SANDEEP SURENDRA JAIN & CO.
Chartered Accountants

25, Shanti Niketan,
Nai Abadi, Road No.1,
Near Sanjay Gandhi Udhyan
Mandsaur 458001 (M.P.)
Mobile No.89894 11150
Email:canayanjain@rediffmail.com

अंकेक्षण प्रमाण पत्र

हमारे द्वारा नगर परिषद- **नयागांव** जिला नीमच(मध्य प्रदेश) का वित्तीय वर्ष 2020-21 का वितीय अंकेक्षण कार्य पूर्ण किया गया है।अंकेक्षण के दौरान हमारे द्वारा संचनालाय, नगरीय प्रशासन एवं विकास भोपाल (मध्य प्रदेश) द्वारा प्रतिपादन निर्देशों/परिपत्रों एवं अधिनियम का पालन किया गया है।

हमारे द्वारा नगर परिषद के 1 अप्रैल 2020 से 31 मार्च 2021 तक के समस्त अभिलेखों/प्रपत्रो आदि का निरिक्षण किया गया है। परिषद द्वारा उपलब्ध कराए गए अभिलेखों के आधार पर हमारे द्वारा प्राप्ति एवं भुगतान खाता तैयार कर इस प्रतिवेदन के साथ के सलंग्र किया जा रहा है।

हमारे द्वारा अंकेक्षण के दौरान उन मानकों का प्रतिपालन किया गया है जिन्हें सामान्यता भारत में मान्य किया जाता है और जो संस्था के वित्तीय स्थिति का आकलन करते हेतु अनिवार्य है।

अंकेक्षण के दौरान हमारे द्वारा जो आपत्तियों एवं अनियमितताएं पाई गई है हमने उन पर परिषद एवं अधिकारियों के विचार विमर्श किया है जो अनियमितताए के संचालन के समक्ष प्रस्तुत करने योग्य है हम उन्हें इस प्रतिवेदन के साथ अंकेक्षण आक्षेप के रूप में सलग्ररह कर रहे हैं।

अंकेशण निरीक्षण एवं प्रतिपालन वित्तीय वर्ष 2020-21 के अंकेक्षण कार्य में संदीप सुरेंद्र जैन एंड कंपनी क द्वारा प्रस्तुत प्रतिवेदन में दर्शाए गए शेष को आधार मानते हुए हमारे द्वारा वर्ष 2020-21 का अंकेक्षण किया गया है।

वास्ते : संदीप सुरेंद्र जैन एंड कंपनी

दिनांक: 28/09/2021

चार्टर्ड अकाउंटेंट

स्थानः नयागांव

UDIN: 21429918AAAADB7434

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

CA नयन जैन

स.ꣿ. 429918

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

SANDEEP SURENDRA JAIN & CO.
Chartered Accountants

25, Shanti Niketan,
Nai Abadi, Road No.1,
Near Sanjay Gandhi Udhyan
Mandsaur 458001 (M.P.)
Mobile No.89894 11150
Email:canayanjain@rediffmail.com

AUDIT REPORT IN CONNECTION WITH ANNUAL AUDIT OF NAYAGAON NAGAR PARISHAD

We have examined the Receipt & Payment account for the year ended 31st March 2021, attached herewith, of Nagar Parishad with regards to the Audit, we have made the following observation:

- We certify that the Receipt and Payment account books of account maintained at the office of Nagar Parishad, Nayagaon.
- The observation/discrepancies/inconsistencies observed in the scope of audit have been detailed out in Audit Report.
- Details regarding revenue collection against the budgeted targets and the growth attained during the year in comparison to the previous year is given in Annexure-A.
- We report the following observations/suggestions in the audit report.
- Subject to above-
  I. We have obtained on the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of the audit;
  II. In our opinion, proper books of accounts have been kept by them above named Entity so far as it appears from the examination of the books.
  III. In our opinion and to the best of our information and according to the explanation given to us, the said accounts, read with notes thereon attached in the report gives true and fair of the Receipt & Payment account of Nagar Parishad , Nayagaon for the year ended 31st March 2021.

Place : Nayagaon

Date: 28/09/2021

UDIN 21429918AAAADB7434

For : Sandeep Surendra Jain & Co.

Chartered Accountants

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

CA. Nayan Jain
Partner
M. NO. 429918
FRN. 010172C

मुख्य नगरपालिका अधिकारी
नगर परिषद्, नयागांव (म.प्र.)

Abstract Sheet for reporting on Audit Paras for Financials Year 2020-21

Name of ULB - Nagar Parishad, Nayagaon	
Name of Auditor - Sandeep Surendra Jain & Co.	

S.No	Parameter	Description	Observation	Suggestion
1	Audit of Revenue	The auditor is responsible for audit of revenue from various sources.	We have verified revenue from various sources and our observations are mentioned in below points.	1) revenue is less due to non-collection of taxes because of lack of manpower and robust collection methods. Hence proper staffing is required and some robust methods like collecting the tax by sending the staff directly to homes for collection of cheques or with card swiping machines to collect the tax, such methods should be adopted. 2) Various schemes and incentives should be introduced on regular intervals to increase the revenue collection.
		He is also responsible to check the revenue receipt from the counter files of receipt books and verify that the money received is duly deposited in respective bank account	The Counter foils or revenue receipts of property tax, water tax and shop rent collection were made available to us for verification. As per information provided to us that the revenue/tax collector/officer directly deposits the amount collected with main cashier at the cash counter, who in turn this amount directly to bank account. During our audit we found that Labour tax was deducted but not deposited to government.	
		Percentage of revenue collection increases\decrease in various heads in property tax ,samekit kar , shiksha upkar, nagriya vikas upkar and other tax ,compared to previous year shall be part of report.	The comparison of all the taxes with regard to yearly targets have been duly verified and is forming part of report, annexed herewith**(Annexure - A)**.	
		Delay beyond 2 working days shall be immediately brought to the notice of commissioner/ cmo.	We have verified the bank statements given to us against the receipt and we found that there was no delay beyond 2 working days in depositing cash into respective bank accounts except during Bank holidays.	

SANDEEP SURENDRA JAIN & CO. * CHARTERED ACCOUNTANTS * FRN-01[illegible]72C

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

		The entries in cash book shall be verified	The entries in cash book have been verified.	
		The auditor shall specifically mention in the report ,the revenue recovery against the quarterly and monthly targets .	The targets given to the ULB with regard to revenue recovery are yearly. As per the information provided to us the targets of revenue recovery were not met. Also the sheet of revenue recovery as provided by the ULB does not match with figures stated in the Receipt & Payment Account and Income & Expenditure Account.	3) The cash /bill /receipt books should be maintained by only one person. Further the receipt of daily taxes should be done by a single person rather than different individuals.
		The auditor shall verify the interest income from FDRs and verify that interest income are duly and timely accounted for in cash.	Interest income is recorded in cash book on cash basis instead of accural basis due to which correct interest income is not reflected in financial statements.	4) Labour Tax should be deposited regularly to the government.
		The cases where the investment are made on lesser interest rates shall be brought to the notice of the commissioner / cmo	As per the information provided to us there were no such cases.	

SANDEEP SURENDRA JAIN & CO.
FRN-010172C
CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

2	Audit of Expenditure	The auditor is responsible for audit of expenditure under all the schemes	We have verified expenditure under all the schemes and our observations are mentioned in below points.	1. On the Note sheet the CMO and The President should put their official Seal with the Signature. 2. Whenever the signature of a Witness is taken the details of witness like the name, address should be mentioned. 3. The attendance register should be kept with a person incharge and should be daily verified and signed by the CMO/ Chief Accountant. 4. Budget head in vouchers should be properly mentioned.
		He is also responsible for checking the entries in cash book and verifying them from relevant vouchers .	The entries in cash book have been verified from relevant vouchers.	
		He should also check monthly balances of the cash book and guide the accountant to rectify errors ,if any	The monthly balances of cashbook were checked and the errors were rectified.	
		He shall verify that the expenditure for a particular scheme is limited to the funds allocated for that particular scheme any over payment shall be brought to the notice of any commissioner /cmo	By applying Sample Checking we found that the expenditure for a particular scheme is limited to the funds allocated for that particular scheme.	
		He shall also verify that the expenditure is in accordance with the guidelines directives acts and rules issued by government of India \state government.	The expenditure were checked on sample basis as all the expense and construction files were not presented before us for audit, the expenses were in accordance with the applicable directives, except for following observations: 1. There were no pre/post photographs of the construction sites in the files. 2. In most of the vouchers Budget Head was not mentioned.	

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

		During the audit financial propriety shall also be checked . All the expenditure shall be supported by financial and administrative sanctions accorded by competent authority and shall be limited to the administrative and financial limits of the sanctioning authority.	On the basis of our audit we observed that all the expenditure have been supported by financial and administrative sanctions accorded by competent authority and are limited to the administrative and financial limits of the sanctioning authority.	
		All the cases where appropriate sanction have not been obtained shall be reported and the compliance of audit observations shall be ensured during the audit and non compliance of audit paras shall be brought to the notice of Commissioner / CMO	There were no such cases where appropriate sanctions were not taken.	
		The auditor shall be responsible for verification of scheme project wise utilization certificates [UC].	During our audit we observed that there were no utilization certificates made by the ULB.	
		The auditor shall verify that all the temporary advances have been fully recovered .	As per observations there were no advances given by ULB during the period of the audit.	

SANDEEP SURENDRA JAIN & CO.
FRN-010172C
CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

3	Audit of Book Keeping	The auditor is responsible for audit of all the book of account as well as stores.	We have verified the books of accounts as well as stores and our observations are mentioned in below points.	1. The books of accounts are being maintained in Single Entry Accounting system 2. Fixed asset register should be maintained by ULB.
		He shall verify that all the books of account and stores are maintained as per accounting rules applicable to urban local bodies . Any discrepancies shall be brought to the notice of commissioner \cmo	Single entry sysytem is being followed by the nagar parishad.	
		The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances . all the cases of non recovery shall be specifically mentioned in audit report.	As per information and explanation given to us there were no advances given by ULB during the period under audit.	
		The auditor shall verify that all the temporary advances have been fully recovered	As per information and explanation given to us there were no temporary advances given by ULB during the period under audit.	
		Bank reconciliation statement [BRS] shall be verified from the records of ULB and the bank concerned.	The Bank reconciliation statements were made available to us for checking by the ULB.	

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, [illegible] (म.प्र.)

		He shall be responsible for verifying the entries in the grant register . The receipt and payments of grants shall be duly verified from the entries in the cash book.	We have verified the account so receipts and payments for the grant received and utilized during the year. Details have been mentioned in Audit of Grants and Loans.	
		The auditor shall verify the fixed asset from other records and discrepancies shall be brought to the notice of commissioner \ cmo.	We observed that the ULB does not maintains the Fixed asset register.	
		The auditor shall reconcile the accounts of receipt and payment especially for project fund .	The project fund has been reconciled with the receipts and payments no major irregularity found.	
4	Audit of FDR	The auditor is responsible for auditor of all fixed deposit and term deposit.	We have verified the Fixed Deposits as well as Term deposits and our observations are mentioned in below points.	Idle funds should be invested in Mutual funds, as they provide better returns against any other form of investment.
		It shall be ensured that proper record of FDR are maintained and all renewals are timely done.	We observed that nagar parishad has no FDR as on 31st March 2020.	
		The cases where FDR\TDR are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of commissioner /cmo.	The interest are kept on auto renewal so the latest rates of interest are not known, also as reported above the interest income are duly recorded in the books of accounts.	

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

मुख्य नगर पालिका अधिकारी (म.प्र.)

		The auditor is responsible for audit of all tenders/bids invited by the ULB's.	We have verified all the tenders/ bids invited by ULBs and our observations are mentioned in below points.	
		He shall check whether competitive tendering procedures are followed for all bids.	By applying Sample Test Check basis, we found that competive tendering procedures are being followed by the municipality.	
		He shall verify the receipts of tender fee/bid processing fee/performance guarantee both during the construction and maintenance period .	We did not find any error in the receipt of tender fee/bid processing fee/performance guarantee both during the construction and maintenance period.	
5	Audit of Tender	The bank guarantees, if received in lieu of bid processing fee/performance guarantee shall be verified from the issuing banks.		1) More competitive tendering processes should be implemented. 2) The limit of online tendering should be reduced so that more and more tenders are put online so as to increase the transparency. 3) The tenders should be allotted after proper checking of documents.
		The conditions of BG's shall also be verified; any BG with any such condition which is against the interest of the ULB shall be verified and brought to the notice of commissioner/CMO	As per the information and explanation provided to us there were no Bank Guarantees received by ULB during the period of audit.	
		The cases of extension of BG's shall be brought to the notice of Commissioner/CMO proper guidance to extend the BG's shall also be given to ULB's.		

मुख्य [illegible] अधिकारी
नगर परिषद, नयागांव (म.प्र.)

6	Audit of Grants and Loans	The auditor is responsible for audit of grants given by Central Government and its utilization. He is responsible for audit of grants received from State Government and it's utilization	On verification of recoeds and communication with the management we found that the grant is being received by the central and state government. However opening grant balance was not made available to us and hence its not verified .The grant letter provided by the ULB is attached as per **Annexure-B.**	1. We suggest that grant register should be maintained by the ULB. 2.More and more assets should be created for the welfare of the people as well as for generating more revenue.
		He shall perform audit of loans provided for physical infrastructure and its utilizations. During this audit the auditors shall specifically comment on the revenue mechanism i.e. whether the asset created out the loan has generated the desired revenue of not. He shall also comment on the possible reasons for non generation of revenue.	Their were no loans availed for physical infrastructure by the municipality.	
7	Incidence relating to diversion of funds	The auditors shall specifically point out any diversion of funds from capital receipts/grants/loans to revenue expenditure and from one scheme/project to another	On Sample Test Check basis of the records, we didn't find any diversion of fund from capital receipts/grants/loans to revenue expenditure.	

SANDEEP SURENDRA JAIN & CO. CHARTERED ACCOUNTANTS FRN-010172C

मुख्य नगर पालिका अधिकारी
नगर पालिका ...गांव (म.प्र.)

8	Whether all the temporary advances have been fully recovered or not	The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances . all the cases of non recovery shall be specifically mentioned in audit report.	As per information and explanation given to us there were no advances given by ULB during the period under audit.	
9	Whether the bank reconciliation statement have been regularly prepared	Bank reconciliation statement [BRS] shall be verified from the records of ULB and the bank concerned.	The Bank reconciliation statements were made available to us for checking by the ULB.	Bank reconciliation statement should be regularly prepared.

For: Sandeep Surendra Jain & Co.
Chartered Accountants
FRN:010172C

CA. Nayan Jain
(Partner)
M.NO.: 429918
UDIN : 21429918AAAADB7434

For: Nagar Parishad
Nayagaon

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

Annexure - A

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

Name of ULB - Nagar Parishad, Nayagaon
Name of Auditor - Sandeep Surendra Jain & Co.

Sr. No.	Parameters	Description					Observation in Brief	Suggestions
1	Audit of Revenue							
राजस्व कर वसूली		Receipts in Rs.						
		Year 2019-20	Budgeted 2020-21	Year 2020-21	Budgeted % Comparision	% of Growth		
(i)	संपत्ति कर	88,973	303,989	151,877	50	70.70	1)The data reveals that the budgetes estimated of income are estimates on very higher side. 2) There is growth in revenue in the present year compared to last year.	1) Budgeted income should be estimated on the basis of actual past income collections. 2) ULB should impose strict penalties and legal actions to improve past collections.
(ii)	समेकित कर	121,055	470,913	178,178	38	47.19		
(iii)	नगरीय विकास उपकर	16,400	71,360	27,627	39	68.46		
(iv)	शिक्षा उपकर	14,267	58,381	27,497	47	92.73		
	कुल योग	**240,695**	**904,643**	**385,179**	43	60.03		
गैर राजस्व वसूली								
(i)	भवन भूमि किराया	127,950	200,000	128,000	64	0.04		
(ii)	जल उपभोक्ता प्रभार	275,245	1,305,654	448,681	34	63.01		
(iii)	अन्य कर / शुल्क	32,545	400,000	85,457	21	162.58		
	कुल योग	435,740	1,905,654	662,138	35	51.96		
	महा योग	**676,435**	**2,810,297**	**1,047,317**	37	54.83		

SANDEEP SURENDRA JAIN & CO.
FRN-010172C
CHARTERED ACCOUNTANTS

मुख्य नगर... अधिकारी
नगर ... (म.प्र.)

NAGAR PALIKA PARISHAD NAYAGAON

Madhya Pradesh

Receipts and Payments for the year ended

1-Apr-2020to 31-Mar-2021

Receipts			Payments		
Opening Balance			**Indirect Expenses**		21,879,027.04
Bank Accounts		2,083,298.33	Stationary	88668.00	
45021-00 Allahbad Bank 23868	26509.00		Travelling And Conveyance Staff	4590.00	
45021-00 HDFC Bank 19045	7467.00		Fuel, peterol and diesel own vehicles	392243.00	
45021-00 HDFC BAnk 87446	38633.00		Vehicle Insurance	369050.00	
45021-00 SBI Bank 69342	2010689.33		Audit fees	297600.00	
			Vehicle Rent	53172.00	
			Advertisment Expenses	225114.00	
Indirect Incomes		26,349,120.00	Publicity Expenses	60336.00	
Stamp duty on transfer of properties	521000.00		Miscellaneous Expenses	3800.00	
Compensation in Lieu of taxes and duties	6133681.00		Water Works	925157.00	
Shop Auction Premium	1162866.00		Street Lighting	1818571.00	
Mutation fee	2000.00		SWASTH SHAKHA	705167.00	
Agreement fees	50.00		Covid -19	1204307.00	
Advertisement Fees	34500.00		Repairs and maintenance of infrastructure assets	382501.00	
Delay Fees	150.00		Repairs and maintenance of vehicles	146489.00	
Application Fees	4625.00		office and office Equipements	184287.00	
Miscellaneous Fees	869161.00		Bank Charges	30.68	
Nal Conection	124050.00		Own programme	94902.00	
Samudayik Bhawan Rent	125500.00		Swachta Abhiyan	257425.00	
Supply of waters by tankers	9050.00		Ashangthit Sharmik Yojna	55000.00	
Tender papers	5000.00		SD	249000.00	
Ration card and other forms	1800.00		Supplier Control Account	505546.00	
Interest	2107907.00		Contractors Control Account	4635295.00	
Salaries and allowances	345162.00		Salaries, Wages Payable	6728279.00	
INTEREST ON FDR	281233.00		Pension	263538.00	
Other grant	700000.00		Provident Fund	93500.00	
Basic Minimum Programme	1274000.00		Income Tax Payble	434747.00	
Swachta Abhiyan	50.00		GST TAX	265560.36	

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

15th Vitt Ayyog	8942000.00		Electricity Exp Payble	1414697.00	
Grants From State Finance Commission	1568000.00		Telephone Exp Payble	20455.00	
Ashangthit Shramik Yojna	60000.00				
Grants for Road Development	761000.00				
SD	366250.00				
Pension	27106.00				6,553,391.69
Provident fund	14000.00		**Closing Bank**		
Income tax Payable	99626.00		45021-00 HDFC Bank 19045	7467.00	
GST payable	9790.00		45021-00 HDFC BAnk 87446	38633.00	
Consoli Reveivable for property tax	109933.00		45021-00 SBI Bank 69342	6507291.69	
Property Tax receivable- Current year	35668.00				
Consolidated Receivble For Samekit Tax	97499.00				
Development Tax-Old Year	11669.00				
Consolidated Samekit Tax-Current Year	82152.00				
Development Tax-Current Year	11044.00				
Education Tax-Current Year	9197.00				
Education Tax-Old Year	10770.00				
Water Supply Receivable -Old Year	264591.00				
Water Supply Receivable-Current Year	166640.00				
Rent Recievable-Bhumi Rent	400.00				
		28432418.33			28432418.73

EP SURENDRA JAIN & CO.
N-010172C
CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

नगर परिषद – नयागावं ., जिला नीमच (म.प्र.)

वर्ष 2020–21 में प्राप्त अनुदान एवं व्यय की जानकारी

Annexure-B

क्र.	मद का नाम	प्राप्त राशि	व्यय राशि	शेष राशि	टिप्पणी
1	मूलभूत अनुदान	1587000	1623000	-36000	
2	राज्य वित्त आयोग	1568000	1597000	-29000	
3	सड़क मरम्मत अनुदान	730000	494000	236000	
4	15 वां वित्त आयोग	8942000	6754000	2188000	
5	हितग्राहितमूलक योजना में प्रप अनुधन	2200000	8263000	-6063000	प्रधान मंत्री आवास योजना
6	अन्य अनुदान	20040000	10510000	9530000	मुख्यमंत्री अधोसंरचना दित्य चरण:
	योग	35067000	29241000	5826000	

ये अनुदान पत्र हमे नगर परिषद से प्राप्त हुआ हे

SANDEEP SURENDRA JAIN & CO. FRN-010172C CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)

SBI BANK 9342

DATE	PARTICULAR	DR	CR
	Balance as per book 31/3/2021	6,507,290.72	
	CR IN BANK NOT DR IN CB TO BE ADDED		
	CR IN CB BUT NOT DR IN BANK TO BE ADDED		
3/27/2021	Nakoda Construction	13,477.00	
3/27/2021	Nakoda Construction	26,955.00	
3/31/2021	B.L. Dhanotiya	4,000.00	
3/31/2021	B.L. Dhanotiya	4,000.00	
3/31/2021	Mehta Machinary	2,940.00	
3/31/2021	M/s Anil Construction	148,411.00	
3/31/2021	M/s Anil Construction	1,514.00	
3/31/2021	New Balaji Electronics	47,400.00	
3/31/2021	Mehta Machinary	45,198.00	
3/31/2021	M/s Anil Construction	1,161.00	
	Balance as per bank 31/3/2021		6,802,346.72
Total		**6,802,346.72**	**6,802,346.72**
		-	

HDFC Bank 19045

DATE	PARTICULAR	DR	CR
	Balance as per Book 31/3/2021	7,467.00	
	Opening Difference		
	Balance as per Bank 31/03/2021		7,467.00
	Total	**7,467.00**	**7,467.00**

-

HDFC BAnk 87446

DATE	PARTICULAR	DR	CR
	Balance as per Book 31/3/2021	38,633.00	
	Opening Difference		
	Balance as per Bank 31/03/2021		38,633.00
	Total	**38,633.00**	**38,633.00**

-

SANDEEP SURENDRA JAIN & CO.
FRN-010172C
CHARTERED ACCOUNTANTS

मुख्य नगरपालिका अधिकारी
नगर परिषद, नयागांव (म.प्र.)