

SAMSHABAD NAGAR PARISHAD

AUDIT REPORT FOR THE FINANCIAL YEAR
2020-21



AUDITORS:
ADC AND COMPANY, CHARTERED ACCOUNTANTS



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INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of SAMSHABAD NAGAR PARISHAD

1. Report on the Financial Statements

We have audited the accompanying financial statements of SAMSHABAD NAGAR PARISHAD ("the ULB"), which comprise the Receipt & Payment Account, Income & Expenditure Account and Balance Sheet for the year then ended, and other explanatory information.

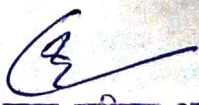
2. Management's Responsibility for the Financial Statements

The ULB's Management is responsible for the matters with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the ULB in accordance with the provisions of Municipal Corporation Act, 1956 and accounting principles generally accepted in India, including the Municipal Accounting Manual ("the Manual") and Accounting Standards applicable to the Urban Local Bodies. This responsibility also includes maintenance of adequate accounting records in accordance with the Municipal Accounting Manual for safeguarding of the assets of the ULB and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error .

3. Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the Municipal Accounting Manual, the accounting and auditing standards and matters which are required to be included in the audit report as per the letter issued by Directorate, Urban Administration & Development, M.P., Bhopal in this regard. The CMO has not directed us to perform audit of any other section in his office in addition to the above scope.


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We conducted our audit in accordance with the Standards on Auditing issued by Institute of Chartered Accountants of India. Those Standards requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the ULB's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the ULB's officers, as well as evaluating the overall presentation of the financial statements.


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

4. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the report attached below, the Receipt & Payment Account, Income & Expenditure Account and Balance Sheet annexed to this report give true and fair view of financial transactions affected by ULB and recorded these transactions in cash book for the financial year ending as on 31st March, 2021.

5. Basis for Qualified Opinion

The details which form the basis of qualified opinion are reported in the Annexure 1 and Annexure 2 annexed to this report.


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6. Emphasis of Matters

We draw attention to the following matters reported in Annexure - 2, annexed to this report.

- a) Accounts prepared as per the Manual in lieu of accounting standards for local bodies as issued by Institute of Chartered Accountants of India.
- b) Revenue department's records related to recovery of revenue taxes and other revenue dues has differences with accounting records maintained by accounting department.
- c) Non-maintenance or incomplete registers as prescribed under manual and mentioned at point 3 of annexure 2.
- d) Non-availability of details related with Tenders.
- e) Non verification of EPF, IT-TDS and TDS on GST, as same has not been made available to us by the ULB.
- f) Municipal fund balance is adjusted with investment in FDR.
- g) Opening balance adjustments were found in accounting records.

Our opinion is not modified in respect of these matters.

7. We further report that:

- a) We have sought and, except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion proper books of account as required by Municipal Accounting Manual have been kept by the ULB so far as appears from our examination of those books.
- c) The Receipt & Payment Account, Income & Expenditure Account and Balance Sheet deal with by this Report are in agreement with the books of account.
- d) Except for the matter described in the Basis for Qualified Opinion paragraph above, the Receipt & Payment Account, Income & Expenditure Account and Balance Sheet comply with the Municipal Accounting Manual and Accounting Standards applicable to the Urban Local Bodies.
- e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the ULB.



A D C & COMPANY
CHARTERED ACCOUNTANTS
FRN: 024465C


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BHOPAL, M.P.


- f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- g) With respect to the adequacy of the internal financial controls over financial reporting of the ULB and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1'.

Date: 30/09/2021

UDIN: 21428346AAAAAI2810

For ADC & Company
Chartered Accountants


मुख्य नगर पालिका अधिकारी
नगर परिषद शम्शाबाद
जिला विदिशा (म.प्र.)


CA Rakshit Deshmukh
(Partner)
MRN - 428346





Annexure '1'

Report on Internal Financial Controls over Financial Reporting

1. Report on the Internal Financial Controls of the ULB ("the ULB")

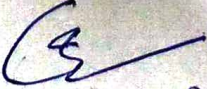
We have audited the internal financial controls over financial reporting of SAMSHABAD NAGAR PARISHAD ("the ULB") as of March 31, 2021 in conjunction with our audit of the financial statements of the ULB for the year ended on that date.

2. Management's Responsibility for Internal Financial Controls

The ULB's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the ULB. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to ULB's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required in accordance with the Municipal Corporation Act, 1956 including the Municipal Accounting Manual and accounting principles generally accepted in India applicable to the Urban Local Bodies.

3. Auditors' Responsibility

Our responsibility is to express an opinion on the ULB's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.


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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the ULB's internal financial controls system over financial reporting.

4. Meaning of Internal Financial Controls Over financial Reporting.

A ULB's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A ULB's internal financial control over financial reporting includes those policies and procedures that

- a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the ULB;
- b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the ULB are being made only in accordance with authorizations of management and officers of the ULB; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the ULB's assets that could have a material effect on the financial statements.

5. Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.




Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

6. Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2021:

- a) The ULB did not have an appropriate internal financial control system over financial reporting since the internal controls adopted by the ULB did not adequately consider risk assessment, which is one of the essential components of internal control, with regard to the potential for fraud when performing risk assessment
- b) The ULB did not have an appropriate internal control system for tax and user charges collection, tax demand evaluation, which could potentially result in the ULB recognizing revenue without establishing reasonable certainty of ultimate collection.
- c) The ULB did not have an appropriate internal control system for inventory with regard to receipts, issue for production and physical verification. Further, the internal control system for identification and allocation of overheads to inventory was also not adequate. These could potentially result in material misstatements in the ULB's trade payables, consumption, inventory and expense account balances.
- d) The ULB did not have an appropriate internal control system for fixed asset with regard to purchase, construction, transfer and physical verification. Further, the internal control system for identification and allocation of overheads to fixed asset was also not adequate. These could potentially result in material misstatements in the ULB's grants, payable to contractors, tax and other statutory dues, fixed assets, capital work in process and accumulated depreciation account balances.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the ULB's annual or interim financial statements will not be prevented or detected on a timely basis.


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In our opinion, because of the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the ULB has not maintained adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were not operating effectively as of March 31, 2021 based on the criteria established by the ULB.

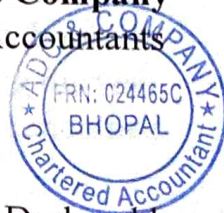
We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2021 financial statements of the ULB, and these material weaknesses do not affect our opinion on the financial statements of the ULB.

Date: 30/09/2021


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For ADC & Company
Chartered Accountants


CA Rakshit Deshmukh
Partner
MRN – 428346





Annexure '2'

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

1. Audit of Revenue

1) The auditor is responsible for audit of revenue from various sources.

We have verified the revenue from various sources which was recognized and entered in the books of account produced before us for verification.

2) He is also responsible to check the revenue receipts from the counter files of receipt book and verify that the money receipt is duly deposited in respective bank account. The counter foils or revenue receipts were made available to us for verification. It was informed to us that the revenue/tax collector/officer directly deposits the amount collected with main cashier at the cash counter, who in turn deposit this amount directly to the bank account. A register is being maintained by revenue/tax collector/officer from which collected amount move into cashier cash book. A detailed statement containing outstanding demand and tax collected during the year was provided to us by the concerned department duly certified by the concerned officer.

3) Percentage of revenue collection increase or decrease in various heads in property tax, samekitkar, shikshaupkar, nagriyavikasupkar, and other tax compared to previous year shall be part of report.


Details are given in Annexure C attached to this report.

4) Delay beyond 2 working days shall be immediately brought to the notice of CMO.

No such instances were noticed during the test check of entries conducted by us except the circumstances like public holidays, government or local holidays etc.

5) The entries in Cash book shall be verified.

We have verified the entries in cash book on test check basis and no major discrepancy was noticed by us. However due to quantum of transactions and inherent limitation of audit we cannot provide our absolute assurance on the entries of the cash book. It is generally recommended that entries of the cash book should be duly supported by necessary documentary evidences and authorizations.


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- 6) The auditor shall specifically mention in the report the revenue recovery against the quarterly and monthly targets any lapses in revenue recovery shall be a part of the report.

No details with respect to quarterly & monthly targets set for the FY 2020-21 & the revenue recovery against such targets were made available to us. Hence, it was not possible for us to report the revenue recovery against the quarterly and monthly targets.

During our verification of revenue registers we observed outstanding from past several years, below mentioned are few cases.

In case of Water Tax-

Water tax register is not maintained properly as it does not contain important details such as since when dues are pending, interest charged on pending dues, legal action initiated against such pending dues. List of few pendency's of taxes from long time has been listed below:

Conn. No	Consumer Name	Due	Due since
1252	MUNSHI LAL USHWAHA	1,260.00	Apr-17
1254	Rehman khan	1,260.00	Apr-17
1256	Jugal kishore	1,085.00	Sep-17
1257	Radha Bai	1,260.00	Apr-17
1259	Vishal Maheshwari	1,260.00	Apr-17
1260	Saraswati bai	1,260.00	Apr-17
Total		7,385.00	

In case of Shop rent-

Name	Old Due
Ramswaroop/Ambu Dayal Soni	10,800
Surendra singh	14,400
Mahendra singh	12,600
Ghasiram mehar	25,800

- 7) The auditor shall verify the interest income from FDR's and verify that interest is duly and timely accounted for in cash book.

We have verified the interest income from FDR's and noticed that interest income is not recognised in books of accounts on accrual basis. The same is recorded at the time of FDR maturity.



- 8) The case where, the investments are made on lesser interest rates shall be brought to the notice of the CMO.

All FDR's have been verified as provided to us & were in the possession of ULB. Detail of the same is provided in sub point 3 of point 4.

2. Audit of Expenditure:

- 1) The auditor is responsible for audit of expenditure under all the schemes.

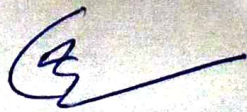
We have verified the expenditure under various heads which was recognized and entered in the books of account produced before us for verification except payment shown under the head "Miscellaneous Expenses" under Administrative expenses amounting to Rs. 23,63,076.27 for which ULB does not provide any explanation for the nature of such transactions.

- 2) He is also responsible for checking the entries in cash book and verifying them relevant vouchers.

We have verified the entries in cash book on test check basis which were supported by relevant vouchers/note sheets. However, considering the bulk quantum of entries and the weak internal control procedures, the discrepancies in the entries of cash book cannot be ruled out. We have noticed the following with respect to vouching and statutory dues:

- i. While making payment to labours and daily wages, we did not found signature/thumb impressions of the recipient on the muster sheet.
- ii. ULB has explained that TDS and GST returns are filed regularly. However, we could not verify the deduction and payment as the challans were not provided to us.
- iii. GST-TDS is deducted on Rs. 30000/- or above @2% in every case.
- iv. IT-TDS is deducted on Rs 30000/- or above @ 2% on every case including purchases except for in case of DPR where deduction rate is 7.5%.
- v. Royalty not paid after 2018.
- vi. Professional tax not being deducted or deposited.

- 3) He should also check monthly balance of the cash book and guide the accountant to rectify errors, if any.


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Issue relating to totalling mistake were found in the accounting records on the various dates as provided below:

Date	Particular	Voucher Type	Debit	Credit
08-Aug-20	01-SBI- 398	Payment	1,21,200.00	
11-Aug-20	01-SBI- 398	Payment	16,400.00	
04-Dec-20	01-SBI- 398	Payment	10.00	
10-Dec-20	01-SBI- 398	Receipt		23,019.00
04-Jan-21	01-SBI- 398	Receipt		0.60
02-Mar-21	01-SBI- 398	Receipt		660.00
27-Mar-21	01-SBI- 398	Receipt		1,10,61,069.95
28-Mar-21	01-SBI- 398	Payment	48,745.00	
29-Mar-21	01-SBI- 398	Payment	507.00	
30-Mar-21	01-SBI- 398	Payment	1,02,052.00	
31-Mar-21	01-SBI- 398	Payment	5,148.00	

Consolidated adjustment entry was passed at year end transferring the net totalling mistake to opening balance adjustment ledger. We could not verify the accuracy of such entry. In our opinion totalling mistake should be rectified and correct adjustment should be made.

- 4) 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 the CMO.

Details relating to deviation of expenditure, if any, of particular scheme is specified at sub point 4 of point 6.

- 5) He shall also verify that the expenditure is accordance with the guideline, directives, acts and rules issue by Government of India/ State Government.

As explained to us, ULB follows the necessary guidelines, directives, acts and rules issued by Government of India and State Government. However, ULB didn't provided such directives with written confirmation and hence it was not possible for us to verify the expenditures in accordance with such guidelines etc.

- 6) During the audit financial propriety shall also be checked. All the expenditure shall be supported by financial and administrative sanctions accorded by competent


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authority and shall be limited to the administrative and financial limits of the sanctioning authority.

We have verified the expenditure on test check basis and it was found that such expenditure were duly supported by financial and administrative sanctions accorded by competent authority. ULB follows the hierarchy of sanctions and approvals depending upon the nature of the transactions and financial limits.

- 7) All the cases where appropriate sanctions have not been obtained shall be reported and the compliance of audit observation shall be ensured during the audit. Non-compliance of audit paras shall be brought to the notice of CMO.
No such instances were noticed during the test check of such entries conducted by us.

- 8) The auditor shall be responsible for verification of scheme wise/ project wise Utilization Certificate (UC's). UC's shall be tallied with the Receipt & Payment Account and creation of Fixed Asset.
Utilization certificates of various schemes for verification of scheme wise project/ wise Utilization Certificate (UCS) were not provided to us by the ULB. Hence same cannot be commented upon.

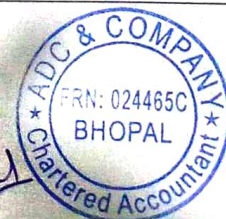
We are unable to verify the details of capitalization of expenditure since there is neither any proof available nor completion of work from respective department. There is no cross check mechanism exist to ensure the completion of project except payment of final bill. It is suggested that a proper internal control system should be framed to identify the fixed asset and its recognition in fixed asset register and books of account of the ULB.

- 9) He shall verify that all temporary advances of other than employees have been fully recovered.

As per the accounting records there are temporary advances during the year and no adjustments were made at year end. The details are provided below:

Date	Name of Person	Amount	Details of Advance given	Adjustment, if any
Opening	Consolidated advance to others	3,200.00	Opening	No
Opening	Consolidated advance to external agencies	57,242.00	Opening	No


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3. Audit of Book Keeping

- 1) The auditor is responsible for audit of the books of accounts as well as stores.

As per the information and explanation provided to us by the management of the ULB and on perusal of books of accounts, it was noticed by us that the ULB has maintained Fixed Asset Registers, Stock Registers, Loan Registers, Investment Registers as prescribed under MP MAM in soft copy format. However, we suggest ULB to also maintain the physical copies of the same, duly authorized at periodical intervals by concerned person and CMO.

- 2) He shall verify that all the books of accounts and stores are maintained as per Accounting Rules applicable to the Urban local Bodies. Any discrepancies shall be brought to the notices of CMO.

As stated in point no. 1 above, as the books stores are prepared in soft copy form and same has been provided for verification, so it was not possible for us to verify whether the same is authorized by the management or not.

- 3) The auditor shall verify advance register and see that all the advance to employees are timely recovered according to the condition of advance. All the case of non-recovery shall be specifically mentioned in audit report.

As per the accounting records there are temporary employee advances during the year. However, no adjustments/repayment were made during the year. The details are provided below:

Date	Name of Person	Amount	Details of Advance given	Adjustment, if any
Opening	Consolidated loans and advances to employees	1,50,500.00	Opening	No
07/07/2020	Naresh Kumar sahu	14,850.00	-	No
Total		1,65,350.00		

- 4) Bank reconciliation statement (BRS) shall be verified from the records of ULB and the bank concerned. If bank reconciliation Statement are not prepared the auditor will help in the preparation of BRS's.

ULB has prepared Bank Reconciliation Statement and same is annexed with this report as Annexure D. Bank account wise closing is not maintained in cashbook.



- 5) He shall be responsible for verifying the entries in the Grant register. The receipts and payment of grants shall be duly verified from the entries in cash book.
Grant registers were made available to us. As per our observation, year-end entries were passed in the accounting records to reconcile the grant balances as per grant register. The receipts and payments out of grants were verified on test check basis. Details of grants as per grant register and UADD records is produced below at the point 6(1) of this report.
- 6) The auditor shall verify the fixed assets register from other records and discrepancies shall be brought to the notices of CMO.
Fixed asset registers were not provided to us for verification. Therefore we are not able to verify the same and comment upon whether it is complete and correctly balanced.
- 7) The auditor shall reconcile the account of receipt and payment especially for project funds.
As explained by the ULB, it does not maintain separate cash books for different schemes and projects and hence we cannot comment on reconciliation with Receipt & Payment.

4. Audit of FDR

- 1) The auditor is responsible for audit of all fixed deposits and term deposits.
We have verified fixed deposits maintained by the ULB and provided to us for verification, the detail regarding the same is tabled below:-

S.NO.	BANK NAME	FDR NO.	DEPOSIT AMOUNT	ROI
1	SBI	2821	25,00,000.00	5.00%

Renewal details of FDR were not made available to us.

However, adjustment entry was passed at year end amounting to Rs. 1,95,78,348/- transferring balance of opening FDR to Consolidated Municipal Fund. ULB was not able to explain the reason of such adjustment.

- 2) It shall be ensured that proper record of FDR's are maintained and renewals are timely done.



Physical copy as maintained by the ULB were furnished for verification. However the register of FDR was not produced before us. ULB maintains such records in soft copy format in MS-Excel sheet.

- 3) The case where FDR'S / TDR are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of CMO.
As per the explanation provided by the ULB FD's are kept at available competitive rates. There was not documents or information provided to us that can substantiate whether alternative investment opportunities were explored or not.

- 4) Interest earned on FDR/TDR Shall be verified from entries in the cash book.
Interests on FDRs' are booked on receipt basis, as on the maturity and realization of invested amount is recorded in the cash book.

5. Audit of Tenders / Bids


- 1) The auditor is responsible for audit of all tenders / bids invited by the ULB.
No tender related documents were provided, so we can comment on procedures of tenders / bids.

Bid were invited online where the tender amount exceeding Rs. One Lakh and for value less than one lakh, manual bids were asked.

- 2) He shall check whether competitive tendering procedures are followed for all bids.
No tender related documents were provided, so we can comment on whether competitive tendering procedures were followed for all bids or not.

- 3) He shall verify the receipts of tender fee / bid processing fee / performance guarantee both during the construction and maintenance period.
No tender related documents were provided, so we cannot verify the receipts of tender fee / bid processing fee / performance guarantee both during the construction and maintenance period.

- 4) The bank guarantees, if received in lieu of bid processing fee / performance guarantee shall be verified from the issuing banks.
No such bank guarantees were produced before us for verification.


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

6. Audit of Grants and Loans

- 1) The auditor is responsible for audit of grants given by Central Government and its utilization.

Verification had been conducted for the grants received from the Central/state government. Details of grant receipt and utilised as per accounting records are as follows:

Grants	Opening Balance	Payment	Receipts	Closing Balance
32010 - Central Government		78,29,820.00		
	3,50,47,569.00		1,04,79,000.00	3,76,96,749.00
32010-01- 14th Finance Grant	34,71,780.00	34,71,780.00		
32010-11 - Grants From Central Finance Commission		42,57,826.00	1,04,79,000.00	62,21,174.00
32010-52 - Grants for Drinking Water Programme	3,14,75,575.00			3,14,75,575.00
32010-55 - SJSRY	1,00,214.00	1,00,214.00		
32020 - State Government		3,92,01,830.00		
	3,58,77,897.00		56,63,000.00	23,39,067.00
32020-00 - Consolidated Grants From State Govt.	16,28,244.00	16,28,244.00		
32020-01 - Grants From State Finance Commission	59,69,423.00	80,98,404.00	21,87,000.00	58,019.00
32020-11 - Grants for Road Development		17,90,000.00	17,90,000.00	
32020-15 Sambal Yojna	19,20,000.00	19,20,000.00		
32020-16- Vishesh Nidhi	1,00,00,000.00	1,00,00,000.00		
32020-21 - MLA LAD (Local Area Development Funds)	56,256.00	56,256.00		
32020-51 - Grant for MoolBhoot Suvidha		11,57,000.00	11,57,000.00	



32020-51 - Grant for Shamshan Ghat	9,43,355.00	9,43,355.00		
32020-51 - Grant for Sulabh Complex	5,81,402.00	5,81,402.00		
32020-51 - Grant for Temple Construction	31,61,413.00	31,61,413.00		
32020-51 - Indragandhi Nishkat Pension	99,024.00	99,024.00		
32020-51 - Indragandhi Vidhva Pension	1,64,164.00	1,64,164.00		
32020-51 - Indragandhi Vradha Pension	58,140.00	58,140.00		
32020-51 - Moolbhoot Suvridha	61,17,516.00	62,60,307.00	5,29,000.00	3,86,209.00
32020-51 - Other Grants	49,78,960.00	30,84,121.00		18,94,839.00
32020-51 - Sarv Shiksha Abhiyan	2,00,000.00	2,00,000.00		
32030 - Grants From Other Government Agencies	16,74,147.00	16,74,147.00		
320300 01 Sarva Shiksha Abhiyaan	8,52,183.00	8,52,183.00		
32030 02 NGO Fund	28,238.00	28,238.00		
32030 03 Grant From Vidisha Nagar Palika	7,93,726.00	7,93,726.00		
Grand Total	7,25,99,613.00	4,87,05,797.00	1,61,42,000.00	4,00,35,816.00

We have noticed difference between grant register and accounting records with respect to receipt and payment of grant amounts. These entries were made from cashbook. We suggest ULB to reconcile the entries with grant register too.


Entries relating to capital contribution from grant were not passed as and when assets were created/transferred to CWIP.

- 2) He is responsible for audit of grants received from State Government and its utilization.

Verification had been conducted for the total grants received from the State/Central government. Details for the same are provided in table above.

- 3) He shall perform audit of loans provided for physical infrastructure and its utilization. During his audit the auditor shall specifically comment on the revenue mechanism i.e. whether the asset created out of the loan has generated the desired revenue or not. He shall also comment on the possible reasons for non-generation of revenue.

As per information provided by the ULB and according to our verification, ULB has not accorded loan. Hence same cannot be verified. However, there was no document or information provided to verify whether the asset created out of the loan


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has generated the desired revenue or not. We cannot comment on the possible reasons for non-generation of revenue.

- 4) The auditor shall specifically point out any diversion of funds from capital receipts/ grants/ bans to revenue expenditure.
As per the information made available to us, and as per our verification, instances of diversion of funds from one grant account to another have not been noticed. However, due to inherent limitation of internal controls over financial reporting possibilities of fund diversion cannot be ruled out completely.

Other Audit Observations

1. We have not found entries related to deposits during the year.
2. Revenue due at year end were not bifurcated as current year or previous dues. It would be difficult to ascertain whether the recovery was made against current year due or previous year dues.

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Non recovery of taxes

Urban Local Bodies (ULB) earns revenue from their own resources through taxes, rent, fees, issue of licenses etc. In test check of Nagar Parishad as of 31 March 2021 a sum of Rs 137.25 Lakhs (as shown in Table Below) plus Interest & Penalties were outstanding against the taxpayers, although the ULBs had powers under section 165 of Madhya Pradesh Municipalities Act, 1961 to approach a Magistrate to seek orders for recovery by distress and sale of any movable property of attachment and sale of immovable property belonging to defaulters, however they had not invoked these power to recover the outstanding taxes. Failure to invoke its powers resulted in non-recovery of outstanding taxes and resource crunch, leading to hindrance in development works.

Non Recovery of dues

(Amount in Lakhs)

Sl. No	Type of Tax	Due amount recoverable on 01/04/2020	Received From Previous Dues	Un-Recovered Due for More than a Year	Current Due	Current Received	Total Recovery	Un-Recovered due of Current Year	Total un-recovered amount
1	Sampatti Kar	7.75	5.14	2.61	2.41	1.34	6.48	1.07	3.69
2	Samekit Kar	6.73	1.68	5.05	1.71	0.61	2.28	1.10	6.15
3	Nagar Vikas Upkar	0.00	0.25	-0.25	0.00	0.10	0.35	-0.10	-0.35
4	Siksha Upkar	1.54	0.97	0.56	0.66	0.42	1.39	0.25	0.81
5	Bhawan Kiraya	6.47	0.00	6.47	6.40	0.00	0.00	6.40	12.86
6	Water Tax	11.92	0.00	11.92	13.85	0.00	0.00	13.85	25.77
7	Other Tax	0.00	0.00	0.00	0.00	11.68	11.68	-11.68	-11.68
	Total	34.41	8.05	26.37	25.03	14.14	22.19	10.88	37.25
Total Un-Recovered amount									37.25

Date: 30/09/2021

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For ADC & Company
 Chartered Accountants
 BHOPAL
 Chartered Accountant

CA Rakshit Deshmukh
 Partner
 MRN - 428346



Reporting on Audit Paras for Financial Year 2020-21

Name of ULB: SAMSHABAD NAGAR PARISHAD

Name of Auditor: **ADC & Company, Chartered Accountants**


<u>S. no.</u>	<u>Parameters</u>	<u>Description</u>	<u>Observation in brief</u>	<u>Suggestions</u>
2	Audit of Expenditure:	Verification of Expenditures are as per guidelines, directives, and rules under all schemes and entries of expenditures in cash book, Diversion of Funds, financial propriety of expenditures, scheme project wise utilisation certificate.	Observations were listed in brief in point no. 2 of annexure 2 of audit report attached	Vouchers should be adequately supported with proper documents. Statutory dues should be deducted and deposited as per applicable provisions of the law.
3	Audit of Book keeping	Verification of books of accounts and stores are maintained as per accounting rules, advance register and check timely recovery, Bank reconciliation statement, grant register, fixed asset register	Observations were listed in brief in point no. 3 of annexure 2 of audit report attached	Required books of accounts as prescribed under MP MAM Should be maintained
4	Audit of FDR/TDR	Verify fixed deposits and term deposits and their maintenance	Observations were listed in brief in point no. 4 of	FDR renewal details should be kept.



			annexure 2 of audit report attached	
5	Audit of Tenders and Bids	Verify Tenders/Bids invited by ULB and competitive tendering procedures followed	Observations were listed in brief in point no. 5 of annexure 2 of audit report attached	Procedure for Tenders opening and Performance review should be carefully monitored.
6	Audit of Grants & Loans	Verification of Grant received from Government and its utilisation	Observations were listed in brief in point no. 6 of annexure 2 of audit report attached	Grant register should be updated and balanced regularly with its Utilization Certificate.
7	Verify whether any diversion of funds from capital receipt /grants /Loans to revenue expenditure and from one scheme /project to another.		Observations related to diversion of funds has been pointed out in point no. 6 (iv) of annexure 2 of report attached	
8	a) Percentage of revenue expenditure (Establishment, salary, Operation & Maintenance)	203.54% $(3,18,55,949/1,56,50,796) \times 100$		



	with respect to revenue receipts (Tax & Non Tax).			
	b) Percentage of Capital expenditure wrt Total expenditure.	34.88%		
		$(1,11,11,540 / 3,18,55,949) \times 100$		
9	Whether all the temporary advances have been fully recovered or not.		Cases of outstanding advances have been outlined in point no. 3 (3) of report attached.	ULB should impose strict action to collect such amount or make necessary adjustment after prior approval of relevant authority.
10	Whether bank reconciliation statements is being regularly prepared		BRS prepared by the ULB	NA


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S.no.	Parameters	Description		% of growth	Observation in brief				Suggestions
	Audit of Revenue	Receipt in (Rs.)							
	Rajaswa Kar wasooli	2019-20	2020-21						
1	Sampatti Kar	10.10	6.48	-35.79	Collection % w.r.t. total dues is	63.74%	which is	Average previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
2	Samekit Kar	0.00	2.28	NA	Collection % w.r.t. total dues is	27.06%	which is	Not upto the mark previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
3	Nagar Vikas Upkar	0.00	0.35	NA	Collection % w.r.t. total dues is	-	-	-	-
4	Siksha Upkar	0.00	1.39	NA	Collection % w.r.t. total dues is	63.24%	which is	Average previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
	Total	10.10	10.51						
	Gair-Rajaswa wasooli								
5	Bhawan Kiraya	7.29	0.00	-100.00	Collection % w.r.t. total dues is	0.00%	which is	Not upto the mark previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
6	Water Tax	3.33	0.00	-100.00	Collection % w.r.t. total dues is	0.00%	which is	Not upto the mark previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
7	Other Tax	12.86	11.68	-9.20	Collection % w.r.t. total dues is	-	-	-	-
	Total	23.48	11.68						
	Grand Total	33.57	22.19						

Remark: Previous year details for Samekit kar, Nagar Vikas Upkar and Siksha upkar were not provided to us. Current year due for Nagar Vikas Upkar and Other taxes were not made available to us.

Balance Sheet of Municipal Council Shamshabad
as on 31/3/2021

	Particulars	Schedule No.	Amount (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
A	SOURCES OF FUNDS				
A1	Reserves and Surplus				
	Municipal (General) Fund	B-1	1,71,84,504.28		1,16,44,293.40
	Earmarked Funds	B-2	9,09,113.00		18,24,424.00
	Reserves	B-3	6,49,10,126.95		58,79,1009.29
	Total Reserve & Surplus			8,30,03,744.23	7,22,59,726.69
A2	Grants, Contributions for specific purposes	B-4		4,00,35,816.00	7,25,99,613.00
A3	Loans				
	Secured loans	B-5		-	-
	Unsecured loans	B-6		-	-
	Total Loans			-	-
	TOTAL OF SOURCES OF FUNDS (A1+A2+A3)			12,30,39,560.23	14,48,59,339.69
B	APPLICATION OF FUNDS				
B1	Fixed Assets	B-11			
	Gross Block		10,18,06,479.10		11,27,02,864.30
	Less: Accumulated Depreciation		4,66,61,757.81		4,18,30,195.63
	Net Block		5,51,44,721.29	5,51,44,721	7,08,72,668.67
	Capital work-in-progress		2,20,07,925.98	2,20,07,926	
	Total Fixed Assets			7,71,52,647.27	7,08,72,668.67
B2	Investments				
	Investment - General Fund	B-12		-	-
	Investment - Other Funds	B-13		25,00,000	2,20,78,348.00
	Total Investments			25,00,000	2,20,78,348.00
B3	Current assets, loans & advances				
	Stock in hand (Inventories)	B-14	29,17,488.70	29,17,489	29,17,489
	Sundry Debtors (Receivables)	B-15			
	Gross amount outstanding		1,16,78,819.26		
	Less: Accumulated provision against bad and doubtful Receivables		-	1,16,78,819	1,18,55,191.32
	Prepaid expenses	B-16		-	-
	Cash and Bank Balances	B-17	3,45,83,151.07	3,45,83,151	4,31,59,644.56
	Loans, advances and deposits	B-18	2,26,292.00	2,26,292	2,11,442.00
	Total Of Current Assets			4,94,05,751	5,81,43,766.58
B4	Current Liabilities and Provisions				
	Deposits received	B-7	46,59,446.90	46,59,447	46,59,446.90
	Deposit works	B-8		-	-
	Other liabilities (Sundry Creditors)	B-9	11,48,331.17	11,48,331	12,55,891.66
	Provisions	B-10	2,11,060.00	2,11,060	3,20,105.00
	Total Current Liabilities			60,18,838	62,35,444
B5	Net Current Assets [Sub Total (B3) - Sub Total (B4)]			12,30,39,560	14,48,59,340
C	Other Assets	B-19		-	-
D	Miscellaneous Expenditure (to the extent not written off)	B-20		-	-
	TOTAL: APPLICATION OF FUNDS (B1+B2+B5+C+D)			12,30,39,560	14,48,59,340

For Municipal Council Shamshabad

Chief Municipal Officer

Accounts Officer

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For ADC and Company
Chartered Accountants

Rakshit Deshmukh
(Partner)
MRN 428346

Schedule B-1: Municipal (General) Fund (Rs)

Account Code	Particulars	Water Supply, Sewerage and Drainage	Road Development and Maintenance	Bustee Services	Commercial Projects	General Account	Total
310	Balance as per last account					4,04,23,520.31	4,04,23,520.31
	Additions during the year					7,79,87,501.34	7,79,87,501.34
31090-02	• Surplus for the year						-
	• Transfers						-
	• Prior period mistakes						-
	Total (Rs.)	-	-	-	-	7,79,87,501	7,79,87,501
	Deductions during the year					10,12,26,517.37	
	• Deficit for the year						-
	• Last Year Capital Reserve						-
	Total (Rs.)	-	-	-	-	10,12,26,517.37	10,12,26,517.37
310	Balance at the end of the current year	-	-	-	-	1,71,84,504.28	1,71,84,504

Schedule B-2: Earmarked Funds (Special Funds/Sinking Fund/Trust or Agency Fund)

Particulars	Special Fund 1	Special Fund 2	Sanchit Nidhi	Pension Fund	General Provident fund	Total
(a) Opening Balance			18,24,424		-	18,24,424
(b) Additions to the Special						
• Transfer from Municipal Fund						-
• Interest/Dividend earned on						-
• Profit on disposal of Special						-
• Appreciation in Value of Special						-
• Other addition (Specify nature)			-		-	-
Total (b)	-	-	-	-	-	-
(c) Payments out of funds						
[I] Capital expenditure on						
• Fixed Asset						-
• Others						-
[II] Revenue Expenditure on						
• Salary, Wages and allowances						-
• Rent Other administrative						-
[III] Other:			915311			
• Loss on disposal of Special						-
• Diminution in Value of Special						-
• Transferred to Municipal Fund						-
Total ©	-	-	9,15,311	-	-	9,15,311
Net Balance of Special Funds	-	-	9,09,113	-	-	9,09,113

Schedule B-3: Reserves

Account Code	Particulars	Opening balance (Rs.)	Additions during the year (Rs.)	Total (Rs.)	Deductions during the year (Rs.)	Balance at the end of current year (Rs.)
1	2	3	4	5 (3+4)	6	7 (5-6)
31210	Capital Contribution	58791009.29	1,10,96,090	6,98,87,099	49,76,972	6,49,10,127
31211	Capital Reserve			-		-
31220	Borrowing Redemption			-		-
31230	Special Funds (Utilised)			-		-
31240	Statutory Reserve			-		-
31250	General Reserve			-		-
31260	Last Year Capital Reserve	-	-	-	-	-
	Total Reserve funds	5,87,91,009	1,10,96,090	6,98,87,099	49,76,972	6,49,10,127

Schedule B-4: Grants & Contribution for Specific Purposes

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Particulars	Grants from Central Government	Grants from State Government	Grants from Other Government Agencies	Grants from Financial Institutions	Others, specify	Total
Account Code	32,010	32,020	32,030	32,040	32,080	
(a) Opening Balance	3,50,47,569	3,58,77,897	16,74,147			7,25,99,613
(b) Additions to the Grants *						1,61,42,000
• Grant received during the year	1,04,79,000	56,63,000				-
• Interest/Dividend earned on						-
• Profit on disposal of Grant						-
• Appreciation in Value of Grant						-
• Other addition (Specify nature)						-
Total (b)	1,04,79,000	56,63,000	-	-	-	1,61,42,000
Total (a + b)	4,55,26,569	4,15,40,897	16,74,147	-	-	8,87,41,613
(c) Payments out of funds						-
• Capital expenditure on Fixed			-			-
• Capital Expenditure on Other						-
• Revenue Expenditure on	78,29,820	3,92,01,830	16,74,147			4,87,05,797
o Salary, Wages, allowances etc.						-
o Rent						-
• Other:						-
o Loss on disposal of Grant						-
o Grants Refunded						-
• Other administrative charges						-
Total (c)	78,29,820	3,92,01,830	16,74,147	-	-	4,87,05,797
Net balance at the year end	3,76,96,749	23,39,067	-	-	-	4,00,35,816

Schedule B-5: Secured Loans

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
33010	Loans from Central Government		
33020	Loans from State government		
33030	Loans from Govt. bodies & Associations		
33040	Loans from international agencies		
33050	Loans from banks & other financial institutions		
33060	Other Term Loans		
33070	Bonds & debentures		
33080	Other Loans		
	Total Secured Loans	-	-

Schedule B-6: Unsecured Loans

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
33110	Loans from Central Government		
33120	Loans from State government		
33130	Loans from Govt. bodies & Associations		
33140	Loans from international agencies		
33150	Loans from banks & other financial institutions		
33160	Other Term Loans		
33170	Bonds & debentures		
33180	Other Loans		
	Total Unsecured Loans	-	-

Schedule B-7: Deposits Received

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
34010	From Contractors	42,66,747	41,24,997
34020	From Revenues	3,92,700	3,92,700
34030	From staff		
34080	From Others		
	Total deposits received	46,59,447	45,17,697



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Schedule B-8: Deposits Works

Account Code.	Particulars	Opening balance as the beginning of the year (Rs)	Additions during the current year (Rs)	Utilization / expenditure (Rs)	Balance outstanding at the end of the current year (Rs)
34110	Civil Works				-
34120	Electrical works				-
34180	Others				-
	Total of deposit works	-	-	-	-

Schedule B-9: Other Liabilities (Sundry Creditors)

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
35010	Creditors	1,04,559	5,03,984
35011	Employee Liabilities	9,54,623	3,89,242
35012	Interest Accrued and Due		
35020	Recoveries Payable	4,067	48,954
35030	Government Dues Payable		
35040	Refunds Payable		
35041	Advance Collection of Revenues		
35080	Others	85,082	85,082
	Total Other liabilities (Sundry Creditors)	11,48,331	10,27,262

Schedule B-10: Provisions


Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
36010	Provision for Expenses	2,11,060	4,54,568
36020	Provision for Interest		
36030	Provision for Other Assets		
	Total Provisions	2,11,060	4,54,568

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Schedule B-11: Fixed Assets

Account Code	Particulars	Gross Block			Accumulated Depreciation				Net Block	
		Opening Balance	Additions during the period	Deductions during the period	Cost at the end of the year	Opening Balance	Additions during the period	Deductions during the period	At the end of the current year	At the end of the previous year
1	2	3	4	5	6			9	11	12
41010	Land	4,12,885	-	-	4,12,885				4,12,885	
41020	Buildings	23,77,784	-	-	23,77,784	12,41,079.33		1,45,410.16	12,82,115	11,36,751
	Infrastructure Assets									
41030	• Roads and Bridges	2,91,47,456			2,91,47,456	2,47,91,851.12	13,24,792.65		30,30,812	33,35,143
41031	• Sewerage and drainage	1,36,17,469	-		1,36,17,469	41,26,511.69	11,52,332.01		83,38,625	5,06,809
41032	• Water ways	4,51,65,080			4,51,65,080	62,41,543.29	15,34,531		3,73,89,005	28,876
41033	• Public Lighting	7,14,548			7,14,548	4,70,006.65	71,411.60		1,73,130	435
	Lakes and Ponds				-				2	2
	Other assets				-					
41040	• Plants & Machinery	18,95,427	9,71,002		28,66,429	7,42,513	2,57,371		18,66,545	1
41050	• Vehicles	44,52,308	-		44,52,308	28,01,654	3,45,347		13,05,307	21,45,500
41060	• Office & other equipment	12,92,517			12,92,517	11,84,645	2,44,843		(1,36,971)	33,079
41070	• Furniture, fixtures, fittings and electrical appliances	5,52,731			5,52,731	2,30,391	46,343		2,75,997	20,442
4180	• Other fixed assets	9,93,000	2,14,272		12,07,272	-			12,07,272	
	Total	10,06,21,205	11,85,274	-	10,18,06,479	4,18,30,195.63	49,76,972.34	1,45,410.16	5,51,44,721	72,07,043
41210	Work-in-progress	1,20,81,659	99,26,267	-	2,20,07,926				2,20,07,926	-
	Total	11,27,02,864	1,11,11,541	-	12,38,14,405	4,18,30,196	49,76,972	1,45,410.16	7,71,52,647	4,09,81,388


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Schedule B-12: Investments - General Funds


Account Code.	Particulars	With whom invested	Face value (Rs.)	Current year Carrying Cost (Rs.)	Previous year Carrying Cost (Rs.)
42010	• Central Government Securities				
42020	• State Government Securities				
42030	• Debentures and Bonds				
42040	• Preference Shares				
42050	• Equity Shares				
42060	• Units of Mutual Funds				
42070	• Other Investments				
	Total of Investments General Fund				

Schedule B-13: Investments - Other Funds

Account Code.	Particulars	With whom invested	Face value (Rs.)	Current year Carrying Cost (Rs.)	Previous year Carrying Cost (Rs.)
42110	• Central Government Securities				
42120	• State Government Securities				
42130	• Debentures and Bonds				
42140	• Preference Shares				
42150	• Equity Shares				
42160	• Units of Mutual Funds				
42180	• Other Investments			25,00,000	2,20,78,348
	Total of Investments Other Fund		0	2500000	22078348

Schedule B-14: Stock in Hand (Inventories)

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
43010	Stores	29,17,488.70	-
43020	Loose Tools		-
43080	Others		-
	Total Stock in hand	29,17,489	-


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Schedule B-15: Sundry Debtors (Receivables)

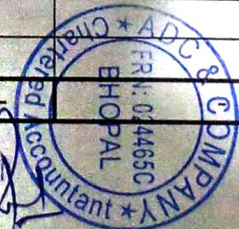
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Account Code	Particulars	Gross Amount (Rs.)	Provision for Outstanding revenues (Rs.)	Net Amount (Rs.)	Previous year Net amount (Rs.)
43110	Receivables for Property Taxes				
	Less than 5 years	5,39,254		5,39,254	9,29,138
	More than 5 years*			-	
	Sub - total	5,39,254	-	5,39,254	9,29,138
	Less: State Government Cesses/Levies in Taxes - Control Accounts				
	Net Receivables of Property Taxes	5,39,254	-	5,39,254	9,29,138
43120	Receivables for Other Tax				
	Less than 3 years	7,49,174		7,49,174	12,18,512
	More than 3 years*				
	Sub - total	7,49,174		7,49,174	12,18,512
	Less: State Government Cesses/Levies in Taxes - Control Accounts				
	Net Receivables of Other Taxes	7,49,174	-	7,49,174	12,18,512
43130	Receivables for Fees & User Charges				
	Less than 3 years	22,61,178		22,61,178	20,14,771
	More than 3 years*				
	Sub - total	22,61,178	-	22,61,178	20,14,771
43140	Receivables from Other Sources				
	Less than 3 years	81,29,213		81,29,213	76,92,770
	More than 3 years*				
	Sub - total	81,29,213		81,29,213	76,92,770
	Total of Sundry Debtors (Receivables)	1,16,78,819	-	1,16,78,819	1,18,55,191

Schedule B-16: Prepaid Expenses

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
44010	Establishment		
44020	Administrative		
44030	Operations & Maintenance		
	Total Prepaid expenses		

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Schedule B-17: Cash and Bank Balances

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
45010	Cash		18,765
45020	Balance with Bank - Municipal Funds		
45021	Nationalised Banks	3,45,83,151	3,59,01,597
45022	Other Scheduled Banks		-
45023	Scheduled Co-operative Banks		72,39,283
45024	Post Office		
	Sub-total	3,45,83,151	4,31,40,880
45040	Balance with Bank - Special Funds		
45041	Nationalised Banks		
45042	Other Scheduled Banks		
45043	Scheduled Co-operative Banks		
45044	Post Office		
	Sub-total	-	-
45060	Balance with Bank - Grant Funds		
45061	Nationalised Banks		
45062	Other Scheduled Banks		
45063	Scheduled Co-operative Banks		
45064	Post Office		
	Sub-total	-	-
	Total Cash and Bank balances	3,45,83,151	4,31,59,645

Schedule B-18: Loans, advances, and deposits

Account Code	Particulars	Opening Balance at the beginning of the year (Rs.)	Paid during the current year (Rs.)	Recovered during the year (Rs.)	Balance outstanding at the end of the year (Rs.)
46010	Loans and advances to employees	1,50,500	-	14,850	1,65,350
46020	Employee Provident Fund Loans	500			500
46030	Loans to Others				-
46040	Advance to Suppliers and Contractors				-
46050	Advance to Others	3,200			3,200
46060	Deposit with External	57,242			57,242
46080	Other Current Assets				-
	Sub -Total	2,11,442	-	14,850	2,26,292
461	Less: Accumulated Provisions against Loans, Advances and Deposits [Schedule B-18 (a)]				-
	Total Loans, advances, and deposits	2,11,442	-	14,850	2,26,292

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Schedule B-18 (a): Accumulated Provisions against Loans, Advances, and Deposits


Account Code	Particulars	Current Year (Rs.)	Previous Year(Rs.)
46110	Loans to Others		
46120	Advances		
46130	Deposits		
Total Accumulated Provision		-	

Schedule B-19: Other Assets

Account Code	Particulars	Current Year (Rs.)	Previous Year(Rs.)
47010	Deposit Works		
47020	Other asset control accounts		
Total Other Assets		-	-

Schedule B-20: Miscellaneous Expenditure (to the extent not written off)

Account Code	Particulars	Current Year (Rs.)	Previous Year(Rs.)
48010	Loan Issue Expenses		
48020	Discount on Issue of Loans		
48030	Others		
Total Miscellaneous expenditure		-	9,54,623


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MUNICIPAL COUNCIL SHAMSHABAD
INCOME AND EXPENDITURE STATEMENT
For the period from 1 April 2020 to 31 March 2021

	Item/ Head of Account	Schedule No	Current Year (Rs)	Previous Year (Rs)
A	INCOME			
	Tax Revenue	IE-1	19,02,030	10,92,631
	Assigned Revenues & Compensation	IE-2	1,10,17,154	78,97,259
	Rental Income from Municipal Properties	IE-3	8,54,803	11,15,658
	Fees & User Charges	IE-4	4,65,202	6,79,417
	Sale & Hire Charges	IE-5	5,700	4,33,748
	Revenue Grants, Contributions & Subsidies	IE-6	4,25,86,679	3,17,81,050
	Income from Investments	IE-7	-	15,01,328
	Interest Earned	IE-8	-	4,42,670
	Other Income	IE-9	14,05,907	-
	Total - INCOME		5,82,37,476	4,49,43,761
B	EXPENDITURE			
	Establishment Expenses	IE-10	1,46,48,860	1,46,01,128
	Administrative Expenses	IE-11	79,55,703	20,37,570
	Operations & Maintenance	IE-12	42,24,414	2,18,36,558
	Interest & Finance Expenses	IE-13	-	-
	Programme Expenses	IE-14	-	49,395
	Revenue Grants, Contributions & subsidies	IE-15	50,000	2,15,000
	Provisions & Write off	IE-16	-	-
	Miscellaneous Expenses	IE-17	-	-
	Depreciation	IE-19	49,76,972	60,22,545
	Total - EXPENDITURE		3,18,55,949	4,47,62,196
C	<i>Gross surplus/ (deficit) of income over expenditure before Prior Period Items (A-B)</i>		2,63,81,526	1,81,565
D	Add/Less: Prior period Items (Net)	IE-18	36,000	-
E	<i>Gross surplus/ (deficit) of income over expenditure after Prior Period Items (C-D)</i>		2,64,17,526	1,81,565
F	Less: Transfer to Reserve Funds		-	
G	<i>Net balance being surplus/ deficit carried over to Municipal Fund (E-F)</i>		2,64,17,526.33	1,81,565

For Municipal Council Shamsabad

Chief Municipal Officer

Accounts Officer

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For ADC & Company

Chartered Accountants

Rakshit Deshmukh
(Partner)
MRN - 428346

Schedule IE - 1 : Tax Revenue

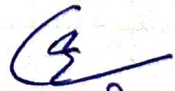
Account Code	Particulars	Current year (Rs.)	Previous year (Rs.)
11001	Property tax	9,06,820	5,66,500
11002	Water tax	8,45,210	4,51,620
11003	Sewerage Tax		
11004	Conservancy Tax		
11005	Lighting Tax		
11006	Education tax		
11007	Vehicle Tax		
11008	Tax on Animals		
11009	Electricity Tax		
11010	Professional Tax		
11011	Advertisement tax		
11012	Pilgrimage Tax		
11013	Export Tax		
11051	Octroi & Toll		
11080	Other taxes	1,50,000	74,511
	Sub-total	19,02,030	10,92,631
11090	Tax Remissions and Refund [Schedule IE- 1 (a)]		-
	Sub-total	-	-
	Total tax revenue	19,02,030	10,92,631

Schedule IE-1 (a): Remission and Refund of taxes

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
11090-01	Property taxes		
11090-11	Other Tax		
	Total refund and remission of tax revenues	-	-

Schedule IE-2: Assigned Revenues & Compensation

Account Code.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
12010	Taxes and Duties collected by others	2,18,310	31,000
12020	Compensation in lieu of Taxes / duties	1,07,98,844	78,66,259
12030	Compensations in lieu of Concessions		
	Total assigned revenues & compensation	1,10,17,154	78,97,259


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Schedule IE-3: Rental income from Municipal Properties

Account Code.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
13010	Rent from Civic Amenities	8,54,803	10,00,746
13020	Rent from Office Buildings		
13030	Rent from Guest Houses		
13040	Rent from lease of lands		
13080	Other rents		1,14,912
	Sub-Total		
13090	Less: Rent Remission and Refunds		
	Sub-total		
	Total Rental Income from Municipal Properties	8,54,803	11,15,658

Schedule IE- 4: Fees & User Charges - Income head-wise

Account Code.	Particulars	Current Year (Rs.)	Previous Year (Rs.)
14010	Empanelment & Registration Charges		1,000
14011	Licensing Fees		2,340
14012	Fees for Grant of Permit	66,680	10,422
14013	Fees for Certificate or Extract	8,350	10,234
14014	Development Charges	1,54,850	
14015	Regularization Fees		42,085
14020	Penalties and Fines	13,251	21,797
14040	Other Fees	2,07,271	5,64,921
14050	User Charges	14,800	20,918
14060	Entry Fees		
14070	Service / Administrative Charges		5,700
14080	Other Charges		
	Sub-Total	4,65,202	6,79,417
14090	Less: Rent Remission and Refunds		
	Sub-total		
	Total income from Fees & User Charges	4,65,202	6,79,417

Schedule IE-5: Sale & Hire Charges

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
15010	Sale of Products		
15011	Sale of Forms & Publications	5,700	4,33,748
15012	Sale of stores & scrap		
15030	Sale of Others		
15040	Hire Charges for Vehicles		
15041	Hire Charges for Equipment		
	Total Income from Sale & Hire charges - income head-wise	5,700	4,33,748

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Schedule IE-6: Revenue Grants, Contributions & Subsidies

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
16010	Revenue Grant	4,25,86,679	3,17,81,050
16020	Re-imbursement of expenses		
16030	Contribution towards schemes		
Total Revenue Grants, Contributions & Subsidies		4,25,86,679	3,17,81,050

Schedule IE-7: Income from Investments - General Fund

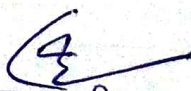
Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
17010	Interest on Investments		15,01,328
17020	Dividend		
17030	Income from projects taken up on commercial basis		
17040	Profit in Sale of Investments		
17080	Others		
Total Income from Investments		-	15,01,328

Schedule IE- 8: Interest Earned

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
17110	Interest from Bank Accounts		4,42,670
17120	Interest on Loans and advances to Employees		
17130	Interest on loans to others		
17180	Other Interest	-	-
Total - Interest Earned		-	4,42,670

Schedule IE- 9: Other Income

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
18010	Deposits Forfeited		
18011	Lapsed Deposits		
18020	Insurance Claim Recovery		
18030	Profit on Disposal of Fixed assests		
18040	Recovery from Employees		
18050	Unclaimed Refund/ Liabilities		
18060	Excess Provisions written back	1,45,410	
18080	Miscellaneous Income	12,60,497	
Total Other Income		14,05,907	-


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Schedule IE-10: Establishment Expenses

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
21010	Salaries, Wages and Bonus	1,32,82,341	1,32,07,168
21020	Benefits and Allowances	1,72,469	1,34,320
21030	Pension	11,94,050	8,59,640
21040	Other Terminal & Retirement Benefits		4,00,000
	Total establishment expenses	1,46,48,860	1,46,01,128

Schedule IE-11: Administrative Expenses

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
22010	Rent, Rates and Taxes		
22011	Office maintenance	38,51,252	4,33,311
22012	Communication Expenses	19,769	77,080
22020	Books & Periodicals	1,77,917	16,108
22021	Printing and Stationery		1,30,477
22030	Traveling & Conveyance	9,67,183	5,73,590
22040	Insurance	2,23,056	12,667
22050	Audit Fees		25,000
22051	Legal Expenses		30,000
22052	Professional and other Fees	39,900	1,73,641
22060	Advertisement and Publicity	3,13,550	4,61,260
22061	Membership & subscriptions		
22080	Other Administrative Expenses	23,63,076	1,04,436
	Total administrative expenses	79,55,703	20,37,570

Schedule IE-12: Operations & Maintenance

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
23010	Power & Fuel	1,51,203	33,37,648
23020	Bulk Purchases	26,75,747	
23030	Consumption of Stores		
23040	Hire Charges	97,514	18,60,948
23050	Repairs & maintenance -Infrastructure Assets	5,38,060	75,57,325
23051	Repairs & maintenance - Civic Amenities	2,52,955	34,61,345
23052	Repairs & maintenance - Buildings	2,32,787	2,86,808
23053	Repairs & maintenance - Vehicles	2,47,445	5,55,450
23054	Repairs & maintenance - Furnitures	28,704	1,500
23055	Repairs & maintenance - Office Equipments		12,24,735
23056	Repairs & maintenance - Electrical Appliances		81,820
23059	Repairs & maintenance - Others		-
23080	Other operating & maintenance expenses		34,68,979
	Total operations & maintenance	42,24,414	1,83,66,538

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Schedule IE-13: Interest & Finance Charges

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
24010	Interest on Loans from Central Government		
24020	Interest on Loans from State Government		
24030	Interest on Loans from Government Bodies & Associations		
24040	Interest on Loans from International Agencies		
24050	Interest on Loans from Banks & Other Financial Institutions		
24060	Other Interest	-	-
24070	Bank Charges		
24080	Other Finance Expenses	-	
	Total Interest & Finance Charges	-	-

Schedule IE-14: Programme Expenses


Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
25010	Election Expenses		37,395
25020	Own Programs		12,000
25030	Share in Programs of others		
	Total Programme Expenses	-	49,395

Schedule IE-15: Revenue Grants, Contributions & Subsidies

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
26010	Grants [specify details]		
26020	Contributions [specify details]	50,000	2,15,000
26030	Subsidies [specify details]		
	Total Revenue Grants, Contributions & Subsidies	50,000	2,15,000

Schedule IE-16: Provisions & Write off

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
27010	Provisions for doubtful receivables		
27020	Provision for other Assets		
27030	Revenues written off		
27040	Assets written off		
27050	Miscellaneous Expense written off		
	Total Provisions & Write off	-	-


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Schedule IE-17: Miscellaneous Expenses

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
27110	Loss on disposal of Assets		
27120	Loss on disposal of Investments		
27180	Other Miscellaneous Expenses		-
	Total Miscellaneous expenses	-	-

Schedule IE-18: Prior Period Items (Net)

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
	Income	-	
18510	Taxes	-	
18520	Other - Revenues	-	
18530	Recovery of revenues written off		
18540	Other income		
	Sub - Total Income (a)	-	-
	Expenses	-	
28550	Refund of Taxes	-	
28560	Refund of Other Revenues		
28580	Other Expenses		
	Sub - Total Income (b)	-	-
	Total Prior Period (Net) (a-b)	-	-


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MUNICIPAL COUNCIL SHAMSHABAD
RECEIPTS AND PAYMENTS ACCOUNT
For the period from 1 April 2020 to 31 March 2021

Account Code	Head of Account	Current Period Amount (Rs.)	Corresponding Previous Period Amount (Rs.)	Account Code	Head of Account	Current Period Amount (Rs.)	Corresponding Previous Period Amount (Rs.)
	Opening Balances* Cash balances including Imprest Balances with Banks/Treasury (including in designated bank accounts)	7,19,38,871	8,15,82,197				
	Operating Receipts				Operating Payments		
110	Tax Revenue		4,92,729	210	Establishment Expenses	1,36,94,237	45,43,165
120	Assigned Revenues & Compensations	1,10,17,154	78,97,259	220	Administrative Expenses	79,55,703	20,37,570
130	Rental income from Municipal Properties	2,700	9,57,893	230	Operations and Maintenance	40,73,211	1,19,90,464
140	Fees & User Charges	4,65,202	6,79,417	240	Interest & Finance Charges		-
150	Sale & Hire Charges	5,700	4,33,748	250	Programme Expenses		49,395
160	Revenue Grants, Contributions & Subsidies		-	260	Revenue Grants, Contributions & Subsidies	50,000	2,15,000
170	Income from Investments			270	Purchase of Stores		
171	Interest Earned		4,42,670	271	Miscellaneous expenses		
180	Other Income	12,60,497	-	285	Prior period	(36,000)	
	Non-Operating Receipts-				Non-Operating Payments		
310	Municipal Fund	(3,09,93,505)		340	Refund of Deposits		
340	Deposits Received		1,41,750	35020	Recoveries Payable	2,733	8,01,033
320	Grants and contribution for specific purposes	1,61,42,000	71,14,000	35011	Employee Liabilities	6,60,026	96,30,730
350	Other Liabilities		9,50,400	35010	Creditors	3,99,424	1,94,94,546
35090-01	Sale proceeds from Assets			36010	Provisions for Expense	2,60,248	4,54,568
35090-02	Realisation of Investment - General Fund			410	Acquisition / Purchase of Fixed Assets	11,85,274	10,79,027
35090-02	Realisation of Investment - Other Funds			35080	Other Miscellaneous		9,50,400
341	Deposit works			412	Capital work in Progress	99,26,267	
35041	Revenue Collected in Advance			421	Investments - Other Funds		
431	Sundry Debtors	29,30,505	1,94,004	460	Loans & Advances (Asset)	14,850	
	Loans & Advances to Employees (recovery)			430	Stock in Hand		64,80,524
	Other Loans & Advances (recovery)		-	440	Prepaid Expenses		
					Closing Balances # Cash balances including Imprest Balances with Banks/Treasury (including balances in designated bank accounts)	3,45,83,151	4,31,59,645
	TOTAL	7,27,69,124	10,08,86,067		TOTAL	7,27,69,124	10,08,86,067

For Municipal Council Shamsabad

Chief Municipal Officer

Accounts Officer

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For ADC & Company
Chartered Accountants

Rakshit Deshmukh
(Partner)
MRN - 428346

MUNICIPAL COUNCIL SHAMSHABAD
BANK SUMMERY
AS ON 31-03-2021

S.No.	Bank Name	Account no.	Balance As Per cash Book As on 31-03-2021	Balance As Per Pass Book As on 31-03-2021
1	State Bank Of India	13044001595	9,38,607.00	9,38,607.00
2	State Bank Of India	39597026043	19,22,211.00	19,22,211.00
3	State Bank Of India	39052300854	1,94,229.00	1,94,229.00
4	State Bank Of India	39052302106	30,32,505.07	30,87,372.97
5	State Bank Of India	37476770394	1,33,404.00	1,33,404.00
6	State Bank Of India	33005042703	2,95,859.00	2,95,859.00
7	State Bank Of India	35789206517	Closed	Closed
8	State Bank Of India	53037776034	Closed	Closed
9	State Bank Of India	53015398030	1,48,345.00	1,48,345.00
10	State Bank Of India	53037771398	2,79,17,991.00	2,79,17,991.00
11	Jila Sehkari bank	675007031156	-	-
Total			3,45,83,151.07	3,46,38,018.97

MUNICIPAL COUNCIL SHAMSHABAD
State Bank Of India-39052302106
Bank Reconciliation Statement

Balance As per Cash Book			30,32,505.07
Add;- Interest not intered in cash book			54,867.90
Balance As per Pass Book			30,87,372.97

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