

कार्यालय नगर पालिका परिषद, इटारसी

कं./लेखा/नपाइ/20/365

इटारसी दिनांक 23/09/2020

प्रति,

संयुक्त संचालक (वित्त)
नगरीय प्रशासन एवं विकास
भोपाल

विषय :- नगरीय निकाय के वित्तीय वर्ष 2019-2020 के अंकेक्षित वार्षिक लेखे विभाग की बेबसाइट पर अपलोड करने के संबंध में।

संदर्भ :- आपका पत्र कं./आडिट बजट/शाखा-4(क)/7993 भोपाल दिनांक 10.06.2020 महोदय,

उपरोक्त विषयांतर्गत संदर्भित पत्रानुसार लेख है कि, निकाय के वित्तीय वर्ष 2019-20 की सी.ए. द्वारा तैयार ऑडिट रिपोर्ट निर्देशानुसार संलग्न कर आपकी ओर सादर प्रेषित है।

संलग्न - उपरोक्तानुसार।

पृ कं./लेखा/नपाइ/20/366

प्रतिलिपि :-

1. संभागीय संयुक्त संचालक, नगरीय प्रशासन एवं विकास, भोपाल की ओर सूचनार्थ प्रेषित।

मुख्य नगर पालिका अधिकारी
नगर पालिका परिषद, इटारसी
इटारसी दिनांक 23/09/2020

मुख्य नगर पालिका अधिकारी
नगर पालिका परिषद, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of ITARSI MUNICIPAL COUNCIL

1. Report on the Financial Statements

We have audited the accompanying financial statements of ITARSI MUNICIPAL COUNCIL ("the Corporation"), which comprise the Balance Sheet as at March 31, 2020 and the Income and Expenditure Account for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. Management's Responsibility for the Financial Statements

The Corporation'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 Corporation 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 Corporation 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 Commissioner 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 the internal financial control



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

relevant to the Corporation'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 Corporation'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 Basis for Qualified Opinion paragraph, the aforesaid financial statements give the information as required by the Manual in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Corporation as at 31st March, 2020 and its income/expenditure for the year ended on that date.

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.
- Non-maintenance/incomplete few registers as prescribed under manual.
- Non-availability of details and non-recognition of entries in books of accounts related to security deposits provided by contractors and other service providers to the corporation.
- Non compliance found in TDS on GST provision, as same has neither been deducted nor deposited to the respective Department.
- Shop rents are outstanding since several past years, whose details are provided in Point 2 of Annexure 2 which require effective measures to recover the same.

Our opinion is not modified in respect of these matters.

7. We further report that:

- 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;



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

- 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 Corporation so far as appears from our examination of those books.
- c) The Balance Sheet and Income and Expenditure 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 Balance Sheet and Income and Expenditure Account 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 Corporation.
- 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 Corporation and the operating effectiveness of such controls, refer to our separate Report in 'Annexure 1'.

Place: Bhopal

Date: 16/07/2020

UDIN No: 20418806AAAAAW1069

For Patidar & Associates
Chartered Accountants



CA Neelesh Patidar
(Partner)
MRN - 418806

मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

Annexure '1'

Report on Internal Financial Controls over Financial Reporting

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

We have audited the internal financial controls over financial reporting of ITARSI MUNICIPAL COUNCIL ("the Council") as of March 31, 2020 in conjunction with our audit of the financial statements of the Corporation for the year ended on that date.

2. Management's Responsibility for Internal Financial Controls

The Corporation's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Corporation. 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 Corporation'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 Corporation'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.



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- cpatidar.associates@gmail.com

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

4. Meaning of Internal Financial Controls Over financial Reporting.

A Corporation'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 Corporation'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 Corporation;
- 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 Corporation are being made only in accordance with authorizations of management and officers of the Corporation; and
- c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Corporation'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, 2020:

- a) The Corporation did not have an appropriate internal financial control system over financial reporting since the internal controls adopted by the Corporation did not adequately consider risk assessment, which is one of the essential components of internal financial control, with regard to the potential for fraud when performing risk assessment



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

- b) The Corporation did not have an appropriate internal control system for tax and user charges collection, tax demand evaluation and establishing proper segregation of tax and user charges to various heads of revenue, which could potentially result in the Corporation recognizing revenue without establishing reasonable certainty of ultimate collection.
- c) The Corporation 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 Corporation's trade payables, consumption, inventory and expense account balances.
- d) The Corporation 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 Corporation'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 Corporation'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 Corporation 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, 2020 based on the internal control over financial reporting criteria established by the Corporation.

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, 2020 financial statements of the Corporation, and these material weaknesses do not affect our opinion on the financial statements of the Corporation.

Place: Bhopal
Date: 16/07/2020

For Patidar & Associates
Chartered Accountants



CA Neelesh Patidar
Partner
MRN - 418806



Patidar & Associates
Chartered Accountants

Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

Annexure '2'

The Annexure referred to in paragraph 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 not 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.

- iii) Percentage of revenue collection increase decrease in various heads in property tax, samekitkar, shiksha upkar, nagriya vikas upkar, and other tax compared to previous year shall be part of report. Details are given in Annexure C attached to this report.

- iv) Delay beyond 2 working days shall be immediately brought to the notice of commissioner/CMO. No such instances were noticed during the test check of such entries conducted by us except the circumstances like public holidays, government or local holidays etc.

- v) 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.

- 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 a part of the report.

No details with respect to quarterly and monthly targets set for the FY 2019-20 and 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 and any lapses there to.

However, on verification of revenue registers we observed huge pendency from past several years, below mentioned are few cases.



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

In case of property tax

Ward No.	Consumer Name	Sampati Kar	Samekit Kar	Education Cess	Urban Development Cess	Total
3	Raghavendra	57,198.00	300.00	572.00	14,300.00	72,370.00
2	Hiralal/bajilal	30,026.00	5,210.00	265.00	4,550.00	40,051.00
1	Gangaram/Kaluram	14,409.00	2,996.00	120.00	2,145.00	19,670.00
5	Heerabai	6,084.00	3,450.00	60.00	1,521.00	11,115.00
3	Mahendra	7,867.00	1,050.00	82.00	1,980.00	10,979.00
1	Dilip Kumar/Tulsiram	7,013.00	2,250.00	74.00	1,543.00	10,880.00
1	G P Goswami	12,541.00	3,000.00	128.00	2,784.00	18,453.00
5	Prafullam Kumar	5,724.00	1,500.00	59.00	1,431.00	8,714.00

In case of Water Tax

Ward No.	Consumer Name	Outstanding Year	Outstanding Amount (Rs.)
5	Ram Kishan	April 1996 - March 2020	18,850.00
5	Ram kishore Malviya	July 2002 - March 2019	13,920.00
2	Peer Barkhane	April 2007 - March 2020	12,840.00
5	Ashok Kumar Madanlal	April 2007 - March 2020	12,840.00
2	Manoj Kumar	July 2011 - March 2020	10,400.00
1	Prahlad/ Kunji Lal	April 2012 - March 2020	9,600.00
5	Chhote Lal	April 2013 - March 2020	8,400.00
1	Ramesh Kumar	June 2014 - March 2020	7,000.00



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

In case of Shop Rent

S.no	Particular	Shop No.	Market	Outstanding Since(Estimated)	Outstanding (Rs.)	GST(18%)	Total(Rs.)
1	Avinesh, Anil, Anand	-	-	More than 5 Years	2,79,812.00	50,366.00	3,30,178.00
2	Hotley	2	Pt. Ravi Shankar Market	More than 4 Years	1,02,548.00	18,458.00	1,21,006.00
3	Sanjay Sharma	33	Besides Station	More than 5 Years	88,156.00	15,868.00	1,04,024.00
4	Anand Mohan	8	Tilak Market	More than 12 Years	73,292.00	13,192.00	86,484.00
5	Paramjeet Kaur	26	Besides Station	More than 10 Years	70,844.00	12,751.00	83,595.00
6	Abhay Kumar	16	Pt. Ravi Shankar Market	More than 10 Years	69,403.00	12,492.00	81,895.00
7	Virendra Singh	14	-	More than 9 Years	58,164.00	10,469.00	68,633.00
8	Deepak Ojha	3	Pt. Ravi Shankar Market	More than 8 Years	51,567.00	9,282.00	60,849.00
9	Mahaveer Kishore	8	Pt. Ravi Shankar Market	More than 7 Years	50,427.00	9,077.00	59,504.00
10	Vidhya Jain	107,108,109	-	More than 3 Years	42,000.00	7,560.00	49,560.00
Grand Total					8,86,213.00	1,59,515.00	10,45,728.00

Hawker's Rent

S.no	Particular	Shop	Outstanding Since(Estimated)	Outstanding (Rs.)	GST(18%)	Total(Rs.)
1	Parshuram	Station Ganj	More than 12 Years	89,387.00	16,089.00	1,05,476.00
2	Anil Sunil	Pt. Deepa Day	More than 10 Years	83,148.00	14,966.00	98,114.00



मुख्य प्रभार पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Patidar & Associates
Chartered Accountants

Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

3	Sanjay Kumar	NP South East	More than 8 Years	64,607.00	11,629.00	76,236.00
4	Satya Narayan	Pt. Deen Dayal	More than 10 Years	64,068.00	11,532.00	75,600.00
5	Vijay Vinod	Chawal Line	More than 5 Years	55,884.00	10,059.00	65,943.00
6	Lata Singh Rajput	Garage Line	More than 12 Years	48,354.00	8,703.00	57,057.00
7	Mohan Lal	Chawal Line	More than 5 Years	44,240.00	7,963.00	52,203.00
8	Gopal Rai	Near Park	More than 7 Years	31,320.00	5,675.00	36,995.00
9	Daljeet Singh	Near Park	More than 7 Years	25,774.00	4,639.00	30,413.00
10	Rakha Malviya	-	More than 10 Years	24,840.00	4,471.00	29,311.00
Grand Total				5,31,622.00	95,726.00	6,27,348.00

vii) 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. As interest income recorded at the time of FDR maturity.

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

All FDR's have been verified as 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.

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. Test checked vouchers revealed below mentioned discrepancy.





Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

1. In case of payment, proper bill is not placed by the contractor as essentials of bill is not been made; instances for the same is tabled below:-

S.No.	Date	Bill/Voucher No.	Particular	Head	Remarks
1	07/08/2019	05/06/1983	Ravindra Kumar Dubey	Vidhayak Nidhi	TDS Deducted on the Payment but not deposited to the Government.
2	-	5106126	CMO	Road Construction	Date not mentioned on the Bill.

2. Quotations and necessary documents are generally not annexed with vouchers.

3. TDS @ 2% is required to be deducted on payment made to the supplier of taxable goods or services of both where the value of such supply under a contract exceeds Rs. 2.5 Lakhs. The Provision of TDS on GST are applicable from 1st October 2018.

However ULB nor deducted TDS on GST neither paid to the Government, which attract penalty for not complying with provision of TDS on GST.

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

No issue of any difference in totalling amount was noticed in course of our verification.

- 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 Commissioner / CMO.

No such instance has been noticed during the course of our verification.

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

In absence of availability of guidelines, directives, acts and rules issued by Government of India/ State Government, it was not possible for us to verily 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 were duly supported by financial and administrative sanction accorded by competent



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

authority, However, in absence of information/ written document with respect to administrative and financial limits of the sanctioning authority, it was not possible for us to verify whether the expenditure incurred and sanctioned by authority were within their limits or not.

- 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 Commissioner / 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 (UCS). UC's shall be tallied with the income & expenditure and creation of Fixed Asset

We have verified, on test check basis, the Utilization certificates of various schemes, Grant registers maintained and the same tallies with the income & expenditure and creation of fixed asset. Fixed assets were recognised on payment of final bill and recorded in Registers maintained for fixed asset separately.

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. Accounts department has capitalized the expenditure after final payment of measurement book. 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 corporation.

- 9) He shall verify that all temporary advances have been fully recovered.
As the staff advance register is not provided to us therefore it is not possible to verify and ensures that the advance have been fully recovered by the ULB.

3. Audit of Book Keeping

- i) 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 corporation and on perusal of books of accounts by us, it was noticed by us that the corporation has not maintained all the required books of accounts as prescribed under MP MAM. The bookkeeping related to stores (other than water supply store Dept.) were not provided to us for verification. Hence, it was not possible for us to verify the same.





Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

- ii) 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 Commissioner / 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. Also, the accounts prepared are not in conformity with the accounting standards for local bodies as issued by Institute of Chartered Accountants of India.

- iii) The auditor shall verify advance register and see that all the advance 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 corporation, 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.

- iv) 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

We have verified the bank reconciliation statements (BRS) of all the concerned banks from accounts and records and found them correct. Details regarding the balances as on 31/03/2020 are provided in table below:-

S.No.	Bank Name	Bank Account No.	Closing Balance as per Cash book as on 31/03/2020	Closing Balance as per Pass book as on 31/03/2020	Difference
1	State Bank of India	53018340069	4,44,30,933.45	4,44,30,933.45	-
2	State Bank of India	10745009003	30,473.35	30,348.35	125.00
3	Allahabad Bank	20610241547	1,90,79,058.00	1,90,79,058.00	-
4	Axis Bank	911010037878681	20,500.00	20,500.00	-
5	Axis Bank	656010100010247	15,44,601.00	15,44,601.00	-
6	DCB Bank	10410200000019	1,43,71,824.33	1,43,71,824.33	-
7	HDFC Bank	50100032405937	1,55,74,543.82	1,55,74,543.82	-
8	Canara Bank	2382101012990	51,92,253.90	51,92,253.90	-
9	IDBI Bank	19221040000005531	52,12,040.00	52,12,040.00	-
10	Allahabad Bank	50314067220	1,58,60,675.00	1,58,60,675.00	-
11	HDFC Bank	50100252489784	57,361.00	57,361.00	-
12	HDFC Bank	50100318696380	4,17,47,684.00	4,17,47,684.00	-
13	State Bank of	33238592810	20,040.00	20,040.00	-



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Patidar & Associates
Chartered Accountants

Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

	India				
14	State Bank of India	30246843255	32,974.75	32,974.75	-
15	Dena Bank	063210006125	52,880.00	52,880.00	-
16	Canara Bank	2382101012989	2,12,217.00	2,12,217.00	-
17	Punjab National Bank	0214000100004651	74,643.00	74,643.00	-
18	Axis Bank	9110100061423880	10,13,079.00	10,13,079.00	-
TOTAL			16,45,27,781.60	16,45,27,656.60	125.00

v) 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 verified and found them complete and balanced. Entries verified from Grant register with cash book on test basis and found them to be correctly recorded.

vi) The auditor shall verify the fixed assets register from other records and discrepancies shall be brought to the notices of Commissioner / CMO.
During the course of our verification and as explained by the ULB, fixed assets registers were maintained and possess with the PWD Department. Therefore we are not able to verify the same and comment upon whether it is complete and correctly balance.

vii) The auditor shall reconcile the account of receipt and payment especially for project funds.
Separate cash book is maintained for certain special funds, however these cash books were not made available to us for verification. So cannot comment on that.

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 as with the provided documents and Detail regarding the same is tabled below:-

S.NO.	BANK NAME	FDR NO.	AMOUNT
1	Canara Bank	2382101015984	1,55,33,208.00
2	Canara Bank	2382101012990	1,50,00,000.00
3	Canara Bank	2382101012990	1,00,86,513.00
4	Canara Bank	2382101012990	1,00,86,513.00
5	Canara Bank	2382101012990	12,69,963.00
6	Canara Bank	2382101012989	17,97,636.00
7	State Bank of India	7831827198-3	1,06,87,023.00





Patidar & Associates
Chartered Accountants

Office :
M1 & 2, 154, M.P. Nagar,
Zone I, Bhopal, 462011

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

2. It shall be ensured that proper record of FDR's are maintained and renewals are timely done.
Proper records of FDRs are maintained.
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.
Investments are made by the ULB at competitive rate. No instance found where FDR's are kept at low rate of interest than the prevailing rate.
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.
Only few files related to tenders and bids were presented before us, so we can comment only on basis of cases verified for procedures to tenders / bids.
2. He shall check whether competitive tendering procedures are followed for all bids.
As per the information and explanation provided to us by the management of the Corporation, Proper tendering procedure is during the allotment of the same. Hence, it seems that the compliance of such procedures is made.
3. He shall verify the receipts of tender fee / bid processing fee / performance guarantee both during the construction and maintenance period.
Tender fees and bid processing fees has been taken to books of accounts and realised as income of current year. Performance guarantee were recorded in respective registers, which is in possession with PWD Department.
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 Commissioner ICMO.
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 BG'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.



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Email- capatidar.associates@gmail.com

6. Audit of Grants and Loans

- i) 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 government, Details for the same is provided in table below:-

S.No.	Grants	Opening Balance	Received	Utilized	Closing Balance
1	PMAY	3,87,35,000.00	10,04,00,000.00	9,36,25,000.00	4,55,10,000.00
2	MP Fund (Sansad Nidhi)	17,54,914.00	1,16,36,029.00	40,93,668.00	92,97,275.00
3	14th Finance Commission	-	4,99,43,000.00	2,96,17,103.00	2,03,25,897.00

- ii) He is responsible for audit of grants received from State Government and its utilization. Verification had been conducted for the grants received from the State government, Details for the same is provided in table below:-

S. No.	Grants	Opening Balance	Received	Utilized	Closing Balance
1	Road Maintenance	-	68,41,000.00	53,36,961.00	15,04,039.00
2	Basic Amenities (Mulbhoot)	4,67,921.00	2,33,33,000.00	2,37,97,708.00	3,213.00
3	State Finance Commission	-	1,72,98,000.00	1,43,70,664.00	29,27,336.00
4	Legislative Fund (Vidhayak Nidhi)	6,130.00	6,59,000.00	5,77,000.00	88,130.00
5	CM Urban Drinking Water	4,44,22,000.00	-	1,58,43,983.00	2,85,78,017.00
6	CM Kanyadan Yojna	-	17,94,000.00	16,86,000.00	1,08,000.00
7	Passenger Tax	-	41,17,000.00	41,16,754.00	246.00
8	Stamp Duty	-	50,03,000.00	49,99,311.00	3,689.00
9	Octroi Compensation	66,59,842.00	12,85,82,496.00	13,38,96,682.00	13,45,656.00
10	Export Duty	-	2,04,43,000.00	2,04,29,377.00	13,623.00

मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

11	Special Fund	-	59,30,000.00	25,00,000.00	34,30,000.00
12	E Library Fund	10,00,000.00	-	-	10,00,000.00
13	Public Convenience	-	5,09,200.00	-	5,09,200.00
14	Individual Toilet	-	16,32,000.00	6,86,106.00	9,45,894.00
15	CM Sanitation Mission	24,00,000.00	26,43,000.00	21,42,631.00	29,00,369.00
16	Sambal Yojna	-	16,00,000.00	-	16,00,000.00
17	Janbhagidari	-	90,000.00	-	90,000.00

iii) 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, No Loan is obtained during the financial year neither outstanding from previous years.

iv) The auditor shall specifically point out any diversion of funds from capital receipts/ grants/ bans to revenue expenditure.

As per the information available to us and as per our verification some instances of diversion of funds from one grant account to another has not been noticed.

Differences may arise due to difference of balance in grant register and non-adherence to guidelines related to opening of a designated bank account for each grant. Possibilities cannot be ruled out for situations wherein same bank account may be used for regular transactions of administration of Corporation like salary and other administrative expense. It is strongly suggested to maintain the spirit of financial propriety that separate bank account should be maintained for each fund and monitored separately while regular expense of Corporation should be paid through bank account for such purpose. Hence, diversion of fund cannot be rolled out.



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

NAGAR PALIKA ITARSI, DIST. HOSHANGABAD
INCOME AND EXPENDITURE A/C 2019 -20

INCOME	Amount(Rs.)	EXPENDITURE	Amount(Rs.)
Urban Development Cess Arrear	19,67,519.00	Establishment Salary	9,36,92,980.00
Urban Development Cess Current	6,39,858.00	Stores, Accounts Department	1,92,39,253.00
Proper Tax Arrear	78,17,140.00	Ex Gratia Grant	1,50,000.00
Proper Tax Current	31,36,467.00	Temporary Establishment	3,01,772.00
Education Cess Arrear	80,331.00	Professional Tax	2,78,931.00
Education Cess Current	43,658.00	Pension Contribution	18,20,660.00
Samekit Kar Arrear	12,92,399.00	Leave Encashment	10,08,936.00
Samekit Kar Current	3,69,913.00	EPF	1,37,92,715.00
Water Tax Arrear	24,76,388.00	Other Allowances	1,49,900.00
Water Tax Current	11,68,431.00	Tds on Contractor	24,72,606.00
Octroi Compensation	12,85,82,496.00	GST	33,37,914.00
Passenger Tax	41,17,000.00	Electricity Charges	3,47,27,826.00
Export Duty	2,04,43,000.00	Telephone Expenses	2,58,345.00
Septic Tank Cleaning Fees	47,000.00	Postage Expenses	2,000.00
E Tender Fees	6,06,600.00	Akasmikta Patrika	53,720.00
Advertisement Fees	1,11,800.00	Printing Expenses	17,68,359.00
Animal Registration Fees	1,750.00	Computer, Printer Repair	7,84,573.00
Market Fees	3,83,359.00	Photocopy	1,96,851.00
Daily Market Fees	10,95,000.00	Fuel Expenses	33,94,536.00
Slaughter Fees	18,450.00	Vehicle Rent	10,96,076.00
Bus Stand Fees	4,30,650.00	Other Program	18,60,631.00
Other Income	5,091.00	Vehicle Repair and Maitenance	26,22,525.00
Flour Mill License Fees	1,644.00	Other Charges	11,49,120.00
License Fees	1,27,100.00	Vehicle Insurance	1,85,300.00
Birth, Death, Marriage Cerificate	9,216.00	Audit Fees	5,65,000.00
Copy Fees	17,190.00	Court Case Fees	2,02,525.00
Vehicle Maintenance	91,000.00	Tender advertisement	11,14,725.00
Mutation Fees	13,39,832.00	National Festival Expense	11,00,441.00
Tanker Rent	18,650.00	General Purpose	16,82,530.00
Other water Connection	8,130.00	Councilor Allowances	8,32,220.00



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

Road Cutting	4,79,130.00	Other Expenses	3,12,377.00
Receipt from Press	1,93,875.00	Other Materials	27,00,590.00
Ration Card Fees	57,725.00	Store and other Charges	73,607.00
Premium Receipt	2,48,625.00	Paver Block Construction	33,63,809.00
Commercial Premises Receipt	1,975.00	Repairing Material	1,01,17,615.00
Building Permission Fees	41,95,205.00	Material Purchase	59,44,877.00
Bank receipt(fees)	43,20,751.00	Garbage installation and maintenance	16,39,569.00
Aahat Fees	75,760.00	Park Maintenance	21,22,029.00
Shop, howkers Rent	64,58,458.00	Construction and Repair	7,98,678.00
Security Deposit	3,45,000.00	Cleaning Material	8,87,502.00
Other Receipt	12,75,027.00	Bank Charges	7,652.00
Road Maintenance	68,41,000.00	Budget and Finance Management	1,84,500.00
14th Finance Commission	4,99,43,000.00	Election Promotion	19,22,620.00
Basic Amenities Grant	4,06,31,000.00	MP Fund(Sansad Nidhi)	21,26,242.00
MP Fund(Sansad Nidhi)	5,00,000.00	Central and State Government Grants(Other)	64,60,014.00
Kanyadan Yojna	18,45,000.00	Security Deposit	81,32,396.00
Legislative Fund(Vidhayak Nidhi)	35,16,706.00	New work Expenses	55,21,572.00
PMAY(B.L.C)	10,04,00,000.00	Street Light	8,08,062.00
PMAY(A.H.P)	31,61,607.00	Furniture Purchase	6,99,061.00
Information Communication	5,00,000.00	Ideal Road Construction	1,51,79,925.00
Waste Collection Grant Receipt	16,46,000.00	Drain Construction	2,77,20,228.00
Stamp Duty	50,03,000.00	Culvert Construction	8,64,613.00
Sanchit Nidhi	23,65,000.00	Consultancy Fees	1,54,820.00
Individual Toilets	16,32,000.00	Development and Repair Expenses	20,42,842.00
Central and State Government Grants(Other)	66,00,354.00	Urban Sanitation Mission	95,446.00
Janbhagidari	90,000.00	Paver Block Construction	15,51,834.00
CM Swacchta Mission	4,97,000.00	Boundarywall Construction	85,919.00
CM Sambal Yojna	16,00,000.00	State Finance Commission	13,82,912.00
Lake Beautification	59,30,000.00	CM Urban Drinking Water Plan	1,68,89,816.00
		Beautification of Public Places	60,95,290.00
		PMAY(BLC)	7,41,75,000.00
		PMAY(AHP)	2,07,51,116.00
		Individual Toilet under	9,95,382.00



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद्, इटारसी



Office :
M1 & 2,154, M.P. Nagar,
Zone I, Bhopal, 462011

Patidar & Associates
Chartered Accountants

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

		Sanitation mission	
		Solid Waste Management	6,57,766.00
		Kanyadan Yojna	17,79,840.00
		Legislative Fund(Vidhayak Nidhi)	4,71,500.00
		Road Development work	40,67,307.00
		Excess of Income over Expenditure	81,72,962.00
TOTAL	42,68,00,260.00	TOTAL	42,68,00,260.00

लेखा अधिकारी



मुख्य नगरपालिका अधिकारी

मुख्य भवन पालिका अधिकारी
नगरपालिका परिषद, इटारसी



Patidar & Associates
Chartered Accountants

Office :
M1 & 2, 154, M.P. Nagar,
Zone I, Bhopal, 462011

Ph. No. 9179179143

Email- capatidar.associates@gmail.com

Other Audit Observations

1. Non recovery of taxes

Urban Local Bodies (ULB) earn revenue from their own resources through taxes, rent, fees, issue of licenses etc. In test checked Nagar Palika Nigam as of 31 March 2020 a sum of Rs. 6.34 Crores (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 taxes

Sl. No.	Type of Tax	Due amount recoverable on 01/04/2019	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
1	Sampatti Kar	1,26,44,918	64,85,090	61,59,828	1,91,64,567	24,98,419	1,66,66,148	2,28,25,976
2	Samekit Kar	53,50,942	18,29,684	35,21,258	28,45,800	2,57,670	25,88,130	61,09,388
3	Nagriya Vikas Upkar	55,50,189	17,45,604	38,04,585	47,91,053	6,41,767	41,49,286	79,53,871
4	Shiksha upkar	1,99,247	88,448	1,10,799	1,91,641	32,687	1,58,954	2,69,753
5	Bhawan/Bhumi Kiraya	74,78,740	40,90,711	33,88,029	69,65,068	26,44,967	43,20,101	77,08,130
6	Jal Upbhokta Prabhar	1,60,14,225	24,46,224	1,35,68,001	61,22,200	10,72,727	50,49,473	1,86,17,474
	Total	4,72,38,261	1,66,85,761	3,05,52,500	4,00,80,329	71,48,237	3,29,32,092	6,34,84,592
	Total Un-Recovered amount							6,34,84,592

Place: Bhopal

Date: 16/07/2020

For Patidar & Associates
Chartered Accountants



CA Neelesh Patidar
Partner
MRN - 418806

मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी

Annexure C

Name of ULB Itarsi Municipal Council
Name of Auditor Patidar & Associates

S. no.	Parameters	Discription		Observation in Brief		Suggestions
1	Audit of Revenue	Receipts in Rs.				
	Rajaswa Kar Wasooli	Year 2018-19	Year 2019-20	% of Growth		
1	Property Tax	Rs. 8,993,176.00	Rs. 8,983,509.00	-0.11%		Collections wrt dues of current year is around 28% which is average. Need to improve collection efforts of previous years dues and also proper register with Previous dues should be maintained.
2	Samekit Kar	Rs. 2,113,050.00	Rs. 2,087,354.00	-1.22%		Collections wrt dues of current year is around 26% which is also average. Need to improve collection efforts of previous years dues.
3	Nagriya Vikas Upkar	Rs. 2,149,215.00	Rs. 2,387,371.00	11.08%		Collections wrt dues of current year is around 23% which is quite average. Growth with respect to previous year is also improve.
4	Shiksha Upkar	Rs. 137,569.00	Rs. 121,135.00	-11.95%		Collections wrt dues of current year is around 31% which is average. Need to improve collection efforts of previous years dues.
	Total	Rs. 13,393,010.00	Rs. 13,579,369.00	1.39%		
	Gair-Rajaswa Wasooli					
1	Bhawan Bhoomi Kiraya	Rs. 5,013,800.00	Rs. 6,735,678.00	34.34%		Collections wrt dues of current year is around 47% which is good. Need to improve collection efforts of previous years due.
2	Jal Upbhokta Prabhar	Rs. 2,147,006.00	Rs. 3,518,951.00	63.90%		Collections wrt dues of current year is around 16% which is quite average. Growth is in upside trend which is a good sign of recovery.
	Total	Rs. 7,160,806.00	Rs. 10,254,629.00	43.20%		
	Grand Total	Rs. 20,553,816.00	Rs. 23,833,998.00	15.96%		



मुख्य नगरपालिका अधिकारी
नगरपालिका परिषद् इटारसी


Reporting on Audit Paras for Financial Year 2019-20

Name of ULB:

Itarsi Municipal Council

Name of Auditor:

Patidar & Associates, Chartered Accountants

S. no.	Parameters	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 as it is neither deducted nor deposited.
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	Outstanding FDR's details during the year are provided in prescribed annexure.
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		Observations related to diversion of funds has been pointed out in point no. 6 (iv) of annexure 2 of report attached	

	scheme /project to another.			
8	a) Percentage of revenue expenditure (Establishment, salary, Operation & Maintenance) with respect to revenue receipts (Tax & Non Tax).	383.23% (21,72,70,341 / 5,66,95,143) x 100		
	b) Percentage of Capital expenditure wrt Total expenditure.	41.24% (15,24,73,445 / 36,97,43,786) x 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 on Regular basis.	



मुख्य नगर पालिका अधिकारी
नगरपालिका परिषद्, इटारसी