


NAGAR PARISHAD TEONTHAR
AUDIT REPORT FOR THE FINANCIAL YEAR 2021-22

AUDITORS
PRANAY K SAXENA & COMPANY
CHARTERED ACCOUNTANTS

TABLE OF CONTENT

S.NO.	PARTICULAR	PAGE NO.
1.	Independent Auditor's Report	2-4
2.	Annexure 1	5-8
3.	Annexure 2	9-17
4.	Reporting on Audit Para's	18-20
5.	Annexure C	21-21
6.	Receipt and Payment Statement	22-24


मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
मिला-रीवा (म0प्र0)



Pranay K Saxena & Co.
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INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of NAGAR PARISHAD TEONTNAR

1. Report on the Financial Statements

We have audited the accompanying financial statements of NAGAR PARISHAD TEONTNAR ("the ULB"), which comprise the Receipt & Payment Account 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. However, in this case ULB is not in practice of maintaining balance sheet & Income and expenditure account, so receipt and payment account shall be considered as final statement on which we express our opinion.

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.

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 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, 2022.

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.

6. Emphasis of Matters

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

- Accounts prepared as per the Manual in lieu of accounting standards for local bodies as issued by Institute of Chartered Accountants of India.
- Revenue department's records related to recovery of revenue taxes and other revenue dues has minor differences with accounting records maintained by accounting department.
- Non-maintenance or incomplete registers as prescribed under manual and mentioned at point 3 of annexure 2.
- Non-availability of details related with Tenders.



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e) Non verification of EPF deducted and deposited, as same has not been made available to us by the ULB.
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 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 accounts 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.
- 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'.

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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 NAGAR PARISHAD TEONTHAR ("the ULB") as of March 31, 2022 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.

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

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the ULB;
- 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
- 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, 2022:

- 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.

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, 2022 based on the criteria established by the ULB.



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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, 2022 financial statements of the ULB, and these material weaknesses do not affect our opinion on the financial statements of the ULB.

UDIN - 22433189BAWQKP1612

For : Pranay K Saxena & Company
Chartered Accountants

Date: 31/08/2022

CA Kundan Baranwal (Partner)
MRN - 433189



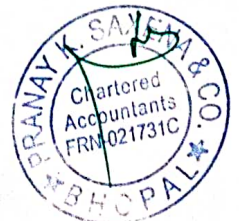
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The Annexure referred to in paragraph 5 & 6 of Our Report:

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 except the amount of Rs 10337841.00 which is shown under the head - Amount Credited (Unidentified) in receipts side of the receipt & payment account.
- 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.
- 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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नगर परिषद न्यौथर
विमान-रीवा (म०प्र०)





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 2021-22 & 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. Registers related to Property Tax, Water Tax and Shop rent were not made available to us by the ULB and hence we cannot verify and confirm the revenue due and recovery individual wise.

7) The auditor shall verify the interest income from FDR's and verify that interest is duly and timely accounted for in cash book.
It was explained to us that there were no FDR's maintained by the ULB during the year. Hence, we cannot comment on interest on FDR.

8) The case where, the investments are made on lesser interest rates shall be brought to the notice of the CMO.
It was explained to us that there were no FDR's maintained by the ULB during the year. Hence we cannot comment on interest on FDR.

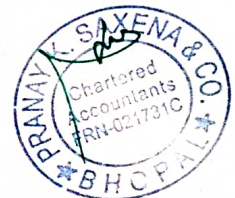
2. Audit of Expenditure:

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 on test check basis.

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.

Verification of taxes paid/payable to government has been made during the course of audit and following observations were made:

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ULB has not provided challans or returns for payment of TDS on GST, TDS-Income Tax, EPF etc to the Government. However, ULB has explained that same had been duly deposited on or before the due date. ULB maintains physical records for deduction related to TDS-IT & TDS-GST which was produced before us for verification.

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

We have verified monthly balance of cashbook on test check basis and no discrepancies were noticed related to totaling and balancing.

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 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 was duly supported by financial and administrative sanctions accorded by competent authority.

मुख्य नगर पालिका अधिकारी
नगर परिषद त्यांथर
जिला-रीवा (म०प्र०)





- 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. However, ULB has maintained grant utilization register, as on 31st March 2022 as per register following unutilized balance is with ULB:

S.No.	Grants	Opening Balance 01/04/2021	Received	Utilized	Closing Balance 31/03/2022
1	SadakMarmmat	12,31,069.00	27,22,000.00	10,84,880.00	28,68,189.00
2	Mulbhoot	15,48,465.00	40,04,000.00	14,07,595.00	41,44,870.00
3	RajyaVittAyog	20,82,976.00	41,61,865.00	12,52,290.00	49,92,551.00
4	ChunglShatipurti	41,05,299.00	2,10,00,276.00	1,32,35,243.00	1,18,70,332.00
5	Yatrikar	57,971.00	1,48,000.00	1,55,528.00	50,443.00
6	Mudrak	59,169.00	3,31,197.00	3,66,820.00	23,546.00
7	15th Finance	1,62,22,080.00	1,14,87,000.00	1,48,71,847.00	1,28,37,233.00

In the absence of required information regarding payments we disclaim our responsibility on correctness of the above closing balances of the grant.

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

Details regarding temporary advances were not provided to us by the ULB and hence we cannot comment on the same.



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 not maintained Fixed Asset Registers, Stock Register, Register of Settlement of Contractor / Supplier Bills, Register of Advances to Contractors, Loan Registers etc as prescribed under MP MAM.

- 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 not provided for verification, so it was not possible for us to verify whether the same is maintained as per Accounting Rules applicable to the urban local Bodies.

- 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 information and explanation provided to us by the management of the ULB, no specific condition related to advances are placed. Hence, it is not possible for us to verify the cases of timely recovery of advances, if any.

- 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.

Bank Reconciliation is provided to us by the ULB which is presented in page no 22 of this report. However, bank wise break is given below:

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Refer Next Page :





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S NO	BANK NAME	ACCOUNT NUMBER	As Per Cash Book 31/03/2022	As Per Bank Book 31/03/2022
1	SBI	63002975024	8,49,92,835.84	8,49,92,835.84
2	PNB	*876002100002642	6,308.42	6,308.42
3	PNB	*876002100002633	1,59,41,421.32	1,59,41,421.32
4	PNB	*876002100002624	20,01,644.38	20,01,644.38
5	UBI	*467601010024004	93,462.86	93,462.86
6	UBI	*467602010001534	22,83,392.00	22,83,392.00
		Total	10,53,19,064.82	10,53,19,064.82

a. Please refer page no 22 of this report for Bank Reconciliation statement.

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 not made available to us. Hence verification of the same cannot be done from the entries in cash book. The payments out of grants were verified on test check basis and found to be correct. A summarized statement of grants maintained by the ULB has been provided to us and same has been provided in 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.

ULB 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. It was explained to us that there were no FDR's maintained by the ULB during the year. Hence, we cannot comment upon the same.
- 2) It shall be ensured that proper record of FDR's are maintained and renewals are timely done. It was explained to us that there were no FDR's maintained by the ULB during the year. Hence we cannot comment upon the same.
- 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 Commissioner/ CMO. No such case is reported.
- 4) Interest earned on FDR/TDR Shall be verified from entries in the cash book. It was explained to us that there were no FDR's maintained by the ULB during the year. Hence we cannot comment upon the same.

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.





- 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. Grant registers were not provided by the ULB.

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

Grant register is maintained by the ULB. But we cannot comment upon the correctness of balances reported in the absence of necessary documents for verification.

- 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 accorded loan from HUDCO. The loan repayment has been timely made at each quarterly/annually (as applicable) rest. However, there was no document or information provided to verify whether the asset created out of the loan has generated the desired revenue or not. We cannot comment on the possible reasons for non-generation of revenue.



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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.

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Other Audit Observations

1. Nagar Parishad does not follow practice of preparing Income & Expenditure and financial statements. However, Nagar Parishad used to prepare Budget and statement of receipt and payment account, which shall be regarded as the final document on which we express our opinion. It is highly recommended to implement Double Entry System for book keeping/Accounting. It is also recommended to implement computerized Accounting System for better and smooth working.

2. **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 2022 a sum of Rs49.00 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

Type of Tax	Due amount recoverable on 01/04/2021	Received From Previous Dues	Un-Recovered Due for More than a Year	Current Due	Current Received	Un-Recovered due of Current Year	Total un-recovered amount
Sampatti Kar	1172440	987900	184540	487659	84066	403593	588133
Samekit Kar	1218582	1040140	178442	391680	251680	140000	318442
Shiksha Upkar	315210	70564	244646	150482	4222	146260	390906
NagariyaVikas Upkar	280091	141128	138963	129865	4768	125097	264060
Jalkar	120125	25435	94690	85680	34413	51267	145957
Bhavan Bhumi rent	55504	2636	52868	50000	44496	5504	58372
Other Tax	2220087	130023	2090064	1175040	130023	1045017	3135081
Total	5382039	2397826	2984213	2470406	553668	1916738	
Total Un-Recovered amount							4900951

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For Pranay K Saxena & Company
Chartered Accountants

CA Kundan K Baranwal
Membership No - 433189





Pranay K Saxena & Co.
CHARTERED ACCOUNTANTS

+91-9713420677, 7828264242
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Reporting on Audit Paras for Financial Year 2021-22

Name of ULB:
Name of Auditor:
Parameters

NAGAR PARISHAD TEONTAR

Pranay K Saxena & Company, Chartered Accountants

S. no.	Description	Observation in brief	Suggestions
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. TDS should be correctly deducted and deposited on time.
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 annexure 2 of audit report attached	NA.
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 utilization	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) with respect to revenue receipts (Tax & Non Tax).	147.68% $(3,56,80,467.18) / 2,41,60,795.00 \times 100$		
	b) Percentage of Capital expenditure wrt Total expenditure.	12.24% $(49,77,659.00 / 4,06,58,126.18) \times 100$		
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

मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
जिला-रीवा (म०प्र०)



Name of ULB :
Name of Auditor :

Nagar Parishad; T
TEONTHAR
Pranay K Saxena & Co; Chartered Accountants

Annexure - C

Name of Auditor :		Description		% of growth	Observation in brief	Suggestions
S.no.	Parameters	Receipt in (Rs.)				
	Audit of Revenue	2020-21	2021-22			
i)	Rajaswa Kar wasooli					
	Property Tax	1,21,223.00	74,119.00	(38.86)	Collections w.r.t. last collection decreased by 38.86%. Poor performance compared to last year but still there is scope to put efforts on the recovery of previous year dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
ii)	Samekit Kar	1,03,560.00	12,79,753.00	1,135.76	Commendable performane done by Nagar Parishad. Nagar Parishad has collected even more than the target.	ULB should impose strict penalties and legal actions to improve past Due collections.
iii)	Water Charges	44,078.00	39,483.00	(10.42)	Collections w.r.t. last collection decreased by 10.42%. Poor performance compared to last year but still there is scope to put efforts on the recovery of previous year dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
iv)	Vikas Upkar	12,613.00	4,768.00	(62.20)	Collections w.r.t. last collection decreased by 62.20%. Very Poor performance compared to last year but still there is scope to put efforts on the recovery of previous year dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
iv)	Shiksha Upkar	11,698.00	4,222.00	(63.91)	Collections w.r.t. last collection decreased by 63.91%. Very Poor performance compared to last year but still there is scope to put efforts on the recovery of previous year dues.	
vi)	Other Income	1,96,308.00	2,52,542.00	28.65	Collections w.r.t. last collection increased by 28.65% which is good. But still there is scope to put efforts on the recovery of previous year dues.	
Grand Total		4,89,480.00	16,54,887.00			

मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
माला रीवा (म०प्र०)



Nagar Parishad Teonthar, District Rewa, M.P.						
Bank Reconciliation as on 31.03.2022						
कैशबुक के अनुसार अंतिम शेष						10,53,19,064.82
बैंक और कैशबुक में वर्ष प्रारम्भ में अंतर की राशि						NIL
बैंक पासबुक की दिनांक	बैंक का नाम	बैंक खाता क्रमांक	बैंक के अनुसार विवरण	कैशबुक की दिनांक	कैशबुक पेज क्रमांक	राशि
बैंक में: कैशबुक में जमा। दर्ज राशि परन्तु कैशबुक में राशि दर्ज नहीं की						NIL
बैंक में: कैशबुक में राशि भुगतान। दर्ज परन्तु बैंक पासबुक से नहीं घटी						NIL
कैशबुक में चालू वर्ष के अंतवा की गई समयोजन लेखा जो बैंक में नहीं दर्ज है						NIL
बटलर: बैंक पासबुक में दर्ज राशि परन्तु कैशबुक में राशि दर्ज नहीं की						NIL
बैंक के अनुसार अंतिम शेष						10,53,19,064.82

मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
NAGAR PARIHAD TEONTAR
(मिला-रीवा (म०प्र०))

ACCOUNT OFFICER
NAGAR PARIHAD
TEONTAR (म०प्र०)

मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
(मिला-रीवा (म०प्र०))



**NAGAR PARISAD TEONTHAR; DISTRICT - REWA
RECEIPT & PAYMENT ACCOUNTS
FOR THE FINANCIAL YEAR 2021-22**

RECEIPT	AMOUNT	PAYMENT	AMOUNT
OPENING BALANCES (As per Cash Book)	9,65,76,619.34		
ASSIGNED COMPENSATION CHUNGI CHATTIPURTI	2,09,10,714.00	ADMINISTRATIVE EXPENSES	
TAX REVENUE	74,119.00	SALARY & OTHER ALLOWANCES	1,33,99,203.00
PROPERTY TAX	12,79,753.00	LEGAL & PROFESSIONAL FEES	1,58,400.00
SAMENIT KAR	4,222.00	SANITARY PAD MACHINE STIAPNA	1,48,394.00
SHIKSHA UPKAR	4,768.00	GARBAGE DISPOSAL/VEHICLE EXPENSES	15,54,870.00
VIKAS KAR	39,483.00	REFRESHMENT	32,800.00
JALKAR		NEWS PAPER & PERIODICALS	25,418.00
		FUEL EXPENSES (P O I L)	3,13,616.90
		TELEPHONE & INTERNET CHARGES	4,550.00
		ELECTRICITY CHARGES	50,97,702.00
		COMPUTER & PRINTER MAINTENANCE	1,02,030.00
FEES & CHARGES		MISCELLANEOUS EXPENSES	56,800.00
NAL CONNECTION CHARGES	26,067.00	JEEP RENT	2,30,252.00
BAZAR VASULI	33,596.00	BANK CHARGES	2,678.42
MANGAL BHAWAN RENT	24,000.00	T D S / GST TDS	7,95,362.00
TANKER RENT	47,400.00	REPAIR & MAINTENANCE	1,43,201.00
BHAVAN KI SAHMATI	2,800.00	FLEX BANNER/ADVERTISEMENT EXP	3,57,196.86
TENDER FEES	89,000.00	TENT EXPENSES	3,30,158.00
MASK FINE	10,150.00	BORING PUMP NIKALWAI KA BHUGTAN	1,45,005.00
MISCELLANEOUS INCOME	7,000.00	CLEANING MATERIAL PURCHASE	1,58,520.00
RATION CARD	298.00	J C B RENT	3,12,005.00
APPLICATION FEES	160.00	GFC UPLOAD DOCUMENTATION CHARGES	44,820.00
SHULABH SAUCHALYA	8,070.00	DEATH RELIEF FUND	15,45,000.00
AUDIT DUE	4,001.00	ELECTRICAL MATERIALS	6,56,542.00
		SWAKSCHATA MATERIALS	8,55,320.00
BANK INTEREST	15,95,194.00	SWAKSCHATA SARWEKSCHAN	34,200.00
		CM PAY JAL YOJANA	74,01,679.00
		VEHICLE MAINTENANCE	3,96,975.00
		JAL PRADAYA MAINTENANCE	8,72,797.00
YATRI KAR ANUDAN	1,48,000.00	AUDIT FEE	31,500.00
ROAD MAINTENANCE	27,22,000.00	UPKAR KA BHUGTAN	1,73,773.00
RAJYA VITT AYOG	41,61,865.00	D S C FEE	12,000.00
15TH FINANCE COMMISSION	1,14,86,320.00	ADVOCATE FEE	24,500.00
MUDRANK SHULK RECEIPT	3,31,197.00	ALAVE KI LAKDI	92,600.00
MULBHUT SHUVIDHA	40,04,000.00	KACHRA VEHICLE REPAIR & MAINTENANCE	75,508.00
PMAY YOJANA	4,47,50,000.00	FIRE VEHICLE REPAIR & MAINTENANCE	95,091.00
HUDCO LOAN RECEIPT	74,09,000.00	HUDCO LOAN REPAYMENT	26,30,289.00
SECURITY DEPOSIT	85,990.00	SECURITY DEPOSIT RETURN	1,33,238.00
ADVANCE RECEIVED DEATH RELIEF FUND	50,000.00	PMAY PAYMENT TO BENEFICIARIES	5,74,82,909.34
AMOUNT CREDITED (Unidentified)	1,03,37,841.00		
		FIXED ASSETS	
!!		NALI NIRMAN KA BHUGTAN	4,58,200.00
		NIRMAN KARYAA KA BHUGTAN	17,45,301.00
		C C ROAD PCC ROAD NIRMAN	2,35,429.00
		SLAB KA NIRMAN	38,530.00
		ADHOSANRACHA CC ROAD NIRMAN	25,00,199.00



मुख्य नगर पालिका अधिकारी
नगर परिषद त्योंथर
दिनांक: रीवा (म0प्र0)

		CLOSING BALANCE	
		(As per Cash Book - Annexure B)	10,53,19,064.82
TOTAL	20,62,23,627.34	TOTAL	20,62,23,627.34

मुख्याधिकारी
Chief Municipal Officer
Nagar Parishad Teonthar
जिला रोवा (म०प्र०)

मुख्याधिकारी
Chief Accounts Officer
Nagar Parishad Teonthar
जिला रोवा (म०प्र०)

For : Pranay K Saxena & Company
Chartered Accountants
FRN No - 021731C

CA Kundan K Baranwal (Partner)
Membership No - 433189
UDIN - 22433189BAWQKP1612

