Grant- Road Development | 5,556,000 |
| Family Benefits Contribution | 36,800 | Grant- State Finance Commission | 9,629,000 |
| Salary- Arriars | 307,352 | | |
| Wages | 709,081 | Revenue Tax Receipts | 12,964,747 |
| Administrative Expenses | | Education Tax- Current Year | 1,053,970 |
| Rent Expenses-Other | 28,200 | Property Tax - Current Year | 2,716,950 |
| Electricity Charges | 22,256,104 | Samokit Kar- Current Year | 1,328,355 |
| Water Expenses-office | 17,500 | Urban Development Tax | 653,067 |
| Consolidated office Maintenance | 25,605 | Water Tax- Current Year | 6,862,850 |
| Telephone Expenses | 58,260 | Business Cess | 22,985 |
| Postage Expenses | 2,000 | Uddidejak Kar | 60,800 |
| Printing Expenses | 944,994 | Casual Vendor Fees | 265,770 |
| Stationary Expenses | 144,027 | | |
| Fuel, Petrol & Diesel- Vehicle | 5,182,074 | Other Fees & Charges | 5,850,735 |
| Vehicle-Insurance | 211,146 | Fees-Registration-Labour | 25 |
| External Agencies Audit | 76,700 | Fees-Licensing From Pounding House | 120 |
| Legal Fees | 35,550 | Fees-From Sanction of Building Plan | 464,173 |
| | | Fees-Consolidated for Certificate of Extract | 40 |



मुख्य नगर पालिका अधिकारी
नगरपालिका परिसर, खुरई

| | | | |
|--|------------------|-------------------------------------|------------------|
| Repair & Maintenance-Machinery | 123,873 | Fire Chargs- Vehicle | 5,340 |
| Repair & Maintenance-Drain Iron Channel | 825,463 | Sale of Ration Card & Other Forms | 9,936 |
| Repair & Maintenance-CC Road | 7,909,957 | Sale-Consolidated Product & Garbage | 702 |
| Repair & Maintenance-Building | 298,775 | | |
| Repair & Maintenance-Tar Fencing | 405,050 | Other Income Miscellaneous | 1,664,235 |
| Repair & Maintenance-Other Infrastructure | 1,814,414 | Other Miscellaneous | 1,199,377 |
| Repair & Maintenance-Park, Garden | 313,062 | Earn Money Deposit | 5,350 |
| Repair & Maintenance- Waterways | 755,816 | GST- SGST & CGST | 459,508 |
| Repair & Maintenance-Land Boundary Steel Angle | 52,500 | | |
| Repair & Maintenance-Lake Pond Gahrikam | 239,136 | Bank Interest | 6,149,325 |
| Repair & Maintenance-Public Toilet | 443,981 | Bank Interest Income | |
| Repair & Maintenance-Community Building | 168,688 | | |
| Repair & Maintenance-Vehicle | 2,110,518 | | |
| Repair & Maintenance-Other Furniture | 15,612 | | |
| Repair & Maintenance-Computer | 64,810 | | |
| Repair & Maintenance-Other | 468,677 | | |
| Repair & Maintenance- Other Electrical Appliance | 101,446 | | |
| Repair & Maintenance-33KV Line Shifting | 11,640 | | |
| Operation & Maintenance Water Tanker | 4,698 | | |
| ODM-Garbage & Clearance | 19,140 | | |
| Programme Expenses | 4,388,395 | | |
| Social Security Scheme Expenses | 1,630,503 | | |
| Open Programme Exp | 313,770 | | |
| Education & Training Programme | 2,344,052 | | |
| Other Payment | 5,211,369 | | |
| Bank Charge | 29,552 | | |



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई

Other Exp

5,181,817

Excess of Income over Expenditure

6,378,963

121,220,049

Total

Total

121,220,049

Note: We have audited the accounts based on information and documents produced before us on sampling basis.

Accountant

Chief Municiple Officer

Signature

Signature

Date: 11/04/2022

Palace: Sagar (M.P)

For Balwinder & Associates
Chartered Accountants

FRN : 014822N



CA. Jasmeet Saluja
Partner

M. No. 428742

UDIN: 22428742AKRFHD2161

मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई

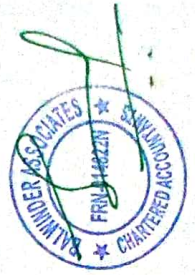
NAGAR PALIKA KHURAI DIST. SAGAR (M.P.)
RECEIPT & PAYMENT ACCOUNT
FOR THE PERIOD 01.04.2020 TO 31.03.2021

| Receipts | Amount | Amount | Payments | Amount | Amount |
|--|--------|--------|--|-------------|------------|
| Opening Balance | | | | | 39,471,515 |
| Bank Accounts | | | Establishment Expenses | | |
| | | | Contribution- Provident Fund | 172,408,321 | 4,955,764 |
| | | | Retirement Gratuity | | 238,985 |
| Receipts of Grants | | | Compensation Amount for Employee | 448,121,953 | 150,000 |
| Compensation- Octroi | | | Consolidated Pension | | 654,751 |
| Compensation- Passanger Tax | | | Salaries & Allowances- Officer & Staff | | 32,418,782 |
| Compensation- Export Tax | | | Family Benefits Contribution | | 36,800 |
| Grant- 15th Central Finance Commission | | | Salary- Arriars | | 307,352 |
| Grant- Other | | | Wages | | 709,081 |
| Grant- Mudrank Shulk | | | Administrative Expenses | | 36,903,791 |
| Grant- Mulbhoot | | | Rent Expenses-Other | | 28,200 |
| Grant- Road Development | | | Electricity Charges | | 22,256,104 |
| Grant- PM Awas Yojna | | | Water Expenses-office | | 17,500 |
| Grant- State Finance Commission | | | Consolidated office Maintance | | 25,603 |
| | | | Telephone Expenses | | 58,260 |
| Revenue Tax Receipts | | | Postage Expenses | 12,964,747 | 2,000 |
| Education Tax- Current Year | | | Printing Expenses | | 944,994 |
| Property Tax - Current Year | | | Stationary Expenses | | 144,027 |
| Samakit Kar- Current Year | | | Fuel, Petrol & Diesel- Vehicle | | 5,182,074 |



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुराई

| | | | |
|---|-----------|--|-------------------|
| Urban Development Tax | 653,067 | Vehicle Insurance | 211,146 |
| Water Tax- Current Year | 6,862,850 | External Agencies Audit | 76,700 |
| Business Cess | 22,985 | Legal Fees | 35,550 |
| Udddejak Kar | 60,800 | Consolidated Professional Fees | 85,484 |
| Casual Vendor Fees | 265,770 | Technical Fees | 1,042,388 |
| | | Religious Festival Celebration | 214,862 |
| Other Fess & Charges | | National Festival Exp | 152,905 |
| Fees-Registration-Labour | 25 | Cultural Event Expenses | 602,310 |
| Fees-Licensing From Pounding House | 120 | Workshop and Seminars | 30,610 |
| Fees-From Sanction of Building Plan | 464,173 | Hariyali Mahotsav | 2,463,343 |
| Fees-Consolidatd for Certificate or Extract | 40 | Publicity Expenses | 19,000 |
| Fees-Registration Birth & Death | 2,022 | Advertisement Expenses | 2,026,417 |
| Fees-Marriage Registration | 400 | Expenses of Meeting of ULB | 18,260 |
| Fees-Compounding | 10,000 | Photocopy & Computer Expenses | 13,908 |
| Fees-Shelter House | 2,935,212 | Photo & Vidogaphy Expenses | 30,240 |
| Penalty & Fine-In Lockdown | 28,924 | Miscellaneous Expenses | 1,221,906 |
| Fees-Sport | 29,900 | Operations & Maintenance | 28,866,016 |
| Road Cutting Charges | 351,675 | Bulk Purchase-Sanitation,Conservancy Mater | 833,844 |
| Fees - Application | 76,403 | Bulk Purchase-Consolidated Item | 2,279,055 |
| Connection Charges-Water Supply | 1,096,910 | Bulk Purchase- Electrical Store | 5,558,447 |
| Fees- RTI Act | 136 | Bulk Purchase-Construction Material | 1,408,335 |
| Fees-Regularizing Legal Colonies | 50,000 | Bulk Purchase-Water Supply Item | 1,995,684 |
| Charges-Supervision (Kachra Gadi) | 552,720 | Bulk Purchase- Medicin | 146,794 |



मुख्य नगरपालिका अधिकारी
नगर

Charges-Septik Tank Cleaning

Consolidated User Charges

Fees-Miscellaneous

Charges-Water Supply by Tanker

Rental Income

Rent of Vacant Land

Rent- Other

Shop Rent- Current Year

Mutation Fee

Shop Premium

Rent-From Lease of Land Temporary use

Sale & Hire Charges

Hire Charges- Vehicle

Sale of Ration Card & Other Forms

Sale-Consolidated Product & Garbage

Revenue Grants, Contribution & Subsidies

PMAY-Scheme Contribution

Other Income Miscellaneous

Other Miscellaneous

41,670

20,500

155,505

34,400

8,965

4,343

2,871,510

95,250

4,201,836

93,211

5,340

9,936

702

10,808,500

1,199,377

Bulk Purchase-Stationary

Bulk Purchase-Vehicle Item

Bulk Purchase- Fire Wood

Hire Charges-Vehicle

Repair & Maintenance- Motor Pump

7,275,115 Repair & Maintenance- Borewell

Repair & Maintenance-Machinery

Repair & Maintenance-Drain Iron Channel

Repair & Maintenance-CC Road

Repair & Maintenance-Building

Repair & Maintenance-Tar Fencing

Repair & Maintenance-Other Infrastructure

Repair & Maintenance-Park,Garden

15,978 Repair & Maintenance- Waterways

Repair & Maintenance-Land Boundry Steel Angle

Repair & Maintenance-Lake,Pond Gabrikarn

Repair & Maintenance-Public Toilet

Repair & Maintenance-Community Building

10,808,500 Repair & Maintenance-Vehicle

Repair & Maintenance-Other Furniture

Repair & Maintenance-Computer

1,664,235 Repair & Maintenance-Other

Repair & Maintenance- Other Electrical Appliance

13,082

30,000

120,498

131,880

145,041

56,100

123,873

825,463

7,909,957

298,775

405,050

1,814,414

313,062

755,816

52,500

239,136

443,981

168,688

2,110,518

15,612

64,810

468,677

101,446



मुख्य नगर पालिका अधिकारी
नमस्पालिका परिषद, खुरई

| | | | |
|----------------------|-----------|---|--------------------|
| Fixed Money Deposit | 5,350 | Repair & Maintenance-33KV Line Shifting | 11,640 |
| GST - SGST & CGST | 459,508 | Operation & Maintenance Water Tanker | 4,698 |
| | | O&M-Garbage & Clearance | 19,140 |
| Bank Interest | | 6,149,325 Programme Expenses | 190,864,319 |
| Bank Interest Income | 6,149,325 | Social Security Scheme Expenses | 1,630,593 |
| | | Own Programme Exp | 413,770 |
| | | Education & Training Programme | 2,344,032 |
| | | Revenue Subsidies Given PMAY | 186,475,924 |
| | | Other Deduction | 5,670,786 |
| | | Recoverise Payble- Profession Tax | 399,769 |
| | | Recoveries Payble-IT | 1,757,445 |
| | | Recoveries Payble Gst TDS | 2,451,064 |
| | | Earnest Money Deposit | 30,000 |
| | | Security Deposit | 1,032,508 |
| | | Other Payment | 5,211,369 |
| | | Bank Charge | 29,552 |
| | | Other Exp | 5,181,817 |
| | | Fixed Assets | 68,090,250 |
| | | Consolidated Building | 15,436,939 |
| | | Borewell | 294,959 |
| | | Water Ways | 12,201,502 |
| | | GI Pipe | 95,742 |
| | | Motor Pump 6hp | 351,994 |



मुख्य नगरपालिका अधिकारी
नगरपालिका परिसर, खुरई

| | |
|----------------------------------|------------|
| Water HDPE Pipe 10M | 90,451 |
| Water Sumberschle Moter Pump 6hp | 89,600 |
| Culverts & Pullya | 370,962 |
| Hath Thela Garbage Vehicle | 469,640 |
| Mobile Toilet | 611,111 |
| Computer | 120,344 |
| Hamar Machinery | 25,075 |
| Vehicle-Van | 484,222 |
| Printer | 21,716 |
| UPS | 23,536 |
| Chairs | 58,410 |
| Almirah | 163,706 |
| Furniture | 265,776 |
| Waste Containers 100l | 439,500 |
| Free Guard | 618,788 |
| Other Assets | 1,245,568 |
| CC Road | 22,670,740 |
| Shop Complex | 242,639 |
| CC Drain | 276,734 |
| Boundry Wall | 797,695 |
| Community Hall | 687,562 |
| Road & Bridge | 8,381,176 |
| Sewerage and Drains | 1,136,086 |



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद, खुरई

| | |
|------------------------|--------------------|
| Public Lighting | 125,410 |
| Teen Shed | 81,255 |
| Railing Work | 175,836 |
| Badminton Hall | 35,576 |
| Closing Balance | 290,180.864 |
| Bank Accounts | |

Total 665,258,909

665,258,909

Note : We have audited the accounts based on information and documents produced before us on sampling basis.

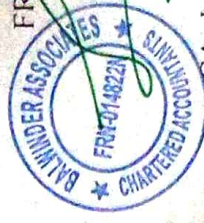
Accountant

Chief Municipicle Officer

For Balwinder & Associates

Chartered Accountants

FRN : 014822N



Signature

Signature

मुख्य नगर पालिका अधिकारी
नगरपालिका परिसर, खुरई

CA. Jasmeet Saluja

Partner

M. No. 428742

UDIN: 22428742AKRFHD2161

Date: 11/04/2022

Palace: Sagar (M.P.)

Notes To Accounts

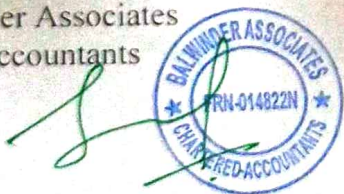
1. The Grants/Subsidies were credited in bank accounts of Municipality without intimating about the nature of grant/ subsidy. Therefore, it is difficult for the accountants to account the grant in proper heads as well as for auditors in verifying it. The proper sanctioning authority is requested to send the intimation letter specifying the nature of grants/ subsidies. We suggest that summarized statement of monthly grant released and deduction made there from should be obtained from directorate Bhopal and same should be reconciled.
2. Chungikshatipurti and Yatrikar received from directorate Bhopal is accounted for on net amount actually received in the bank after the deduction from the directorate. Adjustment for deductions made by the directorate, Bhopal from the grant is not grossed up in the books of account. We suggest that deduction made by the directorate should be account for separately.
3. We are unable to verify the details of capitalization of expenditure, since most of the work is in progress. Further in the absence of complete details regarding all the assets of the ULB and fixed assets register Balance Sheet could not be finalised.
4. We suggest that account should be linked with another sweep account with the bank so that idle fund automatically gets transferred to short term deposit without affecting the liquidity of fund, so that extra interest income can be generated.
5. It was observed that proper log registers for vehicle usage, No of KMS of run, vehicles details was not maintained. Therefore we are unable to comment on the diesel/ petrol expenses incurred by ULB.
6. ULB has purchase various materials such as for water work, cleaning and electricity but it observed that stock registered for the same with consumption of material are not properly. Thus we are unable to comment upon stock position of ULB.
7. On sample verification of tenders / bids invited during the financial year, it was found that payments were made in excess of the amount quoted by the contractors during the bidding process. It was explained to us that it pertains to the additional work that were done by the contractors on the direction of ULB.
8. Fixed assets registered us not maintain and stores register is not properly maintained by ULB. Nagar parishad should be advised to maintain register of fixed assets and store register properly containing location, quantity, amount for proper internal control.
9. It is advisable to ULB that work from contractors should be completed time frame and actions to be taken against such contractors if not completed within given time frame.


मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई



10. On the basis of records produced before us, Nagar Parishad Piploda has avail term loan under CM Infra Adhor Sanrachna with a sanctioned limit of Rupees 82,300,000 /-. No further records produced before us for verification.
11. It is observed that expenditure/payments for various heads are booked wrongly in inter head of expenditure / payments as total expenditure/payments will be same but individually heads of payments are not showing current figures.
12. In Case of running projects, where the payments are made as the progress of the work, since the ULB have not maintained double entry accounting records, it is not possible to verify whether the payment are made as per the contract terms and whether any excess amount have been paid to vendors.
13. Details/agreements for the shop auctioned in Nilami were not produced to us for verification.
14. Utilization certificate for the various expenditure/payments not issued. Utilisation certificate should be issued to ascertaining successfully completion of work as per terms of tender/quotation/sanctioned.
15. The ULB have not prepared balance sheet during the period of audit due to unavailability of the records, we cannot verify the same.

For Balwinder Associates
Chartered Accountants



CA. Jasmeet Singh Saluja
Partner
M. No. 428742


मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद, खुरई

Place: Sagar
Date: 11th April 2022

Nagar Palika-Khurai Dist. Sagar

Financial Year 2020 to 2021

ANNEXURE - BANK DETAILS OF NAGAR PALIKA KHURAI

| No. | Bank A/c Name | A/c No. | Particular | Opening Balance | Closing Balance |
|-------|-----------------------|-------------------|----------------------------|-----------------|-----------------|
| 1 | BANK OF BARODA | 41320100001375' | Infra Development Fund | 875,734 | - |
| 2 | BANK OF BARODA | 41320100005227' | Swach Bharat Mission | 13,616,709 | 12,383,991 |
| 3 | CENRA BANK | 4257101003479' | CM Adhosarchna | 25,202,209 | 22,685,672 |
| 4 | Allahbad Bank | 50430739584' | Pradhan Mantri Adhosarchna | 17,568,341 | 8,007,632 |
| 5 | AXIS BANK | 915010015105347' | Nikay Nidhi | 244,624 | 440,308 |
| 6 | AXIS BANK | 915010065111473' | Pradhan Mantri Awas | 27,112,609 | 32,564,078 |
| 7 | AXIS BANK | 915010015104768' | Sanchit Nidhi | 13,138,881 | 13,132,670 |
| 8 | AXIS BANK | 915010015086699' | Siksha Upkar Nikay | 4,371,046 | 4,906,480 |
| 9 | AXIS BANK | 915010015104755' | Nagriya Vikas Upkar | 4,365,379 | 4,500,267 |
| 10 | Bank | 25991' | | - | 38,396,239 |
| 11 | BANK OF BARODA | 41320100004946' | NULM Scheme | 306,361 | 5,937,894 |
| 12 | AXIS BANK | 915010015105334' | Saving Account Revenue | 9,249,578 | 6,576,348 |
| 13 | BANK OF BARODA | 41320100001209' | Sanchit Nidhi | 2,562,818 | - |
| 14 | BANK OF BARODA | 41320100008179' | Special Fund | 8,572,139 | 7,481,050 |
| 15 | BANK OF INDIA | 942410110000382' | CM Payjal Loan | 1,858,415 | 1,858,415 |
| 16 | CENTRAL BANK OF INDIA | 2125565400' | Infra Development Fund | 147,257 | 151,850 |
| 17 | CENTRAL BANK OF INDIA | 2125556542' | | 362,534 | 373,840 |
| 18 | CENTRAL BANK OF INDIA | 2125556553' | MDM | 1,075,701 | 1,107,177 |
| 19 | ICICI BANK | 747101000012' | | 765,265 | 9,126,495 |
| 20 | PUNJAB BANK | 6091000100018460' | | 443,591 | - |
| 21 | PUNJAB BANK | 6091000100019515' | Karmkar Mandal | 339,224 | 339,224 |
| 22 | PUNJAB BANK | 6091000100010060' | MP Fund | 287,720 | 4,438,090 |
| 23 | PUNJAB BANK | 38848' | | 366,348 | - |
| 24 | PUNJAB BANK | 6091000100010073' | MLA Fund | 3,307,770 | - |
| 25 | PUNJAB BANK | 6091000100010082' | UIDSSMT | 79,635 | - |
| 26 | STATE BANK OF INDIA | 10745426743' | Gov Amont Received | 19,975,903 | 89,110,888 |
| 27 | STATE BANK OF INDIA | 35432639548' | 12 Finance Commission | 1,346,194 | 1,344,955 |
| 28 | STATE BANK OF INDIA | 10745424189' | Nikay Nidhi | 1,160,108 | 1,159,459 |
| 29 | STATE BANK OF INDIA | 10745424203' | Nikay Nidhi | 4,750 | - |
| 30 | STATE BANK OF INDIA | 10745427522' | Siksha Upkar Nikay | 33,153 | 34,030 |
| 31 | STATE BANK OF INDIA | 30976558847' | | 79,040 | - |
| 32 | UNION BANK | 571902010010934' | Pradhan Mantri Awas | 10,979,707 | - |
| 33 | UNION BANK | 571902010001144' | Sanchit Nidhi | 385,750 | 21,433,185 |
| 34 | UNION BANK | 571902010004832' | Siksha Upkar Nikay | 1,856,822 | 397,728 |
| 35 | UNION BANK | 571902010006030' | Saving Account Revenue | 74,916 | 1,914,478 |
| 36 | UNION BANK | 571902010004833' | Nagriya Vikas Upkar | 292,109 | 77,242 |
| TOTAL | | | | 172,408,321 | 301,179 |

Note: All Bank Balance are tally with statement, hence no need to prepare Bank Reconciliation Statements.



मुख्य नगरपालिका अधिकारी
मुख्य नगरपालिका सचिव, खुरी