

कार्यालय नगर परिषद पथरिया, जिला-दमोह म.प्र.

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क्रं / 141 / न.पं. / 2022

पथरिया दिनांक 10.06.2022


प्रति,

श्रीमान वित्त अधिकारी
नगरीय प्रशासन एवं विकास
म.प्र. भोपाल

विषय :- नगरीय निकायों की लेखाओं की संपरीक्षा चार्टर्ड अकाउन्टेन्ट के द्वारा कराये जाने के संबंध में कारण बताओं सूचना पत्र।
संदर्भ :- संचालनालय नगरीय प्रशासन एवं विकास म.प्र. भोपाल का पत्र क्रमांक / ऑडिट / शा. -4(क) / 265 / 9292 भोपाल दिनांक 23.05.2022

महोदय,

विषयांतर्गत संदर्भित पत्र के संबंध में लेखकर निवेदन है कि म.प्र. नगर पालिका(लेखा एवं वित्त)नियम 2018 के नियम 2019 एवं 220 के तहत नगरीय निकायों के लेखों की संपरीक्षा चार्टर्ड अकाउन्टेन्ट के माध्यम से कराये जाने के निर्देश दिये गये थे। जिसके पालन में वर्ष 2020-21 के लेखों की संपरीक्षा करायी जा चुकी हैं। जिसकी आडिट रिपोर्ट पत्र के साथ संलग्न कर आपकी ओर सादर संप्रेषित हैं।


मुख्य नगर पालिका अधिकारी
नगर परिषद पथरिया

AUDIT REPORT

We have examined the Receipts & Payments and Income & Expenditure Account of MUNICIPAL COUNCIL PATHRIYA DISTRICT DAMOH (M.P) for the year ended 31st March 2021, which are in agreement with the books of account maintained by the said Municipal council. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the audit. In our opinion, proper books of account have been kept by the above said concern so far as appears from our examination of books, subject to the comments given below:


1. These financial statements are the responsibility of the management of the concern. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Our audit includes examining on test basis, evidence supporting the amounts and disclosed in the financial statements. Our audit also assigns the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statement.
3. In our opinion and to the best of our information and according to explanations given to us, they said accounts give a true and fair view in respect of Receipt & Payment and Income & Expenditure Account for the year ending as on 31st March 2021.

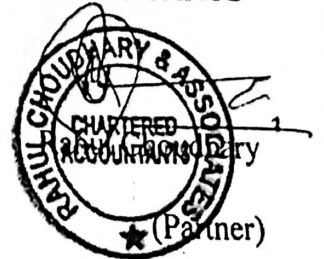
Date:-

For RAHUL CHOUDHARY & ASSOCIATES

Place:-Bhopal

CHARTERED ACCOUNTANTS


मुख्य नगर पालिका अधिकारी
नगर परिषद पथरिया



MUNICIPAL COUNCIL PATHRIYA


AUDIT OBSERVATIONS

Audit of Revenue

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

Audit of Expenditures

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


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

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

Audit of Book Keeping


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

Accounts Department

Audit observations about accounts department are as follows -

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




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Store Department

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

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


Revenue Department

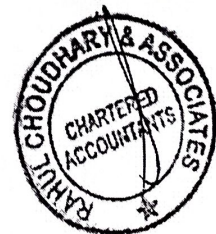
During the examination of revenue records, we found that proper records were maintained and balances of dues were brought forward from last year properly. However, maximum revenue collections are practiced in online system. Sometimes, revenue officer in charge has not verified the collection registers;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

Sanitation Department

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

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


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Water Supply Department

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

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

Establishment Department


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

PWD Department

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

Audit of FDRs

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


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Audit of Tenders

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

Audit of Grants & Loans

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

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

For RAHUL CHOUDHARY & ASSOCIATES.

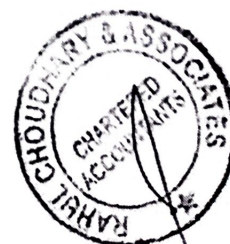
CHARTERED ACCOUNTANTS

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नगर परिषद पथरिया



MUNICIPAL COUNCIL PATHARIA
RECEIPT & PAYMENT ACCOUNT
For the period from 1 April 2020 to 31 March 2021

RECEIPTS	AMOUNT	PAYMENTS	AMOUNT
Opening Balance	26,715,236	Establishment Expenses (स्थापना व्यय)	24,187,030
Cash Balance	-	Salaries & Allowances (वर्ग कर्मचारी वेतन)	8,086,672
Bank Balance	26,715,236	Wages-Temporary Staff (प्रवाही वेतन)	15,117,940
		G.P.F. पी.पी.एफ.	661,000
		RPF	64,500
		Arrears Salary	256,918
		NPS	-
Tax Revenue	215,255	Administrative Expenses - प्रशासनिक व्यय	1,057,342
Property Tax - (संपत्ति कर)	127,790	Telephone Expenses	23,990
Samikrit Kar-Consolidated - (समीकृत कर)	49,385	Printing/Flex/Stationery Expenses	196,575
Education Cess - (शिक्षा उपकर)	17,993	Photocopy	118,958
Urban Development Cess - (नगरीय विकास उपकर)	20,087	Stationary	125,582
		Advertisement Expense (प्रिक्लायन व्यय)	543,519
		Photography	23,280
Rental Income from Municipal Properties	658,215	Legal Fees (कानूनी व्यय)	-
Rent-Shops	443,700	Mid Day Meal Expenses	25,438
Rent- Community Hall	73,100		
Rent-Market (बाजार मंडक)	141,415		
Fees & Charges	1,594,652	Operations & Maintenance - परिचालन व्यय	3,817,184
Fees - Application (आवेदन फीस)	22,602	Fuel, Petrol & Diesel (डीजल व्यय)	3,817,184
Fees - Certificate	2,655	Electricity Expenss (विद्युत बिल)	-
Mutation Fees	100,430	Water Works - जल प्रदाय कार्य	6,077,008
Fees- Ration Card	2,565		6,077,008
Penalties and Fines (जर्बंद)	121,700		
Water supply connection	1,315,150	Electricity Work - विद्युत कार्य	847,439
User Charges- Water Supply by Water Tanker	29,550		847,439
Assigned Revenues & Compensation	24,098,949	Electricity Material Purchase (विद्युत सामग्री क्रय)	847,439
Compensation-Octroi (सुग्री)	22,352,449	Sanitation Work - सफाई कार्य	575,737
Compensation-Passanger Tax (बासी कर)	216,000	Sanitation/Conservancy Material - Other	575,737
Export Tax	193,000		
Compensation-Stamp Duties (मुद्रक शुल्क)	1,337,500		
Grants, Contributions & Subsidies	16,882,630	Hire Charges - किराया व्यय	-
Grant GoMP- State Finance Commission (राज्य वित्त)	4,917,000	Hire Charges-Vehicle (किराया - वाहन)	-
Grant GoMP- Road Development (सड़क मरम्मत)	2,286,000		
Grant GoMP- Moolbhut Suidha (मूलभूत सुविधा)	3,779,000	Repair & Maint. - मरम्मत और संधारण	1,236,308
Grant GoI- PMAY	1,187,000	R & M - Vehicle (वाहन मरम्मत)	906,870
Grant GoI- 15Th Finance Commission	2,288,800	R & M - Computer	273,930
Grant GoMP- Sambal Yojna	75,000	R & M - Infra.Assets (अन्य - मरम्मत)	55,508
Grant- Aarthik Kalyan Yojna	200,000		
Grant GoMP- MLA Fund	700,000		
Grant GoMP- Other	1,449,830		
Other Income	363,932	Fixed Assets	325,805
Interest From Bank Accounts	296,898	Furniture	325,805
Other Income	67,034		



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नगर परिषद पथरिया

**MUNICIPAL COUNCIL PATHARIA
INCOME & EXPENDITURE ACCOUNT
For the period from 1 April 2020 to 31 March 2021**

EXPENDITURE	AMOUNT	INCOME	AMOUNT
Establishment Expenses (स्थापना खर्च)	8,086,672	Tax Revenue	215,255
Salaries & Allowances (वेतन व अनुदान)	15,117,940	Property Tax - (गुफा कर)	171,790
Wages-Temporary Staff (अस्थायी श्रमिक)	661,000	Samakli Kar Consolidated - (समकली कर)	49,385
G.P.F. अ. व. ए. ए.	64,500	Education Cess - (शिक्षण कर)	17,993
PTI	256,918	Urban Development Cess - (नगर विकास कर)	20,087
Annals Salary			
Administrative Expenses - प्रशासनिक खर्च		Rental Income from Municipal Properties	678,215
Telephone Expenses	23,990	Rent Shops	443,700
Printing & Stationery Expenses	196,575	Rent-Community Hall	73,100
Photocopy	118,958	Rent-Market (बाजार कर)	141,415
Stationary	125,582		
Advertisement Expense (विज्ञापन खर्च)	543,519	Fees & Charges	1,594,652
Photography	23,280	Fees - Application (अर्ज कर)	22,602
Mid Day Meal Expenses	25,438	Fees - Certificate	2,655
		Fees - Mutation	100,430
		Fees - Ration Card	2,565
		Penalties and Fines (जर्जे)	121,700
Operations & Maintenance - परिपालन खर्च		Water supply connection	1,315,150
Fuel Petrol & Diesel (डिजल खर्च)	3,817,184	User Charges- Water Supply by Water Tanker	29,550
Electricity Expense (विद्युत खर्च)			
Water Works - जल प्रदाय कार्य	6,077,008	Assigned Revenues & Compensation	24,098,949
Electricity Work - विद्युत कार्य		Compensation-Octroi (रुफा)	22,352,449
Electricity Material Purchase (विद्युत सामग्री खर्च)	847,439	Compensation-Passanger Tax (यात्री कर)	216,000
		Export Tax	193,000
		Compensation-Stamp Duties (प्रमाणित शुल्क)	1,337,500
Sanitation Work - सफाई कार्य			
Sanitation/Conservancy Material - Other	575,737	Grants, Contributions & Subsidies	16,882,630
		Grant GoMP- State Finance Commission (राज्य वित्त आयोग)	4,917,000
		Grant GoMP- Road Development (सड़क परियोजना)	2,286,000
		Grant GoMP- Moolbhut Suvidha (मूलभूत सुविधा)	3,779,000
		Grant GoI- PMAY	1,187,000
		Grant GoI- 15Th Finance Commission	2,288,800
		Grant GoMP- Sambal Yojna	75,000
		Grant- Aarthik Kalyan Yojna	200,000
		Grant GoMP- MLA Fund	700,000
		Grant GoMP- Other	1,449,830
Hire Charges - किराया खर्च			
Hire Charges-Vehicle (किराया - वाहन)		Other Income	363,932
Repair & Maint. - मरम्मत और संभारण		Interest From Bank Accounts	296,898
R & M - Vehicle (वाहन मरम्मत)	906,870	Other Income	67,034
R & M - Computer	273,930		
R & M - Infra.Assets (अन्य - मरम्मत)	55,508		
Grants, Contributions & Subsidies			
नया सवेरा योजना	12,000		
पंच जल योजना पर व्यय	8,000,000		
मु मंत्री स्व रो योजना पर व्यय	27,360		
Own Programme - अन्य कार्यक्रम			
व्यवस्था मिशन पर व्यय	849,295		
		EXCESS OF EXPENDITURE OVER INCOME	2,873,070
			2,873,070
	46,686,703		46,686,703
	46,686,703		46,686,703

FOR RAHUL CHOUDHARY & ASSOCIATES
Chartered Accountants



**मुख्य नगर पालिका अधिकारी
नगर परिषद पथरिया**

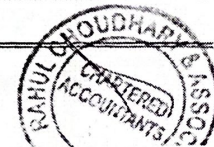
REVISED ABSTRACT SHEET FOR REPORT ON AUDIT

NAME OF ULB :- PATHARIYA
NAME OF AUDITOR :- RAHUL CHOUDHARY & ASSOCIATES

NAME OF ULB :- PATHARIYA
NAME OF AUDITOR :- RAHUL CHOUDHARY & ASSOCIATES

PARAMETERS		DESCRIPTION			OBSERVATION IN BRIEF	SUGGESTION
Sr No.		Receipts in Rs.				
1	Audit of Revenue	2019-20	2020-21	% of Growth		
A. REVENUE COLLECTION						
a.	Property Tax	181,434.00	127,790.00	-29.57%	Rent collection has decreased.	Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.
b.	Consolidated Tax	337,094.00	49,385.00	-85.35%	Rent collection has decreased worstly.	Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.
c.	Devlopment Cess	28,248.00	20,087.00	-28.89%	Rent collection has decreased.	Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.
d.	Education Cess	26,551.00	17,993.00	-32.23%	Rent collection has decreased.	Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.
TOTAL (A)		573,327	215,255			
B. NON REVENUE COLLECTION						
a.	Rent of Land & Buliding/Shops	306,555.00	658,215.00	114.71%	Tax collection has increased gracefully.	Council Should keep on working towards maintaining the collection rate in the up coming years.
b.	Water Tax	-	-	0.00%	No comments	No comments
c.	Solid Wastage Management	-	-	0.00%	No comments	No comments
d.	Other Fees & Taxes	488,117.00	249,952.00	-48.79%	Rent collection has decreased.	Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.
TOTAL (B)		794,672	908,167			
GRANT TOTAL (A) + (B)		1,367,999.00	1,123,422.00			

मुख्य नगर पालिका अधिकारी
नगर परिषद पथरिया



REVISED ABSTRACT SHEET FOR REPORT ON AUDIT PARAS FOR FINANCIAL YEAR 2020-21

NAME OF ULB :- PATHARIYA

NAME OF AUDITOR :- RAHUL CHOUDHARY & ASSOCIATES

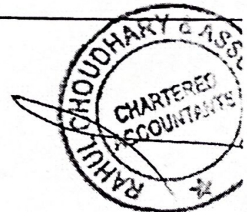
Sr No.	PARAMETERS	DESCRIPTION			OBSERVATION IN BRIEF	SUGGESTION
1	Audit of Revenue	Receipts in Rs.				
		2019-20	2020-21	% of Growth		
A. REVENUE COLLECTION						
a.	Property Tax	181,434.00	127,790.00	-29.57%	Rent collection has decreased.	<p>Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.</p> <p>Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.</p> <p>Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.</p> <p>Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.</p>
b.	Consolidated Tax	337,094.00	49,385.00	-85.35%	Rent collection has decreased worstly.	
c.	Development Cess	28,248.00	20,087.00	-28.89%	Rent collection has decreased.	
d.	Education Cess	26,551.00	17,993.00	-32.23%	Rent collection has decreased.	
TOTAL (A)		573,327	215,255			
B. NON REVENUE COLLECTION						
1.	Rent of Land & Buliding/Shops	306,555.00	658,215.00	114.71%	Tax collection has increased gracefully.	<p>Council Should keep on working towards maintaining the collection rate in the up coming years.</p> <p>No comments</p> <p>No comments</p> <p>Council Should take action towards generating revenue, increasing collection rate and removing this negativity in the up coming years.</p>
2.	Water Tax	-	-	0.00%	No comments	
3.	Solid Wastage Management	-	-	0.00%	No comments	
4.	Other Fees & Taxes	488,117.00	249,952.00	-48.79%	Rent collection has decreased.	
TOTAL (B)		794,672	908,167			
GRANT TOTAL (A) + (B)		1,367,999.00	1,123,422.00			

मुख्य नगर पालिका अधिकारी
नगर पालिका अधिकारी



2	Audit of Expenditure	During the audit we checked the vouchers and found satisfactory.	Some irregularities were found and made them correct during the audit.	Council should keep working towards maintaining vouchers and expenditure as per rules and sanctions.
3	Audit of Book Keeping	We checked the books of accounts which maintained and made available for us during the audit by the Municipal Council.	All departments had some issues regarding book keeping.	Council should maintain proper books of accounts for all departments
4	Audit of FDRs	While Auditing, we found that there no any FDR made by the council.	Since FDR was not made so there is no need to maintain the FDR register.	Proper Register should be maintained & Interest on FDRs should be recorded in cashbook timely, if FDR made.
5	Audit of Tenders / Bids	1. We examined Tenders/bids documents on the basis of note sheets attached with the vouchers and some files which were made available for us during the audit. 2. Tenders which were found during the audit have followed proper tendering procedures.	As per our observation, ULB has followed proper tender process. { For more details Refer Observation sheet }	Proper Files/Records should be maintained for Tenders & Bids and proper process should be followed.

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6	Audit of Grants & Loans	Refer the "Audit of Grants & Loans" head of audit observation sheet	During Audit we found that some grants are like mixed nature i.e. Capital & revenue nature therefore in that cases we can't bifurcate how much portion belongs to revenue or capital. Except that all grants have been used for the purposes for which grants have been received.	Grants Register must be Prepared as per ULB approved format.
7	Incidences relating to diversion of fund from Capital receipts/ grants / Loans to Revenue Nature Expenditure and from one scheme / Project to another	No Such diversion of fund We didn't found any incidences relating to diversion of funds from Capital receipts\Grants\Loans to Revenue Nature Expenditure and from one scheme to another scheme.	No Such Observation Found	There Should be proper bifurcation of capital and revenue nature receipts and expenditure.
a.	Percentage of Revenue Expenditure (Establishment, Salary, Operation & Maintenance) with respect to revenue Receipts (Tax and non tax) excluding Octroi, Entry Tax, Stamp Duty and other grants etc.	988.83%	No Such Major Observation found	The total revenue expenses are high in comparasion of Income, so council should make more efforts to meet out the Expenditure form its Revenue Receipts.
b	Percentage of Capital Expenditure with respect to total Expenditure	17.17%	No Such Major Observation found	The capital expenditures are very low in comparison of Total expenditure, Council should make policies to increase the percentage of capital expenditures sothat council can have more valuable assets.
8	Whether all the temporary advances have been fully recovered or not.	No, advances have not been given during the year.	No observations	No Comment
9	Whether bank recociliation statement is being regularly prepared.	Bank Reconciliations were not found during the audit.	No observations	BRSs should be prepared timely and proper File should be maintaied for keeping BRSs.

Date :

Place : Bhopal

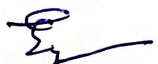
For RAHUL CHOUDHARY & ASSOCIATES

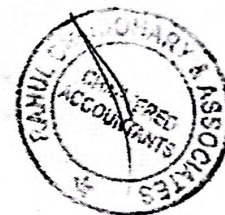
Chartered Accountants

मुख्य नगर पालिका अधिकारी
नगर परिषद पधरिया



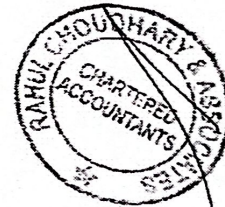
Sr. No.	Division	District	ULB Name	ULB Type	REVENUE RECEIPTS				
					PROPERTY TAX	OTHER TAX REVENUE	FEE & USER CHARGES	REVENUE FROM MUNICIPAL PROPERTY	ASSIGNED REVENUE
1	2	3	4	5	6	7	8	9	10
1	Sagar	Damoh	Pathariya	Municipal Council	127790	87465	1594652	658215	24098949


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**Revised Abstract Sheet For Reporting on Audit Paras
2020-21 INCOME & EXPENDITURE INFORMATION**

REVENUE GRANTS, CONTRIBUTION & SUBSIDIES	OTHER INCOME	CAPITAL RECEIPTS				TOTAL RECEIPTS	ESTABLISHMENT EXPENSES
		CAPITAL RECEIPTS	CENTRAL FINANCE COMMISSION RECEIPTS	STATE FINANCE COMMISSION RECEIPTS	OTHER GRANTS		
11	12	13	14	15	16	17	18
7040800	363932	1187000	2288000	4917000	1449830	43,813,633.00	24187030



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REVENUE EXPENDITURE						
ADMINISTRATIVE EXPENSES	OPERATION & MAINTENANCE CHARGES	INTEREST & FINANCE CHARGES	OTHER EXPENSES	LOAN REPAYMENT (PRINCIPAL)	OTHER CAPITAL EXPENDITURE	TOTAL
19	20	21	22	23	24	25
1057342	3817184	0	17625107	0	9679663	56366326

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