

## कार्यालय नगर परिषद भैंसोदा, जिला-मंदसौर म.प्र.

[cmobhainsodamandi@mpurban.gov.in](mailto:cmobhainsodamandi@mpurban.gov.in)

क्रमांक/२८१/नं.पं./

भैंसोदा, दिनांक 02/09/2022

प्रति,

श्रीमान अपर आयुक्त,


नगरीय प्रशासन एवं विकास भोपाल।

विषय :- नगरीय निकायों के लेखाओं की संपरीक्षा चार्टर्डे अकाउंटेंट के द्वारा कराये जाने के संबंध में।

संदर्भ :- क्रमांक/ऑडिट/शा.-4(क)/265/14965 भोपाल, दिनांक 29.08.2022

महोदय,

उपरोक्त विषयान्तर्गत एवं संदर्भित पत्र के पालन में निवेदन है कि नव गठित नगर परिषद भैंसोदा द्वारा वित्तीय वर्ष 2020-2021 की पूर्ण सी.ए. ऑडिट रिपोर्ट हार्ड एवं साफ्ट कॉपी दोनों चाही गई थी जो श्रीमान की सेवा में प्रस्तुत है।


  
मुख्य नगर प्रशासक अधिकारी,  
नगर परिषद भैंसोदा,  
जिला-मंदसौर म.प्र.  
भैंसोदा,  
जिला-मंदसौर

भैंसोदा, दिनांक 02/09/2022

क्रमांक/282/नं.पं./

प्रतिलिपि :-

—श्रीमान संयुक्त संचालक महोदय, नगरीय प्रशासन एवं विकास उज्जैन संभाग उज्जैन की और सादर सूचनार्थ प्रेषित।

  
मुख्य नगर प्रशासक अधिकारी,  
नगर परिषद भैंसोदा,  
जिला-मंदसौर म.प्र.



**P C Chhajer & Co.**  
**Chartered Accountants**

| C-57, Janta Colony, Near Radha Krishna Mandir, Mandsaur (M.P.) |  
| Mobile : 8962362606 Email : ankitshrimal@pcchajer.in www.pcchajer.in |

**AUDITOR'S REPORT**

**REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying Receipt & Payments and Income & Expenditure account of **NAGAR PARISHAD, BHESODA DIST. MANDSAUR** for the year ended 31<sup>st</sup> March 2021.

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Parishad (Corporation) is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the corporation. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the act for safeguarding of the assets of the corporation and for preventing and detecting the frauds and other irregularities, making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of internal control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentations of the financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

**AUDITOR'S RESPONSIBILITY**

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

**AUDITOR'S OPINION**

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid Receipts & Payments Accounts are in agreement with the books of accounts maintained at the office of **Nagar Parishad, Bhesoda** subject to the following observations:

1. We report the following Observations/Discrepancies/ Inconsistencies: As per General Observations in "**Annexure-A**"



Branches : New Delhi, Surat, Udaipur, Mandsaur, Ashok Nagar & Indore



2. The Observations/Discrepancies/Inconsistencies observed in regards with the scope of audit have been detailed out in "**Annexure-B**".
3. Details regarding Revenue Collections against the Budgeted Target and the Growth attained during the year in comparison to previous year are given in "**Annexure-C**".
4. Subject to the above:-
  - We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
  - In our opinion, proper books of accounts have been kept by the above centre as far as appears from our examination of such books.
  - In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with notes thereon, given in above "**Annexure-A**" give a true and fair view of Receipt & Payment account and Income & Expenditure Account of the Bhanpura Nagar Parishad for the year ended 31<sup>st</sup> March 2021.

**For: P C Chhajed & Co.**

Chartered Accountants

FRN: 101800W

*Ankit Shimal*

**Ankit Shimal**

(Partner)

M. No. 438226

UDIN: 22438226AQNLYS2706



Date: 01-09-2022

Place: Mandsaur

**NAGANPARISHAD BHESODA, DIST. MANDSAUR**

**Income and Expenditure Account for the year ended 31.03.2021**

<u>Expenditure</u>	<u>Amount</u>	<u>Income</u>	<u>Amount</u>
<b>Establishment Expenditures</b>			
Salary	615300.00	<b>Interest Income</b>	
		Interest Income	5400.00
<b>Administrative Expenses</b>		<b>Misc. Income</b>	
Electricity Expenses	339562.00	Other Misc. Income	62000.00
Printing and Stationary Expenses	5400.00		
Misc. Expenses	162953.00	<b>Excess of Expenditure Over Income</b>	
Corona Expenses	29800.00		
Bank Charges	153.40		
<b>Total</b>	<b>1153168.40</b>	<b>Total</b>	<b>1153168.40</b>

**For: P C Chhajed & Co.**

Chartered Accountants

*(Signature)*

**Ankit Shirmal**

(Partner)

M. No. 438226

FRN: 101800W



Date: 01-09-2022

Place: Mandsaur

**NAGARPARISHAD BHESODA, DIST. MANDSAUR**

Receipts and Payments Account for the year ended 31.03.2021

Receipts		Payments	
Receipts	Amount	Payments	Amount
<b>Opening Balances</b>			
Central Bank of India (4449)	180108.77	Salary	615300.00
Axis Bank (6795)	0.00	<b>Administrative Expenses</b>	
		Electricity Expenses	339562.00
<b>Interest Income</b>		Printing and Stationary Expenses	5400.00
Interest Income	5400.00	Misc. Expenses	162953.00
		Corona Expenses	29800.00
<b>Misc. Income</b>		Bank Charges	153.40
Other Misc. Income	62000.00		
		<b>Operation &amp; Maintenance Expenses</b>	
<b>Grant and Subsidies Received from</b>		Lokarpan Expenses	82127.00
<b>Central and State Government</b>		Motor Pump Expenses	14225.00
15th Vitha Ayog Anudan	11760000.00	Poyol Expenses	581566.00
Chungai Anduan	10196582.00	Street Light Expenses	94050.00
Mulbhut Survidha Anduan	1223000.00	Vahan Kiroya	40800.00
Mukhyamantri Adasarnachna	1300000.00	Electric Items Purchase	2961200.00
Rajya Vitha Ayog Anudan	1281000.00	Sondaryakaran Expenses	956442.00
Sadak Anudan	1299000.00	Swachata Expenses	14454770.00
Swachata Anudan	930000.00		
	<b>27989582.00</b>		<b>19185180.00</b>
<b>Total</b>	<b>28237090.77</b>	<b>Closing Balances</b>	
		Central Bank of India (4449)	7874534.37
		Axis Bank (6795)	23208.00
		Central Bank of India (9687)	1000.00
		<b>Total</b>	<b>7898742.37</b>
			<b>28237090.77</b>

**For: P C Chhajed & Co.**

Chartered Accountants

**Ankit Shirmal**  
(Partner)

M. No. 438226

FRN: 101800W

Date: 01-01-2022

Place: Mandsaur





**General Observations:**

1. The Income and Expenditure Account attached to the report has been prepared on Cash basis.
2. The Nagar Parishad has not provided us the TDS and GST Return for the purpose of Audit. Hence we are unable to comment on the same.
3. Fixed Assets Register is not properly maintained by the Parishad. They entered only Immovable Property details in Fixed Assets Register but in case of Movable Property the details of the same is simply entered in Store Register. Hence we are unable to verify Fixed Assets physically. It is suggested that movable property details should also entered in FA Register. Further we also suggested that serial number should be mentioned on each and every Fixed Assets.
4. The Parishad is not taking Performance Guarantee @5% of contract value before issuing work order.
5. It is observed that Chungi Kshatipurti Anudan received from directorate Bhopal is accounted in books of accounts on Net Amount basis. The same is actually received in bank account after deduction (as approved by the Directorate Bhopal). Therefore it is suggested to take the effects of deductions in books of accounts. We are unable to verify the details of deduction as the same is not available at Parishad.
6. It is suggested that Parishad should booked the Receipt and Payments entries on daily basis.
7. It is suggested that quotations should be taken either on letter head or properly sealed and signed by the supplier.
8. It is suggested that closing balance of Cash Register and Closing Balance of cash in hand along with Cash at bank should be reconciled on fortnight basis.
9. Attendance Biometric Machine is not in working condition and attendance is taken manually. It is suggested to repair the same.
10. During the course of audit we found following Income & Expenditure's items for which entries were not recorded in cash books. Further the same has been recorded on 31.03.2021.



11. Parishad has not provided us utilisation certificate for various grants received and payment used during the audit period.
12. Bifurcations of grants is not provided to us for verification purpose.
13. Due to unavailability of opening balances we are not able to calculate the depreciation amount.
14. Balance Sheet for the year 2020-21 is not prepared by us due to unavailability of opening balances.
15. During the audit year the Nagar Panchayat has been converted to Nagar Parishad. Parishad provide us two bank statement named Axis Bank and Central Bank of India. Audit of Axis bank start from 25.01.2021 and Central Bank of India from 26.02.2021.
16. Interest income of Axis Bank has not booked in Cash Register. The same has been rectified during the audit.
17. Our audit report is based on the basis of data provided to us for verification purpose.
18. Grant amounted to Rs.9553357.00 received in Axis Bank A/c No: 919010082896795 is not booked in Anudan Register.
19. TDS deducted but not deposited in FY 20-21.
20. Bifurcation of Revenue and Capital grant not available to us, in the absence of any specific information we are unable to add the same in Income and Expenditure Account.





Annexure-8			
1. AUDIT OF REVENUES			
Sr. No.	Indicators	Observations	Remarks
(i)	The auditor is responsible for of revenue from various sources.	No revenue booked during the Audit year except misc. Income of Rs.62000	
(ii)	He is also responsible to check the revenue receipts from the counter files of receipt books and verify that the money received is duly deposited in respective bank account.	No revenue booked during the Audit year except misc. Income of Rs.62000	
(iii)	Percentage of revenue collection increase/decrease in various heads in property tax, Sametki kar, shiksha upkar, Nagriya Vikas Upkar and Other tax compared to previous year shall be part of report.	No revenue booked during the Audit year except misc. Income of Rs.62000. Reported in Annexure-C	
(iv)	Delay beyond 2 working days shall be immediately brought to the notice of Commissioner/CMO	No revenue booked during the Audit year except misc. Income of Rs.62000	
(v)	The entries in cash book shall be verified.	No revenue booked during the Audit year except misc. Income of Rs.62000	
(vi)	The auditor shall specifically mention in the report, the revenue recovery against the quarterly and monthly targets. Any lapses in revenue recovery shall be part of the report.	Budget details not provided to us for verification purpose	
(vii)	The auditor shall verify the interest income from FDRs and verify that interest income is duly and timely accounted for in cash book	As per Details provided to us Parishad is not having bank Fixed Deposit during the audit year	
(viii)	The cases where, the investments are made on lesser interest rates shall be brought to the notice of the Commissioner/CMO.	No such cases found during the course of Audit.	





## 2. AUDIT OF EXPENDITURE

Sr. No.	Indicators	Observations	Remarks
(i)	The auditor is responsible for audit of expenditure under all the schemes	Yes, we have covered all schemes expenditures on random basis and found expenses satisfactory	
(ii)	He is also responsible for checking the entries in cash book and verifying them from relevant vouchers	We have checked and verified cash book entries with the relevant vouchers and discrepancies are mentioned in general observations.	
(iii)	He should also check monthly balances of the cash book and guide the accountant to rectify errors, if any	We have checked monthly closing balances of cash book and observed that some entries is not done timely in cash book. The same has been brought to the notice of CMO/ Account's Incharge.	
(iv)	He shall verify that the expenditure for a particular scheme is limited to the funds allocated for that particular scheme any over payment shall be brought to the notice of any Commissioner/CMO.	We have verified all the expenditures as provided to us and found satisfactory except reported in General Observation (Annexure-A)	
(v)	He shall also verify that the expenditure is accordance with the guidelines, directives acts and rules issued by Government of India/State Government.	We have verified all the expenditures as provided to us and found satisfactory except reported in General Observation (Annexure-A)	
(vi)	During the audit financial propriety shall also be checked. All the expenditure shall be supported by financial and administrative sanctions accorded by competent authority and shall be limited to the administrative and financial limits of the sanctioning authority	We have verified all the expenditures as provided to us and found satisfactory.	
(vii)	All the cases where appropriate sanctions have not been obtained shall be reported and the compliance of audit observations shall be ensured during the audit. Non compliances of audit paras shall be brought to the notice of Commissioner/CMO.	No such cases found during the course of Audit.	
(viii)	The auditor shall be responsible for verification of scheme project wise Utilization Certificates (UCs). UCs shall be tallied with the Income & expenditure records and creation of Fixed Asset.	No Utilisation certificate provided to us for verification purpose.	
(ix)	The Auditor shall verify that all the temporary advances have been fully recovered.	No such cases found during the course of Audit.	



3. AUDIT OF BOOK KEEPING			
Sr. No.	Indicators	Observations	Remarks
(i)	The auditor is responsible for audit of all the books of accounts as well as stores.	Details has been checked on random basis	
(ii)	He shall verify that all the books of accounts and stores are maintained as per Accounting Rules applicable to Urban Local Bodies. Any discrepancies shall be brought to the notice of Commissioner/CMO	Yes, the same has been maintained as per rules applicable.	
(iii)	The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances. All the cases of non recovery shall be specifically mentioned in audit report.	No such cases found during the course of Audit.	
(iv)	The auditor shall verify that all the temporary advances have been fully recovered.	No such cases found during the course of Audit.	
(v)	Bank reconciliation statement (BRS) shall be verified from the records of ULB and the bank concerned. If bank reconciliation statements are not prepared, the auditor will help in the preparation of BRS.	BRS is prepared by ULB on yearly basis. It is suggested to prepare BRS on monthly basis.	
(vi)	He shall be responsible for verifying the entries in the Grant register. The receipts and payments of grants shall be duly verified from the entries in the cash book.	We have checked Grant Register which is maintained by ULB and verified the same from cash book. Some discrepancy found which are mentioned in General Observations (Annexure-A)	
(vii)	The auditor shall verify the fixed asset register from other records and discrepancies shall be brought to the notice of Commissioner/CMO.	Discrepancy noticed and same is reported in General Observations (Annexure-A).	
(viii)	The auditor shall reconcile the accounts of receipt and payments especially for project funds.	We have Reconciled Receipt and Payment fund as per Cash Book.	





4. AUDIT OF FDR		
Sr. No.	Indicators	Remarks
(i)	The auditor is responsible for audit of all Fixed deposits and term deposits.	As per Details provided to us Parishad is not having bank Fixed Deposit during the audit year
(ii)	It shall be ensured that proper records of FDR's are maintained and all renewals are timely done.	As per Details provided to us Parishad is not having bank Fixed Deposit during the audit year
(iii)	The cases where FDR's/TDR's are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of Commissioner/CMO.	As per Details provided to us Parishad is not having bank Fixed Deposit during the audit year
(iv)	Interest earned on FDR/TDR shall be verified from entries in the cash book.	

5. AUDIT OF TENDERS/ BIDS		
Sr. No.	Indicators	Remarks
(i)	The auditor is responsible for audit of all tenders/bids invited by the ULBs.	We have examined Tender/Bid Documents invited by ULB and same is found satisfactory. Checking done on random basis.
(ii)	He shall check whether competitive tendering procedures are followed for all bids.	Yes, the same has been followed.
(iii)	He shall verify the receipts of tender fee/bid processing fee/performance guarantee both during the construction and maintenance period.	Yes, the same has been verified and discrepancies mentioned in Annexure-A.
(iv)	The bank guarantees, if received in lieu of bid processing fee/performance guarantee shall be verified from the issuing banks.	No such cases found during the course of Audit.
(v)	The conditions of BG's shall also be verified; any BG with any such condition which is against the interests of the ULB shall be verified and brought to the notice of Commissioner/CMO.	Not Applicable
(vi)	The cases of extension of AG's shall be brought to the notice of Commissioner/CMO proper guidance to extend the BG's shall also be given to ULBs.	Not Applicable



6. AUDIT OF GRANTS AND LOANS			
Indicators		Observations	Remarks
Sr. No.			
(i)	The auditor is responsible for audit of grants given by Central Government and its utilization.	Yes, the same has been verified	
(ii)	He is responsible for audit of grants received from State Government and its utilization.	Yes, the same has been verified	
(iii)	He shall perform audit of loans provided for physical infrastructure and its utilizations. During this 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.	Neither Assets/ Physically Infrastructure has been generated out of Loan taken	
(iv)	The auditor shall specifically point out any diversion of funds from capital receipts/grants/ loans to revenue expenditure and from one scheme/project to another.	Details provided to us is not sufficient to bifurcate the grant between capital or revenue nature. Hence we are unable to comment on the same.	





**Revised abstracts Sheet for Reporting on Audit Paras for the Financial Year 2020-21**  
**Annexure-C**

Name of ULB- Nagar Palikah, Bhesoda		Description			Observation in Brief	Suggestions
S. No.	Parameters	2020-21	Receipts in Rs.	% of Growth		
	Audit of Revenue					
	तादात्म्य कर वसूली	0.00	0.00	0.00%	No Revenue booked during the audit year	
1	संपत्ति कर	0.00	0.00	0.00%	No Revenue booked during the audit year	
2	संयोजित कर	0.00	0.00	0.00%	No Revenue booked during the audit year	
3	नगरपालिका विकास उपकर	0.00	0.00	0.00%	No Revenue booked during the audit year	
4	शिक्षा उपकर	0.00	0.00	0.00%	No Revenue booked during the audit year	
2	जल उपभोक्ता प्रसार	0.00	0.00	0.00%	No Revenue booked during the audit year	
	कुल योग	0.00	0.00			



**BANK RECONCILIATION STATEMENT**  
**NAGAR PARISHAD BHESODA, DIST. MANDSAUR**

**CENTRAL BANK OF INDIA (A/C No.2275084449)**

**Bank Reconciliation Statement as on 31st March,2021**

Date	Ch no.	Particulars	Dr.	Cr.
		Balance as per books	7,874,598.00	-
		Bank Charges entry not booked in books	-60.63	
		Balance as per Bank Statement		7,874,537.37
			7,874,537.37	7,874,537.37

**AXIS BANK (A/C No.919010082896795)**

**Bank Reconciliation Statement as on 31st March,2021**

Date	Ch no.	Particulars	Dr.	Cr.
		Balance as per books	21,046.00	
		Interest income not booked in books	2,162.00	
		Balance as per Bank Statement		23,208.00
			23,208.00	23,208.00

