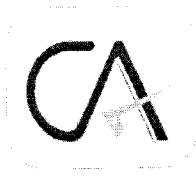


**GOVINDGARH
NAGAR PARISHAD**
AUDIT REPORT F.Y. 2019-20

**AUDITOR:
PATIDAR & ASSOCIATES
CHARTERED ACCOUNTANTS**



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INDEPENDENT AUDITOR'S REPORT

To the Stakeholders of NAGAR PARISHAD GOVINDGARH

1. Report on the Financial Statements

We have audited the accompanying financial statements of NAGAR PARISHAD GOVINDGARH ("the ULB") which comprise the Receipt & Payment account as at March 31, 2020.

2. Management's Responsibility for the Financial Statements

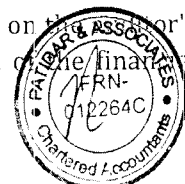
The ULB's Management is responsible for the matters with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the ULB in accordance with the provisions of Municipal Corporation Act, 1956 and accounting principles 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.

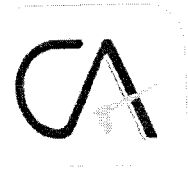
3. Auditor's Responsibility

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., in this regard.

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 and payment 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, 2020.

5. Basis for Qualified Opinion

The details which form the basis of qualified opinion are reported in the Annexure 1 to this report.

6. Emphasis of Matters

We draw attention to following matters reported in Annexure - 1, 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.
 - Difference in revenue recognized by revenue department and as entered in books of accounts.
 - Non-maintenance/incomplete fixed asset, Grant, Security and other 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 ULB.
 - Non compliance with provisions of GST & EPF/ESIC.
 - No reconciliation made between Balance as per Cash book and Balance as per Bank Statement.
 - Grant Receipt and its Utilization were not properly recorded.
- 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:





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- 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) Except for the matter described in the Basis for Qualified Opinion paragraph above, the Receipt and Payment Account comply with the Municipal Accounting Manual and Accounting Standards applicable to the Urban Local Bodies.
- d) 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.
- e) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- f) 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'.

Date: 27-09-2020
UDIN: 20418806AAAAABO8095

For Patidar & Associates
Chartered Accountants



CA Neelesh Patidar
(Partner)
MRN - 418806



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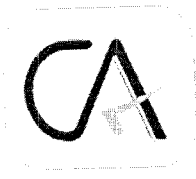
Annexure '1'

The Annexure 1 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 main cashier called cashier cash book from which collected amount move into main cash book. A detailed statement containing outstanding demand and tax collected during the year (Vasuli Patrak) was provided to us by the concerned department duly certified by the concerned officer.
- 3) 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.
- 4) The entries in Cash book shall be verified:
We have verified the entries in cash book on test check basis. There is some totalling error made in Cash Book which is reflecting in Receipt & Payment account.
- 5) 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 2019-2020 and the revenue recovery against such targets was not 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.
Below mentioned are few cases of outstanding from various collectable revenues of ULB.





In case of property tax

Registers of Property tax were made available to us for verification but while recording in register ULB does not maintained the information which is mentioned below:-

- a) Outstanding dues of previous years
- b) Collection against current year dues
- c) Unique identification no. of property

Therefore it is not possible for us to comment on over all position of outstanding dues of previous years and current year.

In case Goods and Service Tax,
GST Registration has not been obtained by ULB.

- 6) The auditor shall verify the interest income from FDR's and verify that interest is duly and timely accounted for in cash book.

Documentary evidence related to FDR is not made available to us for verification resultantly we cannot comment upon the same.

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

Documentary evidence related to FDR is not made available to us for verification resultantly we cannot comment upon the same.

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. In doing so, Some discrepancies is found during our verification of voucher's/note sheets. Details for the same is provided below
 - a. ULB has deposited TDS after its due dates applicable deductions during the Financial Year
 - b. In addition, ULB has also not timely filed TDS return during the F.Y. 2019-2020. For the same, there is a penal provision in delay of filing TDS return, which is not stated





of #200 per day (maximum of TDS amount) under section 234E of the Income Tax Act 1961.

- c. EPF has nor been deducted neither Deposited by the Parishad from the Employee's salary to the respective EPF Accounts. This is huge non-compliance with respect to application of PF Act which in turn will involve huge penalties under respective act.
- 3) He should also check monthly balance of the cash book and guide the accountant to rectify errors, if any.
The monthly balances of cash book were checked by us and found correct for verified instances, however we noticed overwriting from pencil in all over cash book, which should be avoided.
- 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.
Verification was conducted and grant registers were not provided for verification, which makes it difficult to verify overutilization of funds.
- 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 sanctions accorded by competent authority. However, in absence of information 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 be during the audit Non-compliance of audit para's shall be brought to the notice of Commissioner / CMO.
No such instances were noticed during the test check of such entries conduct





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- 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

As per the explanation given by the ULB during the course of our audit, the ULB is not in the practice of maintaining utilization certificate also in absence of fixed asset register and income and expenditure account it was not possible for us to verify the correctness and reliability of figures at which the fixed asset were created/recognized in the books of accounts.

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. Also no fixed assets register were maintained by ULB hence there is no cross check mechanism existing 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.

- 9) The auditor shall verify that all the temporary advances have been fully recovered. As per explanation given to us no staff advance / Temporary advance is pending against ULB. Also advance register has not been maintained.

3. Audit of Book Keeping

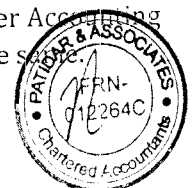
- 1) The auditor is responsible for audit of the books of accounts as well as stores.

As per the information and explanation provided to us by the management of the ULB and on perusal of books of accounts by us, it was noticed by us that the ULB has not maintained all the required books of accounts as prescribed under MP MAM. Below mentioned books of accounts were not provided for verification:-

- 1) Fixed Asset register
- 2) Security Register
- 3) FDR Register.
- 4) Cheque Book Register
- 5) Grant Register

- 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 Commissioner / CMO.

As stated in point no. 1 above, as the books of accounts are not maintained as per Accounting Rules applicable to the Urban local Bodies, it was not possible for us to verify the same.





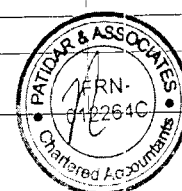
- 3) The auditor shall verify advance register and see that all the advance are timely recovered according to the condition of advance. All the case of non-recovery shall be specifically mentioned in audit report.

As mentioned above, advances to staff and other such register has not been maintained by the ULB as there is no practice of giving any advances to employee.

- 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

Bank reconciliation statement (BRS) has not been prepared by ULB. In Addition there is a difference in Opening balance of Cash Book and Bank Accounts respectively which also needs to be considered. However bank statements of all accounts were provided to us for the purpose of our verification. Overall summary of balances in cashbook and bank statement is mentioned in table below along with its difference.

Bank Accounts Maintained By Nagar Parishad		
Bank	Account No. ends with	Balance as on 31/03/2020
U B I	*676302010002034	26,575.27
U B I	*676302010001223	25,894.50
S B I	*63002929736	139,24,076.62
C B I	1887836764	2,767.00
C B I	1887804732	1,29,647.10
Allahabad Bank	21876883888	4,215.00
Allahabad Bank	21876912786	759.00
Allahabad Bank	50153422562	53,61,939.34
Allahabad Bank	51341300899	32,08,256.64
Allahabad Bank	21876926426	14,05,851.83
JILA Shakari Bank	*684216013369	21,29,580.00
JILA Shakari Bank	*684216013733	8,16,647.00
JILA Shakari Bank	*684216013314	10,19,992.00
JILA Shakari Bank	*684216014078	3,792.00
I D B I.	*42310400063832	3,20,318.13
MADHACHAK GRAMIN BANK	*8081760515	16,718.00
MADHACHAK GRAMIN BANK	*8081761484	4,420.00
CENRA BANK	*1411101022388	35,12,307.02
I C I C I BANK	*330501000142	69,80,225.00
Total		388,93,981.45





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Cash Book Closing Balance as on 31/03/2020	388,93,981.45
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- iv) 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 register was not provided to us for verification during visit, so, cannot verify receipt and utilisation of grants with cash book.
- v) The auditor shall verify the fixed assets register from other records and discrepancies shall be brought to the notices of Commissioner / CMO.
The fixed asset register has not been made. Therefore, we are unable to bring the discrepancies to the notice of Commissioner / CMO.
- vi) The auditor shall reconcile the account of receipt and payment especially for project funds.
No receipt and payment account has been prepared related to project funds. Hence, it is not possible for us to reconcile the same. Also grant register was not provided, so accuracy of balance with bank accounts cannot be verified.

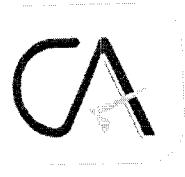
4. Audit of FDR

- 1) The auditor is responsible for audit of all fixed deposits and term deposits.
ULB has not provided records related with FDRs. Hence we cannot comment on maintenance of FDR or Term deposits.
- 2) 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.
As relevant document were not provided to us by ULB for verification, we cannot comment on the same.
- 3) Interest earned on FDR/TDR shall be verified from entries in the cash book.
It has been observed that no entries related to interest earned on FDR/TDR has been done in the cash book.

5. Audit of Tenders / Bids

- 1) The auditor is responsible for audit of all tenders / bids invited by the ULB.
Documents of tender/ bid has been provided for the purpose of verification and found to be consistent and according to generally accepted rules for the same.
- 2) He shall check whether competitive tendering procedures are followed for all bids.
Proper tendering procedures have been followed by the ULB. E-tendering has been done for any procurement / allotments of Rs. 1,00,000/- or more. For value less than 1,00,000/- procurement / allotments are done based on quotations.
- 3) He shall verify the receipts of tender fee / bid processing fee / performance guarantee fee during the construction and maintenance period.





Tender Fees / bid processing fees were recorded in cash book in the month in which it is received. No security registers were provided to verify receipt / release of performance guarantee.

- 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 / 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 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.

6. Audit of Grants and Loans

- i) The auditor is responsible for audit of grants given by Central Government and its utilization. As mentioned in Point No.3 Grant Register were not maintained by the ULB and also no details regarding opening or closing balances of the grant heads provided to us. Hence we cannot comment on the utilisation of grant and balance at the end of the year. However grant amount received during the year were provided which have been produced below:

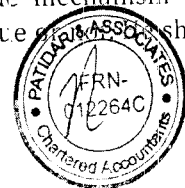
राज वित्त आयोग	29,10,000.00
सड़क अवुरुक्षण	6,46,000.00
मूल भूत	24,84,000.00
14 वित्त	99,66,000.00

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

Grant register is not maintained by the ULB. Therefore we cannot verify the Grants received from state government with the grant register and ensuring its proper utilization.

- 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. He shall also comment on the possible reasons for non-generation of revenue.





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Details regarding loan were not provided by the ULB and hence we cannot comment on the revenue mechanism i.e. whether the asset created out of the loan has generated the desired revenue or not.

- iv) The auditor shall specifically point out any diversion of funds from capital receipts/ grants/ banks to revenue expenditure.
As per the information available to us and as per our verification of some instances no cases of diversion of funds have been noticed.



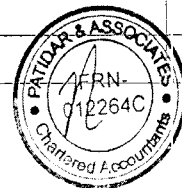


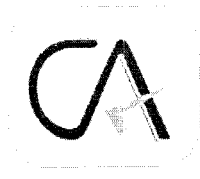
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गोविंदगढ़ नगर परिषद्
प्राप्ति एवं भुगतान 2019-2020

प्राप्ति	राशि	भुगतान	राशि
प्रारंभिक शेष	26688914.11	पार्षद भत्ता	2,97,768.00
सम्पत्ती कर	2,06,371.00	सामान्य प्रशासन एवं विभाग	34,24,060.00
समेकित कर	1,25,980.00	राजस्व विभाग	15,23,547.00
बजार बैटकी	88,070.00	स्वास्थ्य कर्मचारी	22,91,274.00
टैक्सी स्टैंड	1,07,060.00	कम्प्यूटर आपरेटर	2,40,220.00
बस स्टैंड फीस	3,69,660.00	सामान्य प्रशासन श्रमिक	47,700.00
शिक्षा उपकर	68,980.00	विद्युत श्रमिक	1,85,850.00
नगरीय विकास उपकर	32,108.00	फायर मैन श्रमिक	4,78,980.00
जलकर राशि	3,81,212.00	संविदा श्रमिक	10,01,619.00
नल अग्रिम	2,350.00	कर्मचारी का वेतन	4,74,766.00
नल संयोजन	9,200.00	जल प्रदाय श्रमिक	6,37,278.00
नल परीक्षण	9,200.00		
नल कनेक्शन फार्म	2,300.00	पोतोई सामग्री / सिनिटेरी सामग्री	25,678.12
अन्य राशि वापस	1,000.00	नाली सफाई	35,574.00
नल विच्छेदन	400.00	स्वास्थ्य सामग्री	7,76,812.56
प्रमाण पत्र	2,790.00	डीजल पर व्यय	2,95,277.00
भूमि किराया	13,800.00	स्वच्छता फ्लैक्स/चित्रकारी लेखन	2,58,561.60
भारतीय एयर टेल	1,25,035.00	नुककड नाटक	51,000.00
कवाड बिक्री	54,755.00	ट्रेक्टर मरम्मत आयशर	69,628.00
स्वच्छता अर्थदण्ड	250.00	ट्रेक्टर ट्राली मरम्मत	3,914.00
पानी टैकर किराया	17,400.00	ट्रेक्टर ड्राइवर	2,56,506.00
निविदा फार्म	8,000.00	मलटैक मरम्मत	93,769.76
सूचना आवेदन	136.00	हाथवेला मरम्मत	14,160.00
भवन विकासा भुल्क	26,277.00	मोटर पम्प मरम्मत	1,45,450.00
वाटर हार्वैस्टिंग चार्ज	7,000.00	पाइप लाइन मरम्मत	2,38,820.00

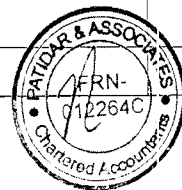




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रैन बसेरा किराया	4,000.00	हैण्ड पम्प मरम्मत	4,10,630.00
अन्य राशि	8,393.27	टैकर मरम्मत	19,005.00
विज्ञापन जुल्क	500.00	स्टार्टर मरम्मत/ जनरेटर मरम्मत	38,480.00
खन्धों मेला साइकिल फीस	20,050.00	फायर ब्रिगेड मरम्मत	1,86,840.00
फायर वाहन भुल्क	500.00	जनरेटर मरम्मत	12,470.00
		फोटोकॉपी मशीन मरम्मत	9,000.00
अमानत	42,100.00	झाड़ू क्रय	6,000.00
एन0एफ0टी0	2,26,386.00	शौचालय सामग्री	2,10,903.76
राज वित्त आयोग	29,10,000.00	शौचालय अंशदान	7,625.00
सड़क अनुरक्षण	6,46,000.00	रैम्पस निर्माण	3,04,009.98
मूल भूत	24,84,000.00	फर्स निर्माण	2,58,836.80
14 विल्ल	99,66,000.00	भवन निर्माण	8,37,978.00
बुन्गी क्षति पूर्ति राशि	1,26,03,095.00	रॉड निर्माण	74,87,050.63
यात्री कर	2,52,000.00	पीसीसी नाली	29,27,352.12
मुद्रांक भुल्क	56,000.00	यात्री प्रतिकालय	55,369.00
ब्याज	10,57,454.00	ई-जनाजा गृह निर्माण	10,86,596.28
कचड़ा वाहन क्रय ठेस अपशिष्ट	13,99,000.00	सामुदायिक भवन	4,91,298.17
		विधुत देयक	26,43,430.00
सर्वीस क्षा अभियान	2,58,400.00	विधुत सामग्री	11,31,541.68
मुख्य मंत्री अधोसंरचना ऋण की राशि	80,00,000.00	बीमा	31,694.00
मुख्य मंत्री भाहरी पेयजल ऋण की राशि	2,13,78,079.00	आयकर नीति/माल सप्लाई आयकर	6,52,940.00
अक्वोशिट सहायता	40,000.00	पोताई सनाग्री/ पोताई कार्य	75,832.64
संबल योजना	12,00,000.00	जी.एस.टी.एन.	6,03,758.00
अंकेक्षण आपत्ति	12,314.00	कार्यालय कमरा ध्वस्त	64,233.00





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	कन्या स्कूल भवन निर्माण	2,36,964.00
	रिटर्न फाइल टीडीएस	51,960.00
	जे०सी०बी किराया	13,552.00
	डब्ल्यू.बी.एम रोड	43,180.00
	बाउण्ड्रीवाल निर्माण	2,32,130.00
	मुख्य मंत्री शहरी	1,44,24,716.00
	मूर्ति क्रय	3,54,758.00
	पानी पिलाने का/पानी टंकी	25,500.00
	जल प्रदाय समायो	9,03,176.21
	हैण्डपम्प सामग्री	9,50,252.50
	पाइप लाइन प्लम्बर	12,250.00
	मोटर क्रय	32,599.08
	मुख्यमंत्री शहरी पेयजल व्यवस्था भुगतान	2,360 00
	हैण्डपम्प खनन	22,804.00
	न्यायालयीन भुगतान	12,000.00
	एसएस पदकपं पदजतपजनजम प्रशिक्षण राशि	20,000.00
	कम्प्यूटर मरम्मत/कार्य	53,016.00
	समाचार पत्र	24,675.00
	विज्ञापन प्रकाशन	1,42,365.00
	अलाव	15,000.00
	सांस्कृति कार्यक्रम टेन्ट भुगतान	66,250.00
	स्टाम्प क्रय	3,180.00
	टेन्डर फार्म वापस	3,000.00
	स्टे इनरी	84,607.00
	कार्यलीन समायो	38,667.00
	प्रसूति सहायता/	35,000.00
	संबल योजना	4,00,000.00
	रिचार्ज	4,027.00
	ई-नगर पालिका	80,720.00





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		टायर पंचर	540.00
		प्रचार-प्रसार	8,000.00
		अधिवक्ता फीस	47,000.00
		अन्त्येष्टि सहायता	55,000.00
		ऑडिट चार्टर्ड भुगतान	34,300.00
		बढ़ी	6,000.00
		अलाव	15,000.00
		सीमा बोर्ड	32,000.00
		ईपीएफ खाता खोलना	7,800.00
		दृष्टीकर कटौती	35,000.00
		बैंक कटौती	1,705.00
		चौदहवा वित्त आयोग की जानकारी	15,000.00
		अलमारी क्रय	9,450.00
		फर्नीचर क्रय	1,05,947.00
		बैटरी क्रय	18,199.04
		कुर्सी	21,300.00
		हुडको ऋण वापसी	8,05,501.00
		अमानत	41,000.00
		अंतिम शेष	38893981.45
योग	90912519.38	योग	90912519.38

मुख्य लेखा अधिकारी
मुख्य लेखा अधिकारी
दिनांक 18.05.20



मुख्य नगरपालिका अधिकारी
मुख्य नगरपालिका अधिकारी
रामेन्द्र महेश्वर शर्मा
दिनांक 18.05.20



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Other Observations

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 Parishad as of 31 March 2020 a sum of Rs.28.45 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.

There is a difference in vasuli Patrak amount unrecovered and table given below. In our opinion there is calculation error in vasuli patrak amounts.

Rs In Lakh

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
SampattiKar	8.91	0.37395	8.53605	1.94786	1.45971	0.48815	9.0242
SamekitKar	10.22	0.604	9.616	1.8412	0.908	0.9332	10.5492
Shikshaupkar	3.06	0.1975	2.8625	0.97393	0.49221	0.48172	3.34422
NagariyaVikasUpkar	1.42	0.14941	1.27059	0.24008	0.21346	0.02662	1.29721
Jalkar	1.164	0.841	0.323	4.83	2.95	1.88	2.203
Bhaven bhumi rent	0.41	0.3359	0.0741	9.204	7.45	1.754	1.8281
Total	25.184	2.50176	22.68224	19.03707	13.4733	5.56369	28.24593
Total Un-Recovered amount							28.245

For Patidar & Associates
Chartered Accountants

Date: 27-09-2020



CA Neelesh Fatidar
(Partner)
MRN - 418806

**Nagar Parishad Govindgarh, Dist. Rewa
Patidar & Associates**

Annexure C
Amount in Lakhs

S.no.	Parameters	Description		% of growth	Observation in brief	Suggestions
		Receipt in (Rs.)				
		2018-19	2019-2020			
	Audit of Revenue					
	Rajaswa Kar wasoli					
1	Sampatti Kar	Rs. 1.72	Rs. 1.83	6.58%	Collections w.r.t. dues of current year is around 74.94% which is above average. Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
2	Samekit Kar	Rs. 1.13	Rs. 1.51	33.64%	Collections w.r.t. dues of current year is around 49.32% which is below average. Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
3	Nagriya Vikas Upk	Rs. 0.03	Rs. 0.36	1340.00%	Collections w.r.t. dues of current year is around 88.91% which is above average. Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
4	Shiksha upkar	Rs. 0.14	Rs. 0.68	394.55%	Collections w.r.t. dues of current year is around 50.54% which is below average. Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
	Total	3.01	4.38			
	Gair-Rajaswa wasooli					
5	Bhawan Bhoomi Kiraya	Rs. 0.00	Rs. 7.78	#DIV/0!	Collections w.r.t. dues of current year is around 80.94% which is above average. Need to improve collection efforts of previous years dues.	NA
6	Jal Upbhokta Prabh	Rs. 1.10	Rs. 3.79	244.55%	Collections w.r.t. dues of current year is around 61.08% which is below average. Need to improve collection efforts of previous years dues.	ULB should impose strict penalties and legal actions to improve past Due collections.
	Total	1.10	11.57			
	Grand Total	4.11	15.95			



Reporting on Audit Paras for Financial Year 2019-2020

Name of ULB: **Govindgarh Nagar Parishad**

Name of Auditor: **Patidar & Associates, Chartered Accountants**

<u>S. no.</u>	<u>Parameters</u>	<u>Description</u>	<u>Observation in brief</u>	<u>Suggestions</u>
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	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	Observations were listed in brief in point no. 5 of annexure 2 of	Details regarding bank guarantee and security registers were not made



		tendering procedures followed	audit report attached	available by the ULB.
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	Details of loan were not made available by the ULB.
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	NA
8	a) Percentag e of revenue expenditu re (Establish ment, salary, Operation & Maintenan ce) with respect to revenue receipts (Tax & Non Tax).	900.44% 1,52,42,485/16,92,7 77x 100		
	b) Percentag e of Capital expenditu re wrt	68.25% (3,55,02,882 /5,20,18,538) x 100		



	Total expenditu re.			
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.	Details were not made available by the ULB.
10	Whether bank reconciliation statements is being regularly prepared		BRS not prepared by the ULB	NA

