

REETESH JAIN & CO.
CHARTERED ACCOUNTANTS

P.W.D.Road
Dindori (M.P.) 481880
Ph.: (07644) 234083
Mo.: 9425165762
e-mail: j_reetesh@rediffmail.com

AUDITOR'S REPORT

To
Nagar Parishad Shahpura
District-Dindori(M.P.)

We have audited the attached Receipt & Payment & Income & Expenditure account of **NAGAR PARISHAD SHAHPURA DIST-DINDORI** as on 31ST March 2021 and . These financial statements are the responsibility of the management. Our responsibility is to express an opinion on the financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement An audit includes examining On a test basis evidence supporting the amount and disclosures in the financial statements An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall financial statement presentation We believe that our audit provides a reasonable basis for our opinion and we report that .

1. We certify the Receipt & Payment Account of CMO Nagar Parishad Shahpura Dist- Dindori which are in agreement with books of accounts read with our notes & Observation.
2. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
3. No Disclosure of significant accounting principles as per As-1 has been made.
4. We have to report that only cash book is prepared for the scheme and are report that:-
 - a) As No opening balances are available at books of Account except the Bank Balance therefore we are unable to Draw & Certify the Balance Sheet.
 - b) Specific observation as per TOR is reported below:-



AUDIT OF REVENUE:-

- a) Revenue checking has been done on sample basis generally it tallies with receipts.
- c) Generally Cash collected against taxes and others had been deposited within two days at Bank except the in the cases of holidays.
- b) Entries at cash book have been verified and deviation is reported above.
- c) We are unable to comment on revenue recovery against quarterly and monthly targets, as no Such Target sheet provided to monitor the recovery.
- d) FDR interest are not accounted at cash book, as no statement of FDRs are made us available therefore unable to comment on Interest and outstanding balance of FDRS. All FDRs in the name of Nagar parisha must be recorded at Cash book.

AUDIT OF EXPENDITURE:-

- a) As No details of scheme wise fund allocation is made us available therefore unable to comment the expenditure on particular scheme is limited to allocated budget.
- b) Following amount should be recovered from the party , as GST has claimed and paid @ 18% at invoice but no GST invoice has submitted

Sr No	Party Name	Vr No	Amount	Recovery Amount
1	TD Advisory Bhopal	28	40000.00	7200.00
2	TD Advisory Bhopal	29	40000.00	4500.00

- c) Following payments/Expenditures are seems unjustified and need details verification for confirmation

Vr no.	Date	Party Name	Nature of Payment	Amount	Remark
28 & 29	07.04.20	TD Advisory	GST Filling Charges & Budget Preparation	40000.00 & 40000.00	Work Awarded without following due process @ RS.8000.00 PM for Filling the GST TDS Return , which is too high.
156	26.06.20	Santosh Yadav	-	251008.00	No Supporting is found with payment. Neither nature of payment mentioned.
67	01.05.20	Sourabh Gupta	Pump Reaping	36406.00	30 HP Pump Repairing bill is submitted by the building material supplier no



process followed.

d) TDS has not been deducted/Short on following payments:-

Date	Vr NO	Amount	Nature of Payment	Party	Remark
01/05/2020	64	60192	pump repairing	Sneh Krishi kendra	TDS not deducted.
01/05/2020	66	50550	TENT	GUPTA TENT HOUSE	TDS not deducted.
01/05/2020	71	67200	Flex Printing	Pragati Offset	TDS not deducted.
23/06/2020	148	99000	dpr	essmar infra	TDS not deducted.
01/05/2020	72	120700	tent payment	tent payment	TDS not deducted.
02/11/2020	283	137360	tent	gupta tent	

AUDIT OF BOOK KEEPING

a) Cash Book Opening Balances are not reconciled with bank.

b) There is Opening & Closing balances differences are noticed:-

Particular	Amount
Opening as per Cash Book	26969024.76
Closing Balance as per Previous audit Report	26644910.76
Closing as per Cash Book	8022221.00
Closing as per Bank Statements	30364306.49

c) Bank reconciliation Statement is not prepared by the Nikay , Therefore unable to certify the Closing Balances of Books, also bank wise closing balances are not available at cash book , bank wise closing balances list is enclosed with report.



- d) Liability creation of TDS, SD GST & others Deductions are not shown at cash book since cash book is maintained on single entry system therefore we are unable to comment whether all statutory deductions are deposited in due time. as per our suggestion separate register for all types of deduction should be maintained by nagar parishad.
- e) For contractors payment accounting is done on net basis instead of debiting gross amount, multiple deductions entries like security deposits, etc not entered at cash book thus amount shown on respective head of account is on net basis also we cannot comment on liability of CMO like how much SD EMD etc held by CMO Nagar Parishad. Hence SD and different types of deductions held by parishad are subject to reconciliation.
- f) We have verified the store register with the invoices of during the year , Only Inward & Outward entry is there , but end utilization details are not available , therefore unable to comment on proper utilization of Store goods. Also there Must be physical verification of store at some intervals by CMO. No Physical verification report made us available.
- g) Physical Verification of stores not done by us.
- h) Fixed assets Register is not maintained at Nagar Parishad.
- i) Advance register is not maintained properly.

AUDIT OF FDR

- a) No Accounting Entry of FDR is found at Cash Book. FDR interest are not accounted at cash book, as no statement of FDRs are made us available therefore unable to comment on Interest and outstanding balance of FDRS. All FDRs in the name of Nagar parishad must be recorded at Cash book.

AUDIT OF TENDER/BIDS.

- a) As explained to us and Rule of PIC Under M P Nagar Palika Act produced before us following procedure adopted by the parishad on most of the procurement.
- For work/ procurement of Rs.20000 to One Lakhs local quotations are invited by adopting limited tender method by displaying the intimation on notice board.
 - For Work/Procurement of above Rs.1 Lacs work awarded through tender. .
- b) In some cases of constructions material test report is not enclosed.
- c) Some Major Discrepancies are noticed while verifying the procurement process is reporting below-

Date	vr no.	Amount	Party	Nature of Payment	Discrepancies
------	--------	--------	-------	-------------------	---------------



01/05/2020	66	50550	GUPTA TENT HOUSE	TENT	No Process
07/04/2020	2	19110	pankaj computer	printer purchase	No Process
11/04/2020	31	93296	OJAS TECHNOLOGY	HIGH MUSK LIGHT	Procurement on the Basis of Three Quotation , address of all three quotation is same .
15/04/2020	48	93296	OJAS TECHNOLOGY	HIGH MUSK LIGHT	
23/03/2021	413	91200	OJAS TECHNOLOGY	led light	
15/04/2020	35	192992	shri balram industry	bleaching & others	Though Purchase from Gem portal but Category of Same Itmes not selected while comparision. Therefore process is void
01/05/2020	67	36406	PUMP REPARING	SOURABH GUPTA	30HP Pump Reapring Bill is
01/05/2020	72	120700	gupta tent	tent payment	No Process
10/09/2020	221	27550	pankaj coputer	binding machine	No Process
10/09/2020	227	34300	shubham sahu	electric material	No Process
10/09/2020	232	25725	pragati offset	papper rim	No Process
03/10/2020	245	36500	sSharma Gift	sanitizer	No Process
28/10/2020	274	18200	suction pipe	balu vahini	No Process
02/11/2020	283	137360	tent	gupta tent	No Process
21/01/2021	340	27990	water supply mat	lotus enterprises	No Process
					No Process
06/02/2021	360	145844	pump raparing	sneh krishi kendra	No Process
12/03./21	392	38733	electric material	shubham electronic	No Process



- d) There should name and work wise Security Deposit register be maintained by the parishad to verify the SD held and released amount of contractor.
- e) As explained to us No bank Guarantee has accepted by Nagar Parishad During the year.

AUDIT OF GRANTS AND LOANS

- a) Head wise Grant/Allotment sheet not made us available therefore unable to verify the Grant.
- b) There is Loan Taken under Mukhya Mantri Adhoshanrachna from HUCO, which repayment amount RS.37.57 Lakhs has been paid during the year , as explained to us that work is still under progress therefore revenue comparison from assets created from loan amount could not be done.
- c) As informed to us There is loan from HUDO but no statement of loan account shown to us , only repayment installment of Rs. 37.57 lakh is recorded at cash book.

Suggestions:-

1. There must be strict monitoring for POL consumption, Only maintenance of log book is not sufficient, No of kilometer run , Purpose of Consumption etc should also be mentioned and payment should only be made after verifying the proper use.
 2. At Store Register the material utilization details with location also should be mention to verify the proper end utilization.
 3. Work wise and Name Wise Security deposits register should be maintained.
5. Subject to our comments & observation in above Para and according to the explanation given to us, said Receipt and Payment account read with the accounting policy and note on accounts, give a true and view:
- I) In Case of Receipt and Payment Account, of the receipt and payments during the period ended on 31st March 2021.that date.
- II) In Case of Income & Expenditure Account, of the receipt and payments during the period ended on 31st March 2021.that date.

Place: Dindori
Date: 30.04.2022

मुख्य मन्त्र पालिका अधिकारी
नगर परिषद शहपुरा
जिला डिण्डौरी

For REETESH JAIN & CO.
CHARTERED ACCOUNTANTS
REETESH KUMAR JAIN
FRN : 033135C M No.407513
DINDORI (M.P.)
UDIN-22407513AJDQQL7481

S no.	Parameters	Description			Observation in Brief	Suggestion
1	Audit of Revenue	Year 2019-20	Year 2020-21	% of Growth		
	Tax Revenue					
1	Sampati Kar	442975.00	1151202.00	159.29%	Sampati Kar recovery is Good in comparison to last year.	Recovery process should be made more prompt also should be monitor under time limit.
2	Smekit Kar	271554.00	360097.00	32.60%	Samekit Kar recovery is Good in comparison to last year.	Recovery process should be prompt also should be monitor under time limit.
3	Nagriye Vikash Kar	121696.00	363216.00	161.96%	Nagriya Vikash Kar recovery Good in comparison to last year.	Recovery process should be prompt also should be monitor under time limit.
4	Shiksha Upkar	25791.00	80693.00	212.87%	Shiksha Upkar is recovery Good in comparison to last year.	Recovery process should be prompt also should be monitor under time limit.
	Total	862016.00	1955208.00			
	Non Tax Revenue					
	Bhavan	98765.00	1022152.00	934%	Rental income growth	



	Bhoomi Kiraya				very good comparison to previous year.	
2	Jal Upbhokta Prabhar	986140.00	1739256.00	76.37%	Water tax growth is very good comparison to previous year.	Recovery process should be prompt also should be monitor under time limit
2	Solid Waste Management Charges	0	0			
3	Others	1186743.00	1424146.00	20%	Other may Vary as per other income variation.	
	Total	227164800	4185554.00			
	Grand Total	3133664.00	4140762.00			

Revised Abstract Sheet for Reporting on Audit Paras

Name of ULB

Name of Auditor

Sr no	Parameters	Description	Observations	Suggestions.
2	Audit of Expenditure	1.Amout Recoverable	1.Rs.11700.00 is recoverable from TD Advisory against the Undue payment of GST .	Nikay should make the GST payment after verifying it from Invoice.
		Unjustified Payments	Detail List is enclosed with the report	Due precaution should be there before making the payments




5	Audit of Tenders & Bids	Work Order by not following due procedure.	Details of Expenditures given with Reports of which due procedure have not been followed.	Process should be as per guideline
6	Audit of Grants & Loan	Grant	Unable to comment since No Grant Sheet Made us available.	
7	Incidence relating to diversion of Funds from Capital receipts /Grants /Loans to revenue expenditure and from one scheme /project to another	Head wise fund utilization	Unable to comment since books of accounts are not maintained head wise.	There must be maintenance of Books account fund /Head wise
8	Percentage of revenue expenditures (Establishment, Salary Operation & Maintenance with respect to reveue receipts (Tax & Non Tax)	Bifurcation of Revenue & Capital Receipts not Made us available		
	Percentage of Capital expenditure wrt Total Expenditure	Bifurcation of Revenue & Capital Receipts not Made us available		
9	Whether all Temporary Advances have been fully recovered or not.	Outstanding Advances	Since no advance register is maintain , so outstanding advances including the openings could not be identify.	
10	Whether	Bank Reconciliation	Huge Opening & Closing	Monthly BRS



Bank
Reconciliation
Statements
is being
regularly
prepared.

statement is not prepared

Difference is there at Cash Book must be
& Bank Statements prepared


मुख्य नगर पालिका अधिकारी
नगर परिषद माहपुरा
जिला डिण्डोरी
Place: Dindori
Date: 30.04.2022



For REETESH JAIN & CO
CHARTERED ACCOUNTANTS


REESH KUMAR JAIN

M No. 407513

JOIN-22407513AJDQQL7481

RECEIPT & PAYMENT ACCOUNT FOR THE PERIOD 01.04.2020 to 31.03.2021



OTHER INCOME

Ambulance Rent
 Car Rash
 Keshvashthi Sahayta
 Shaka Dukan Rent
 Post Shulk
 P. Nilami
 Thela
 Interest
 Bhagidari Shulk
 Chalk Challan
 Man Pehchan Patra
 da Prapatra Shulk
 tation Work
 ion Card
 et Discount
 w Vahan Shulk
 Shakti Bhavan
 c

Current Liabilities

Ending Difference
 (Year)

TOTAL

206400.00
 180.00
 25000.00
 8400.00
 7000.00
 4887222.00
 600.00
 129560.00
 2000.00
 23730.00
 100.00
 4000.00
 500.00
 800.00
 1153.00
 5200.00
 1500.00
 60000.00

5363345.00

63000.00

736053.98

cash book difference

Closing Balance

Cash & Bank Balance

344023

8022221.00

61008141.74

TOTAL

61008141.74

MAGAR PARISHAD SHAHPURA

Ident

अध्यक्ष

CMO

नगर परिषद शहापुरा
 जिला-डिण्डोरी (म.प्र.)

30/04/2022

DE: DINDORI

मुख्य नगर पालिका अधिकारी
 नगर परिषद शहापुरा
 जिला डिण्डोरी

AS PER OUR REPORT OF EVEN DATE ATTACHED

RETESH JAIN & CO.

REGISTERED ACCOUNTANTS



CA RETESH KUMAR JAIN

(Proprietor)

M.No.407513, FRN.

UDIN-22407513AJDQQL7481

NAGAR PARISHAD SHAHPURA DISTT DINDORI
INCOME & EXPENDITURE ACCOUNT FOR THE PERIOD 01.04.2020 to 31.03.2021

EXPENDITURE	AMOUNT	INCOME	AMOUNT	AMOUNT
Expenditure		Grant-in-Aid		
Salaries & Allowances	16571067.00	15 Vitt Rashi	3007356.00	
Regular Emp. & Parshad)	0.00	Chungi Chatipurti	2761182.00	
Advertisement Exp.	336623.00	Swakshata Anudan Rashi	4671000.00	
Pairing & Maintenance Assest	38525.00	Anudan Rashi	11620532.00	22060070.00
Administration Exp.	724097.00			
Mid-19 Exp.	960340.00			
Electricity Store	7466842.00	TAX COLLECTION		
Grants Programme	282018.00	Anapatti Praman Patra	1400.00	
Water Yojna	1847580.00	Application Shulk	4000.00	
Water Yojna	90000.00	Dainik Bazar Basuli	343358.00	
Swakshata Abhiyan Exp.	2920831.00	Death Certificate	1210.00	
Water & Fuel	2540054.00	Shop Rent	1022152.00	
Water Yojna	50000.00	Garibi Rekha Praman Patra Shulk	100.00	
	33827977.00	Jalkar	1739256.00	
Construction & Repairing Work		Janm Praman Patra	600.00	
Road Repair	57333.00	Makan Namantran Shulk	156530.00	
Plum & Jym	276847.00	Makan Praman Patra Shulk	200.00	
Water Kating	84786.00	Manas Bhavan Arakshan Shulk	3000.00	
Nirman & Repair	653000.00	Mandapump Shulk	23000.00	
Water Construction Work	4636203.00	Mangal Bhavan Shulk	1600.00	
Water Sondariykan	1103358.00	Nagriye Vikash Upkar	363216.00	
Water Nirman	2692273.00	Nal Parivartan Shulk	2010.00	
Water Sanrachna Vikas	4516319.00	Naveen Nal Collection	298600.00	
	14020119.00	Penalti Adhibhar	53419.00	
		Plastik Hetu Jurmana	500.00	
		Pm Bhavan Anugya	23250.00	
		Praman Patra Shulk	12020.00	
		Samagra Id Shulk	80.00	
		Samekit Kar	301690.00	
		Samekit Kar Bakaya	55407.00	
		Samekit Kar Chalu	3000.00	
		Sampatti Kar	1151202.00	
		Saptahik Bajar Bassoli	171553.00	
		Shikha Upkar	80693.00	
		Shram Card Shulk	1720.00	
		Suchna Ka Adhikar Shulk	796.00	
		TALAB THEKA	1000.00	
		Tanker Pani Shulk	16400.00	
		Vidyut Anapatti Shulk	5700.00	
		Dukan Amanat Rashi	190500.00	
		Swakshata Sarvekshan Shulk	111600.00	6140762.00
		OTHER INCOME		
		Ambulance Rent	206400.00	
		Antar Rashi	180.00	
		Anteyashthi Sahayta	25000.00	
		Pathaka Dukan Rent	8400.00	
		Audit Shulk	7000.00	
		Shop Nilami	4887222.00	
		Hath Thela	600.00	



			Bank Interest	129560.00	
			Janbhagidari Shulk	2000.00	
			Mask Challan	23730.00	
			Nirman Pehchan Patra	100.00	
			Nivida Prapatra Shulk	4000.00	
			Plantation Work	500.00	
			Ration Card	800.00	
			Rebet Discount	1153.00	
			Shav Vahan Shulk	5200.00	
			Shiv Shakti Bhavan	1500.00	
			Misc.	60000.00	5363345.00
cess of Income over Expenditure ns. To general fund a/c		-14283919.00			
TOTAL		33564177.00	TOTAL		33564177.00

Nagar Parishad Shahpura, Distt.-Dindori (M.P.)
Cashbook & Pass Book Difference
Accountant Cashbook

As On 31.03.21

Bank Name	Account No.	Balance as Per cash Book	Balance As Per Bank	Difference
SBI	11541868141	31.03.21	31.03.21	
UBI	594802010003403		2924647.59	
SBI	53051425986		508774.00	
AXIS BANK	2237		14333201.7	
AXIS BANK	5407		1473814.2	
AXIS BANK	52035		6916531.82	
AXIS BANK	66351		49870.00	
BOI	3351		1934735.00	
ALLAHBAD	50431355098		2090726.18	
			132006.00	
TOTAL BALANCE		8022221	30364306.49	22342085.49



मुख्य नगर पालिका अधिकारी
नगर परिषद शाहपुरा
जिला डिण्डोरी