

# कार्यालय नगर परिषद कारी जिला टीकमगढ़ (म.प्र.)

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क्रमांक / 875 / न.प. / 2021

कारी दिनांक 26/6/2021

प्रति,

संयुक्त संचालक  
नगरीय प्रशासन एवं विकास  
सागर संभाग सागर

विषय —: वित्तीय वर्ष 2019-20 की सी.ए. आडिट रिपोर्ट भेजने वावत्।

उपरोक्त विषयांतर्गत लेख है कि वित्तीय वर्ष 2019-20 की सी.ए. आडिट रिपोर्ट सलग्न कर  
सादर प्रेषित

संलग्न —: वित्तीय वर्ष 2019-20 की सी.ए. आडिट रिपोर्ट

मुख्य नगर पालिका अधिकारी  
नगर परिषद कारी  
जिला टीकमगढ़ म.प्र.

**AUDIT REPORT IN CONNECTION WITH ANNUAL AUDIT**



**NAGAR PARISHAD KARI, TIKAMGARH**

We have examined the Receipt & Payment for the year ended on 31<sup>st</sup> March 2020, attached herewith, of Nagar Parishad Kari. With regards to the audit, we have made following observations:

- We certify that the Receipt & Payment Account are in agreement with the books of accounts maintained at the office of Nagar Parishad Kari;
- The responsibility of preparation and presentation of books of accounts is only of management of Nagar Parishad Kari so we rely on the documents, which are presented by management of Nagar Parishad Kari during our audit.
- We Report the following observations / Suggestions:
  - "As per Notes to Accounts in Annexure 'A' Attached".
  - The Observations / Discrepancies / Inconsistencies observed in regards with the scope of the audit have been detailed out in Annexure 'B'
  - Details regarding revenue collection against the budgeted targets and the growth attained during the year in comparison to previous year is given in Annexure 'C'
  - Findings of our verifications is given in Annexure 'D'
- Subject to above-
  1. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of audit;
  2. In our opinion, proper books of accounts have been kept by the above-named entity so far as it appears from the examination of books.
  3. In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with notes thereon, given in above Annexure 'A', 'B', 'C' and 'D' give a true and fair view of the receipts and payments account of the Nagar Parishad Kari for the year ended as at 31<sup>st</sup> March 2020.

Place: Tikamgarh  
Date: 15-05-2021

FOR: PRAMOD CHAMPALAL & CO.

  
  
CA Vaibhav Jain  
(Partner)

M No. 435032

UDIN: 21435032AAAADI7199

NOTES TO ACCOUNTS

1. In the absence of historical balance of all the assets of the ULB we are here unable to provide actual figures of all the assets and liabilities however the Balance Sheet is prepared on the basis of income and expenditure for the year 2019-20.
2. In the absence of suitable data, we are not in the position to comment on Income and expenditures And Receipts and Payment Balances. We only rely on the Books of accounts which are produce before us at the time of Audit.
3. The Grants/ Subsidies were credited in bank accounts of Municipality without intimating about the nature of grant/subsidy. Therefore, it is difficult for the accountants to account the grant in proper heads as well as for auditors in verifying it. The proper sanctioning authority is requested to send the intimation letter specifying the nature of grants / Subsidies. We suggest that summarised statement of monthly grant released and deductions made there from should be obtained from directorate Bhopal and same should be reconciled.
4. Chungi Kshatipurti and Yatrikar received from directorate Bhopal is accounted for on net amount actually received in bank after the deduction from the directorate. Adjustments for deductions made by the directorate, Bhopal from the grant is not grossed up in the books of account. We suggest that deduction made by the directorate should be account for separately.
5. We are unable to verify the details of capitalization of expenditure, since most of the work is in progress. Further in the absence of complete details regarding all the assets of the ULB and fixed assets register Balance Sheet could not be finalised.
6. We suggest that account should be linked with another sweep account with the bank so that idle fund automatically gets transferred to short term deposit without affecting the liquidity of fund, so that extra interest income can be generated.
7. It was Observed that proper log registers for vehicle usage, No of KMS runs, vehicles details were not maintained. Therefore, we are unable to comment on the diesel / petrol expenses incurred by ULB.
8. ULB has purchase various materials such as for water works, cleaning and electricity but is observed that stock register for the same with consumption of material are not accounted for properly. Thus, we are unable to comment upon stock positions of ULB.
9. On sample verification of Tenders/ Bids invited during the financial year, it was found that payments were made in excess of the amount quoted by the contractors during the bidding process.



10. Fixed asset register is not maintained and stores register is not properly maintained by ULB. Nagar Parishad should be advised to maintain register of fixed assets & stores register properly containing location, quantity, amount for proper internal control.
11. It is advisable to ULB that work from contractors should be completed within time frame and action to be taken against such contractors if not completed within given time frame.
12. It is observed that expenditure/ Payments for various heads are booked wrongly in inter head of expenditure / Payments as total expenditure / payments will be same but individually heads of payments are not showing correct figures.
13. In case of running projects, where the payments are made as the progress of the work, since the ULB have not maintained double entry accounting records, it is not possible to verify whether the payment are made as per the contract terms and whether any excess amount have been paid to the vendors.
14. Details/ agreements for the shops auctioned in Nilami were not produced to us for verification.
15. Utilisation certificate for the various expenditure/ payments not issued. Utilisation certificate should be issued to ascertaining successfully completion of work as per terms of tender / quotation/ sanctioned.
16. The ULB have not prepared balance sheet during the period of audit. Due to un-availability of the records, we cannot verify the same. Proper head of entries are not made in the books of accounts. Therefore, it is difficult for us to verify the same.

Place: Tikamgarh

Date :15-05-2021

FOR: PRAMOD CHAMPALAL & CO.



CA Vaibhav Jain

(Partner)

M No. 435032

UDIN: 21435032AAAADI7199

**AUDIT OF REVENUE**

S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	The Auditor is responsible for audit of revenue from various sources.	We have audited all the sources by applying sample test check basis from where municipality is deriving its revenue for the financial year 2019-20 and details of various sources have been reported in Receipts & Payments Account.	Audit of Revenue is carried on sample basis on vouchers and receipt books provided for the purpose of audit.
(ii)	Auditor is responsible for checking the revenue receipts from the counter files of receipt books & verifies that the money received is duly deposited in respective bank accounts.	We have checked the sources of revenue from various sources, by applying sample test check basis from the counterfoils of the receipt books and found that, in some cases there was delay in depositing the cash in the bank account. However it was explained to us that, the same was due to Bank Holiday. Moreover it was observed that proper Receipt Registers were not maintained by the different Revenue Departments of the ULB because of which it was difficult to reconcile the daily receipts with the Cash Book.	In some cases, delayed deposit was observed due to bank Holidays/ Saturday / Sundays.
(iii)	Percentage of Revenue Collection Increase/ decrease in various heads in property tax, Samekitkar, Shiksha Upkar, Nagriya Vikas Upkar & Other Tax as compared to previous year shall be part of audit report.	Percentage of Revenue Collection increase/decrease in various heads in Property Tax, Water Tax, Samekit Kar, Shop Rent, Nagar Vikas upkar and education cess has been mentioned in "Annexure - C"	Percentage of Revenue Collection has been increased in all the kar except in Samekit Kar and Bhavan Bhumi Kiraya. Municipality Should focus on recovery of above-mentioned taxes in best possible manner and take appropriate action also for long time defaulter.
(iv)	Delay beyond 2 working days shall be immediately brought to the notice of Commissioner/ CMO	We have checked the sources of revenue from various sources, by applying sample test check basis from the counterfoils of the receipt books and found that, in some cases there was delay in depositing the cash in the bank account. However it was explained to us that, the same was due to Bank Holiday.	No discrepancies observed.



(v)	Entries in Cash Book should be verified.	While Verifying the entries in the Cash Book it was observed that all the receipts and the funds received are properly recorded as & when received.	The entries in Cash Book have been verified and are properly recorded under the respective head under which it is received.
(vi)	Auditor shall specifically mention in report the revenue recovery against the Quarterly & Monthly Targets. Any lapses in revenue recovery shall form part of report.	Budgets estimated of income and expenditure are prepared on very higher side we suggest that budgeted income and expenditure should be estimated on the basis of actual past income and expenditure. Recovery against target has been specifically mentioned <b>in the table below:</b>	Municipality should use actual figures of past year while preparing budget so that under or over recovery is comparable against budgeted figures.

#### DETAILS REGARDING REVENUE COLLECTION AGAINST THE BUDGETED TARGETS

S. No.	Particulars	F.Y. 2019-20		
		Target	Actual	Under Recovery
1	Sampatti Kar	Not Available	94195.00	NA
2	Samekit Kar	Not Available	296079.00	NA
3	Shiksha Upkar	Not Available	597.00	NA
4	Nagriya Vikas Upkar	Not Available	4248.00	NA

We suggest that budgeted income should be estimated on the basis of actual past income collections. If we compare with the budgeted figure the realisation of income is not up to the mark whereas when we compare the same with the past year actual income the growth is positive.

(vii)	The Auditor shall verify the interest income from FDR and verify that interest income is duly & timely recorded in Cash Book	During the course of Audit it was observed that there are no new investment in FDR during the financial year	We suggest that accounts should be linked with auto sweep account with the bank so that idle fund automatically gets transferred to short term deposit without affecting the liquidity of fund, so that interest income can be earned.
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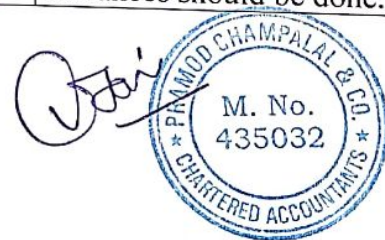
(viii)	The Cases were investments are made on lesser interest rates shall be brought to the notice of the Commissioner / CMO.	No such Instances Observed	No such Instances Observed
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#### AUDIT OF EXPENDITURE

S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	The Auditor is responsible for audit of expenditure under all the schemes.	We have audited the expenditures incurred by the municipality using the sample test check basis during the F.Y. 2019-20	Discrepancies observed have been shown under the respective heads below.
(ii)	The Auditor is responsible for checking the entries in Cash Book & Verifying them from relevant vouchers	We have audited the expenditures incurred by the municipality using the sample test check basis during the F.Y. 2019-20	No Discrepancies observed on our sample test basis observation except Annexure -D
(iii)	Auditor shall check monthly balance of the Cash Book & guide the accountant to rectify the errors.	We have verified the balance of the cash book. No Discrepancies observed on our sample test basis observation	Double checking of the balances of the cash book should be done to avoid differences.
(iv)	Auditor shall verify that the expenditure of particular scheme is limited to the funds allocated for that particular scheme any over Payment shall be brought to the notice of commissioner/ CMO.	The ULB have maintained a single Cash Book & Bank accounts for all the state received grants & ULB's revenue is same and all the expenditures are routed through said bank accounts. Therefore, there are high probability that the expenditure of a particular scheme is done in excess of the funds allocated for the said scheme.	It is advisable that municipality should book expenses/ payments in correct head.
(v)	Auditor shall verify that the expenditure is accordance with the guideline's directives act and rules issued by government of India.	We have verified the expenditure and it is in accordance with the guideline's directives act and rules issued by government of India.	Not Applicable.



(vi)	During the audit financial propriety shall also be checked. All the expenditure should be supported by financial administrative sanctions.	We found that all the expenditures were properly supported by the relevant and required vouchers, they were also adequately supported by the administrative and financial sanction accorded by the competent authority i.e. CMO/ President.	No discrepancies found.
(vii)	All the cases where appropriate sanction has not been obtained shall be reported and the compliance of Audit observation shall be ensured during the audit.	During the course of audit by applying test check basis, we did not come across any such expenditure which has been incurred without obtaining permission from the relevant sanctioning authority.	All the expenses were properly sanctioned except <b>Annexure - D</b>
(viii)	Auditor shall be responsible for verification of scheme project wise Utilisation Certificates (UC'S) & shall be tallied with Income & Expenditure records and creation of Fixed Assets.	ULB has not provided the Utilisation Certificates (UC'S) for the purpose of audit.	It is suggested that project wise utilisation certificate should be prepared, further ensure that expenses are line with their projections.
(ix)	The Auditor shall verify that all the temporary advances have been fully recovered.	No separate advance register has been maintained by ULB.	It is suggested that advance register should be maintained by ULB so that proper recovery of advances should be done.



### AUDIT OF BOOK KEEPING

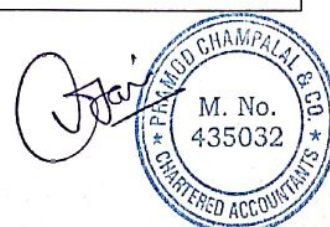
S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	Auditor is responsible for audit of all the books of accounts as well as stores.	We have verified the Cash Book, Cashier Cash Book, Grant Register, Bank account statements, Vouchers, Receipt books and all the records maintained by the municipality and found some discrepancies as mentioned in the notes to accounts attached to this report.	The Books of Accounts and records as provided by municipality for the purpose of audit has been verified. Municipality has not properly maintained SD register, EMD register, Fixed asset register, Stores register, Grant Register.
(ii)	Auditor shall verify that all the books of accounts and stores are maintained as per Accounting Rules applicable to ULB, any discrepancies observed should be brought into notice.	The books of accounts are being maintained in Single Entry Accounting system by applying cash system of accounting.	The Books of Accounts are being made in Single entry system based on Cash Basis. Apart from that only Cash Books are maintained. We suggest ULB should follow proper accounting standards based on Double entry system.
(iii)	The auditor shall verify advance register and see that all the advances are timely recovered according to the conditions of advances. All the cases of non-recovery shall be specifically mentioned in the audit report.	No separate advance register has been maintained by ULB.	It is suggested that advance register should be maintained by ULB so that proper recovery of advances should be done.
(iv)	The auditor shall verify that all the temporary advances have been fully recovered.	No separate advance register has been maintained by ULB.	It is suggested that advance register should be maintained by ULB so that proper recovery of advances should be done.
(v)	Bank Reconciliation Statement shall be verified from the records of ULB & the bank concerned.	Bank Reconciliation Statement has been prepared by ULB and no discrepancies have been observed by us.	No discrepancies observed.



(vi)	Auditor shall be responsible for verifying the entries in the grant register. The Receipts & Payments of grants shall be duly verified from the entries in the Cash Book.	No Grant Register has been prepared and produced by the municipality.	Municipality should enquire on timely basis for clarifying the head under which the grants are provided by the government and maintained separate register for grant received from government.
(vii)	The auditor shall verify the fixed assets register from the records & the discrepancies shall be brought to the notice of CMO.	During the course of audit, we observed that the fixed assets register is not properly maintained by ULB.	We suggest that fixed asset register to maintain by Municipality indicating both quantity and value of fixed assets.
(viii)	The auditor shall reconcile the accounts of receipt and payments especially for project funds.	No separate receipt and payment accounts have been prepared related to project fund hence it is not possible for us to reconcile the same.	Balances of grant register are not properly inked out.

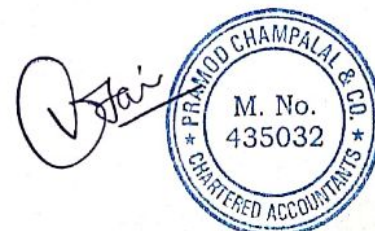
#### AUDIT OF FDR

S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	The auditor is responsible for audit of all FDR & TDR.	Audit of FDR & TDR is carried on by us and found that no new investments in FDR in the financial year.	No such cases are observed.
(ii)	Auditor shall ensure that proper records of FDR are maintained and all renewals are timely done.	Separate register for investments made in FDR is not maintained by ULB.	No such cases are observed.
(iii)	Cases where FDR & TDR are kept at low rate of interest than the prevailing rate shall be immediately brought to the notice of Commissioner/CMO.	No such instances observed.	No such cases are observed.
(iv)	Interest earned on FDR shall be verified from entries in the Cash Book.	Interest Certificates are taken by the ULB from bank and interest are recorded on cash basis and not on accrual basis.	No such cases are observed.



**AUDIT OF TENDER/ BIDS**

S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	The auditor is responsible for audit of all tenders/bids invited by ULB.	We have audited tenders/ bids invited by the ULB during the F.Y.2019-20 by applying sample Test check Basis and no contraventions or exceptions were noticed during the course of audit has been mentioned in Notes to Accounts.	Mentioned in Notes to Accounts.
(ii)	Auditor shall check whether competitive tendering procedures are followed for all bids.	By applying Sample Test Check Basis, we found that competitive tendering procedures are being followed by the municipality.	No discrepancies were observed.
(iii)	Auditor shall verify that receipts of tender fee/bid processing fee/performance guarantee both during the construction and maintenance period.	We have verified the receipts of Bid processing fees/ Tender fees on sample test basis.	Separate register should be maintained mentioning the details of tender fees received from the tender and SD deducted.
(iv)	The Bank guarantee, if received in lieu of bid processing fee/ performance guarantee shall be verified from the issuing bank.	As a performance guarantee the municipality obtained bank guarantee from the contractors.	No such instances have been found.
(v)	The Conditions of BG's shall also be verified and any BG with any such condition which is against the interest of the ULB shall be verified and brought to the notice of Commissioner/ CMO.	As explained to us, all guarantees were received by the municipality during the period covered under the audit.	Separate register should be maintained mentioning the details of tender fees received from the tender and SD deducted.
(vi)	The cases of extension of BG shall be brought to the notice of Commissioner/ CMO proper guidance to extend the BG shall also be given to ULB.	No such extension of BG has been found during the course of audit.	None



### AUDIT OF GRANTS & LOANS

S. NO.	INDICATORS	OBSERVATIONS	REMARKS
(i)	Auditor is responsible for audit of Grants given by CG and its utilisation.	The Audit of Grants has been carried on by us and it has observed that proper grouping of some of the grants are not done.	Utilisation Certificates are not prepared by the ULB for the purposes of audit.
(ii)	Auditor is responsible for audit of Grants received from State Government and its utilisation	We have verified Grants given by CG and its utilisation during the course of audit.	Grants must be recorded under proper heading so that its utilisation can be recorded and entries in the cash book should be done on which amount is received.
(iii)	The auditor shall perform audit of loans provided for physical infrastructure and its utilisation. During this audit the auditor shall specifically comment on the revenue mechanism i.e., whether the asset created out of the loan has generated desired revenue or not. He shall also comment on the possible reasons for non-generation of revenue.	During the course of the audit, it was observed that, Loan from HUDCO had been taken by ULB. However no further details of the application of the loan, Utilisation Certificates have been provided to us for verification.	No such instances observed.
(iv)	The auditor shall specifically point out any diversion of funds from capital receipts/grant/loans to revenue expenditure and from one scheme/project to another.	Diversion of funds cannot be determined due to improper maintenance of Grant Registers and due to non adherence of guidelines of opening a different bank account for each of the specified Grant. The ULB have maintained a Single Cash Book & Bank accounts for all the state received Grants & ULB's revenue is same and all the expenditures are routed through said bank accounts. Therefore there may be chances that there may be diversion of grants.	No such instances observed.



# NAGAR PARISHAD KARI DISTT. TIKAMGARH

## BALANCE SHEET

1-April-2019 to 31-Mar-2020

LIABILITIES		AMOUNT	ASSETS		AMOUNT
<b>Capital Account</b>			<b>Fixed Assets</b>		
Capital Balance	5,67,45,559.74	5,67,45,559.74	CC Road	1,39,25,631.07	2,02,13,537.95
<b>Loans (Liability)</b>			CCTV Camera	1,71,043.00	
Mukhyamantri Adho Sarrachna	80,00,000.00	80,00,000.00	Cooler and Almari	83,875.00	
<b>Current Liabilities</b>			Computer	37,358.36	
Tander Fees	1,35,000.00	1,35,000.00	Dukan Nirmad	15,14,030.90	
			Fire Brigade	19,54,992.00	
			Generator	32,367.54	
			Laptop	38,833.36	
			Locker	46,400.00	
			Printer	70,758.36	
			RCC Shades	5,80,482.00	
			Scanner	4,350.00	
			Tanker 2	1,96,552.00	
			Tata Ace	9,67,589.00	
			Tractor	5,02,743.00	
			TV	41,870.00	
			Water Cooler	44,662.36	
			<b>Current Assets</b>		
			Loan and Advances (Asset)	10,000.00	3,51,92,709.24
			Bank Account	3,51,82,709.24	
			<b>Excess of Expenditure over Income</b>		
			Opening Balance		94,74,312.66
			Current Period	94,74,312.66	
<b>TOTAL</b>		<b>6,48,80,559.85</b>	<b>TOTAL</b>		<b>6,48,80,559.85</b>

Note : In the absence of historical balances of all the assets of the ULB we are hereby unable to provide actual figures of all the assets and liabilities however the above balance sheet is prepared on the basis of Income & Expenses of the year 2019-20.

Date : 15-05-2021

Place : Tikamgarh

CMO- NAGAR PARISHAD KARI

AS PER OUR REPORT ON EVEN DATE

FOR PRAMOD CHAMPALAL & CO.

Chartered Accountants

M. No. 435032  
CA. VAIBHAV JAIN  
(Partner.)

M. No. 435032

UDIN: 21435032AAAADI7199

**NAGAR PARISHAD KARI DISTT. TIKAMGARH**  
**INCOME AND EXPENDITURE STATEMENT**  
**1-April-2019 to 31-Mar-2020**

PARTICULAR		AMOUNT	PARTICULAR		AMOUNT
<b>Indirect Expenses</b>			<b>Indirect Incomes</b>		
Administrative Expenses	7,33,075.18	4,72,77,532.16	14 Vitt		3,78,03,219.50
Advocate fees	50,500.00		Amanat Rashi Prapt	73,71,000.00	
Advertisement Expenses	1,98,356.36		Audit Basuli	98,536.00	
Amanat Rasi	8,000.00		Avash Yojna k liye Prapt	2,170.00	
Antusti Sahayta Rasi	65,000.00		Bajar Bethki	1,02,80,000.00	
Anurah Sahayta	8,50,000.00		Chunki Chhatipurti	42,598.00	
Bank Charges	12,934.50		Govt. MP Labour Commission	1,12,96,006.00	
Biometric Machine	24,174.00		Interest Income	65,000.00	
Chemical Expenses	5,38,838.90		Jal Kar	2,12,173.50	
Commercial Tax	48,875.00		Mudrank	1,02,055.00	
Deisel Expenses	7,35,331.08		Mulbhut	46,000.00	
Election Expenses	1,64,880.00		Nagar Vikas Kar	22,13,000.00	
Electricity Bill	13,02,056.72		Nal Bechdan Sulk	4,248.00	
Furniture and Fitting Expenses	27,440.00		Nal Sayojan Sulk	600.00	
Fical Scal Bed ka Nirman	3,16,276.00		Other Anudan Rashi	4,308.00	
GPF	7,72,732.00		Other Income	25,34,000.00	
Hudco Ltd Loan Payment	5,26,178.54		Rajya Vitta	4,02,056.00	
Income Tax Deposit	1,90,603.00		Rashan Card	16,57,000.00	
Insurance Expenses	83,210.00		Sadak Marammat	7.00	
Jal Praday	18,11,144.42		Samekit Kar	5,92,000.00	
Master Salary	38,57,598.00		Sampati Kar	2,96,079.00	
Nali Nirmad	2,34,400.72		Shram Panijyan Sulk	94,195.00	
Net Expenses	23,552.18		Shiksha Upkar	785.00	
Nirman Karya	11,10,192.00		Suchna Avedan	597.00	
NPS	2,03,996.00		Tanker Kiraya	1,016.00	
Other Expenses	4,80,041.62		Vidhayak Nidhi	16,290.00	
Prashad Bhatta	2,48,025.00		Vivah Ghar	4,70,000.00	
Photo Copy Expenses	45,135.18			1,500.00	
Plantation Expenses	53,500.00				94,74,312.66
PMAY ka Bhugtan	2,10,00,000.00		Excess of Expenditure over Income		
Professional Tax	31,248.00				
Repair and Maintenance	6,73,542.98				
Royalty	89,352.00				
Samudayak Sauchalay	2,93,117.54				
Staff Salary	64,00,342.00				
Stationery Expenses	1,18,654.72				
Swachh Samagri	13,01,335.72				
Toilet Nirman Kist	1,08,820.00				
Upkar kar	14,236.00				
Vehicle Rent	1,19,290.00				
Vidhut	18,95,762.26				
Vikas samuday Nirman Karya	3,45,871.54				
Vinaymit Karmchari Salary	1,21,060.00				
Website Expenses	48,853.00				
<b>TOTAL</b>		<b>4,72,77,532.16</b>	<b>TOTAL</b>		<b>4,72,77,532.16</b>

Date : 15-05-2021

Place : Tikamgarh

CMO- NAGAR PARISHAD KARI

AS PER OUR REPORT-ON EVEN DATE  
FOR PRAMOD CHAMPALAL & CO.

Chartered Accountants



UDIN: 21435032AAAADI7199

**NAGAR PARISHAD KARI DISTT. TIKAMGARH**  
**RECEIPTS AND PAYMENTS**

**1-April-2019 to 31-Mar-2020**

<b>RECEIPTS</b>		<b>AMOUNT</b>	<b>PAYMENTS</b>		<b>AMOUNT</b>
<b>Opening Balance</b>			<b>Fixed Assets</b>		
Bank Account	4,25,24,893.14	4,25,24,893.14	CC Road	55,17,279.80	58,67,871.24
<b>Loans (Liability)</b>			CCTV Camera	90,120.00	
Mukhyamantri Adho Sarrachna	80,00,000.00	80,00,000.00	Computer	37,358.36	
<b>Current Liabilities</b>			Laptop	38,833.36	
Tander Fees	10,000.00	10,000.00	Locker	46,400.00	
<b>Current Assets</b>			Printer	58,470.36	
Loan and Advances (Asset)	6,40,000.00	6,40,000.00	RCC Shades	34,747.00	
			Water Cooler	44,662.36	
<b>Indirect Incomes</b>			<b>Current Assets</b>		
14 Vitt	73,71,000.00	3,78,10,249.00	Loan and Advances (Asset)	8,00,000.00	8,00,000.00
Amanat Rashi Prapt	98,536.00		<b>Indirect Incomes</b>		
Audit Basuli	2,170.00		Interest Income	29.50	7,029.50
Avash Yojna k liye Prapt	1,02,80,000.00		Other Income	7,000.00	
Bajar Bethki	42,598.00		<b>Indirect Expenses</b>		
Chunki Chhatipurti	1,12,96,006.00		Administrative Expenses	7,33,075.18	4,71,49,405.16
Govt. MP Labour Commission	65,000.00		Advocate fees	50,500.00	
Interest Income	2,12,203.00		Advertisement Expenses	2,01,229.36	
Jal Kar	1,02,055.00		Amanat Rasi	8,000.00	
Mudrank	46,000.00		Antusti Sahayta Rasi	65,000.00	
Mulbhut	22,13,000.00		Anurah Sahayta	8,50,000.00	
Nagar Vikas Kar	4,248.00		Bank Charges	12,934.50	
Nal Bechdan Sulk	600.00		Biometric Machine	24,174.00	
Nal Sayojan Sulk	4,308.00		Chemical Expenses	5,38,838.90	
Other Anudan Rashi	25,34,000.00		Commercial Tax	48,875.00	
Other Income	4,09,056.00		Deisel Expenses	7,35,331.08	
Rajya Vitta	16,57,000.00		Election Expenses	1,64,880.00	
Rashan Card	7.00		Electricity Bill	13,02,056.72	
Sadak Marammat	5,92,000.00		Furniture and Fitting Expenses	27,440.00	
Samekit Kar	2,96,079.00		Fical Scal Bed ka Nirman	3,16,276.00	
Sampati Kar	94,195.00		GPF	7,72,732.00	
Shram Paniyan Sulk	785.00		Hudco Ltd Loan Payment	5,26,178.54	
Shiksha Upkar	597.00		Income Tax Deposit	1,90,603.00	
Suchna Avedan	1,016.00		Insurance Expenses	83,210.00	
Tanker Kiraya	16,290.00		Jal Praday	18,11,144.42	
Vidhayak Nidhi	4,70,000.00		Master Salary	38,57,598.00	
Vivah Ghar	1,500.00		Nali Nirmad	2,34,400.72	
<b>Indirect Expenses</b>			Net Expenses	23,552.18	
Advertisement Expenses	2,873.00	21,873.00	Nirman Karya	11,10,192.00	
Repair and Maintenance	19,000.00		NPS	2,03,996.00	
			Other Expenses	4,80,041.62	
			Prashad Bhatta	2,48,025.00	
			Photo Copy Expenses	45,135.18	
			Plantation Expenses	53,500.00	
			PMAY ka Bhugtan	2,10,00,000.00	
			Professional Tax	31,248.00	
			Repair and Maintenance	6,92,542.98	
			Royalty	89,352.00	
			Samudayak Sauchalay	2,93,117.54	
			Staff Salary	62,50,342.00	
			Stationery Expenses	1,18,654.72	



			Swachh Samagri	13,01,335.72	
			Toilet Nirman Kist	1,08,820.00	
			Upkar kar	14,236.00	
			Vehicle Rent	1,19,290.00	
			Vidhut	18,95,762.26	
			Vikas samuday Nirman Karya	3,45,871.54	
			Vinaymit Karmchari Salary	1,21,060.00	
			Website Expenses	48,853.00	
			<b>Closing Balance</b>		
			Bank Account	3,51,82,709.24	3,51,82,709.24
<b>TOTAL</b>		8,90,07,015.14	<b>TOTAL</b>		8,90,07,015.14

Date : 15-05-2021

Place : Tikamgarh

AS PER OUR REPORT ON EVEN DATE  
FOR PRAMOD CHAMPALAL & CO.

Chartered Accountants

M. No.  
435032  
CA. VAIBHAV JAIN  
( Partner )

M. No. 435032

UDIN: 21435032AAAAADI7199

CMO- NAGAR PARISHAD KARI

**Nagar Parishad Kari, Distt. Tikamgarh (M.P.)**

**Bank Reconciliation Statement**

**As on 31-03-2020**

**Allahabad Bank - 599462**

Balance as per Statement 2453251.00

Balance as per Cash Book 2453251.00

**Allahabad Bank - 602179**

Balance as per Statement 1760888.00

Balance as per Cash Book 1760888.00

**Bank of Baroda - 9321**

Balance as per Statement 3818358.50

Balance as per Cash Book 3818358.50

**Central Bank of India - 17740**

Balance as per Statement 131196.00

Balance as per Cash Book 131196.00

**IDBI Bank - 45793**

Balance as per Statement 5025636.00

Balance as per Cash Book 5025636.00

**Madhyanchal Gramin Bank - 128550**

Balance as per Statement 449208.00

Balance as per Cash Book 449208.00



Madhyanchal Gramin Bank -129597

Balance as per Statement	1766722.42
Balance as per Cash Book	<u>1766722.42</u>

Madhyanchal Gramin Bank -129609

Balance as per Statement	17599.00
Balance as per Cash Book	<u>17599.00</u>

Punjab National Bank -004006

Balance as per Statement	4662.00
Balance as per Cash Book	<u>4662.00</u>

State Bank of India-001278

Balance as per Statement	40656.50
Balance as per Cash Book	<u>40656.50</u>

State Bank of India-050827

Balance as per Statement	125231.50
Balance as per Cash Book	<u>125231.50</u>

State Bank of India-300685

Balance as per Statement	4893874.15
Balance as per Cash Book	<u>4893874.15</u>

State Bank of India-36712

Balance as per Statement	362274.45
Balance as per Cash Book	<u>362274.45</u>



State Bank of India-67267

Balance as per Statement	14320786.24
Balance as per Cash Book	<u>14320786.24</u>

State Bank of India-739269

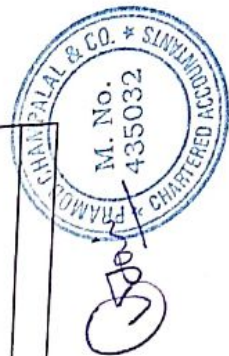
Balance as per Statement	6673.98
Balance as per Cash Book	<u>6673.98</u>

State Bank of India-739418

Balance as per Statement	7601.50
Balance as per Cash Book	<u>7601.50</u>

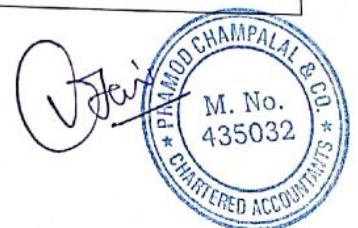


S. NO.	PARAMETERS	DESCRIPTION			OBSERVATION IN BRIEF	SUGGESTIONS
I	Audit of Revenue					
	राजस्व कर वसूली	Receipts in Rs.				
		2018-19	2019-20	% of Growth		
(i)	संपत्ति कर	39003.00	94195.00	141.51	Growth has been observed.	Same growth rate should be maintained in future also.
(ii)	समेकित कर	539934.00	296079.00	-45.16	Negative growth rate observed so need more effort on recovery of such tax.	Better Recovery policy should be adopt and impliment.
(iii)	नगरीय विकास उपकर	17537.00	4248.00	-75.78	Negative growth rate observed so need more effort on recovery of such tax.	Better Recovery policy should be adopt and impliment.
(iv)	शिक्षा उपकर	1455.00	597.00	-58.97	Negative growth rate observed so need more effort on recovery of such tax.	Better Recovery policy should be adopt and impliment.
	कुल योग	597929.00	395119.00	-33.92		
	गर राजस्व वसूली					
(i)	भवन भूमि किराया	4500.00	1000.00	-77.78	Negative growth rate observed so need more effort on recovery of such tax.	Better Recovery policy should be adopt and impliment.
(ii)	जल उपभोगता प्रभार	92852.00	102055.00	9.91	Growth has been observed.	Same growth rate should be maintained in future also.
(iii)	ठोस अपशिस्ट प्रबंधन उपभोगता प्रभार	0.00	0.00	0.00	No recovery found, more efforts should be done for make Nagar Parishad profetable.	Better Recovery policy should be adopt and impliment.
(iv)	अन्य कर / शुल्क	0.00	0.00	0.00	No recovery found, more efforts should be done for make Nagar Parishad profetable.	Better Recovery policy should be adopt and impliment.
	कुल योग	97352.00	103055.00	5.86		
	महा योग	695281.00	498174.00	-28.35		



**ABSTRACT SHEET FOR REPORTING ON AUDIT PARAS FOR FINANCIAL YEAR 2019-20**

2	<b>Audit of Expenditure</b>	The voucher files are properly maintained by Nagar Parishad and the expenditure made are properly sanctioned except Annexure 1.	Bank Charges are not recorded in the Cash book further the interest income of previous year has been recorded in current financial year which has increased the income of ULB	Income & Expenses should be accounted for accordingly in the year in which they are accrued.
3	<b>Audit of Book Keeping</b>	The Nagar Parishad has properly maintained manual books of accounts and records related to daily transactions.	Daily Balancing of cash book should be checked twice in order to avoid the errors which have been reported by us in the report.	Fixed Assets should be marked and depreciation should be charged on all assets. Books keeping should also be maintained in computerised software like tally on regular basis.
4	<b>Audit of FDR</b>	Nagar Parishad has made no investment in FDR	Interest Certificates from bank should be collected in order record correct interest amount for the year.	Separate Register for FDR should be maintained mentioning the due date of each FDR.
5	<b>Audit of Tenders/Bids</b>	Competitive Tendering procedures are followed by nagar parishad.	While vouching the Tenders/Bids files it was observed that the evidence proofs such as PAN card, Firm Registration Certificate, Tax returns of the assessee were not self-certified nor certified by the chartered accountant.	Income evidence proof & other documents should be accepted which are certified by the Chartered Accountant, so that authenticity can be verified.
6	<b>Audit of Grants &amp; Loans</b>	The records related to grants receipts and payments are not properly maintained by Nagar Parishad.	The grants received by nagar parishad is through proper channel and the payments are made by the municipality for the purpose for which the same is provided by the government. The staff of the parishad is not sure of the head under which some grants are received as the same are directly without mentioning heads.	Municipality should enquire on timely basis for clarifying the head under which the grants are provided by the government.



7	<b>Any Diversion of Funds from Capital Receipts/ Grants/ Loans to Revenue Nature Expenditure and from one scheme/ project to another</b>	On Sample test check basis we didn't came across any such diversion of fund.	On Sample test check basis we didn't came across any such diversion of fund <b>Annexure - D</b>	On Sample test check basis we didn't came across any such diversion of fund except <b>Annexure - D</b>
8	<b>Any Other</b>			
A)	Percentage of Revenue Expenditure (Establishment, Salary, Operation & Maintenance) with respect to Revenue Receipts (Tax and non tax) excluding Octroi, Entry Tax, Stamp duty and other grants	No separate data provided by ULB, so we are not comment on the same.	No separate data provided by ULB, so we are not comment on the same.	No separate data provided by ULB, so we are not comment on the same.
B)	Percentage of Capital Expenditure with respect to total expenditure	No separate data provided by ULB, so we are not comment on the same.	No separate data provided by ULB, so we are not comment on the same.	No separate data provided by ULB, so we are not comment on the same.
9	Whether all temporary advances are fully recovered or not.	As explained to us temporary advances are adjusted from salary of the staff.	Nil	Nil
10	Whether the Bank Reconciliation has been regularly prepared	Yes, the bank reconciliation statement has been prepared by the parishad at the year end.	Pending entries in the reconciliation statements should be cleared and accounted accordingly.	Bank reconciliation should be made in regular basis rather than year end.



**Annexure - D**

**Observation during verification of cash book and relevant Vouchers**

During Our verification of vouchers and cash book we found following observation which are as follows: -

1. Balance sheet having opening Balance difference of Rs. 0.11. Management not provided suitable reply for the same.
2. In voucher no. 17, Payment made to Pragati Traders of Rs. 15189/- on date 23-04-2019 where bill date July 217 and bill acceptance date 29/09/2018.
3. In voucher no. 26; dated 26/04/2019, No authorization of payment which was made to Laxman Prasad ghosh of Rs. 3600/-.
4. In voucher no. 27; dated 26/04/2019, No authorization of payment which was made to Laxman Prasad ghosh of Rs. 26281/-.
5. In voucher no. 25; dated 26/04/2019, No payment voucher found during our audit.
6. In voucher no. 59; dated 17/05/2019, No note sheet found for payment to pachra electronics of Rs.7257/- during our audit.
7. We observed that in many vouchers, no seal/ rubber stamp found.
8. In voucher no. 250; dated 14/10/2019, No authorization found for payment of Rs. 25391/-.
9. In voucher no. 251; dated 14/10/2019, No authorization found for payment of Rs. 500627/-.
10. No voucher and authorization found for advance payment made to Mr. Dilip Pathak of Rs. 7,00,000/- on 05/11/2019.
11. Tax payment of Rs. 27502/- made through Pardhan Mantri Awas Yojana bank account which are adjusted till year end.
12. We observed that in many vouchers, no seal/ rubber stamp found.
13. We observed that date not found in quotations received by Nagar Parishad.

