

**STATUTORY AUDIT OF**

**NAGAR PARISHAD NAGARI DIST.**

**MANDSAUR**

FOR THE YEAR 2017-2018

**Audited By:-**

**NILESH KOTHARI & CO.**

**CHARTERED ACCOUNTANTS**



M/S NILESH KOTHARI & CO.

Chartered Accountants

64, Chimanganj Mandi, In the front of Digamber Jain Mandir, Ujjain (M.P.) 456006  
Mobile No. 098275-93834 Email at: [canileshkothari@gmail.com](mailto:canileshkothari@gmail.com)

Date:-17<sup>th</sup> September'2018

To

The Chief Municipal Officer/Accountant

Nagar Parishad, Nagari

Nagari Dist. Mandsaur (M.P.)

Dear Sir,

Sub: Audit Report of Nagar Parishad, Nagari

Ref:- लेखा/ऑडिट/सी.ए./2017-18/-2928 दिनांक 14/06/2018 Joint Director Urban Administrative and Development  
Ujjain Division, Ujjain and  
कार्य आदेश ऑडिट/2018/1148 दिनांक 22/06/2018 नगर परिषद नगरी जिला मंदसौर

With reference to above we are enclosing herewith our report for the above Audit, which may please find in order and acknowledge the receipt.

We are also enclosing herewith bill for our Professional fees.

Thanking you,

Yours Faithfully

For Nilesh Kothari & Co.  
Chartered Accountants

  
Nilesh Kothari  
Partner  
M.No.405329



CC: - Office of Joint Director Urban Administrative and Development Ujjain Division, Ujjain

B.O.: -B-201, IInd Floor, Twin Star, Anand Bazar, Near Saket Square, Indore (M.P.) 452018  
B.O.: - 16, Madan Mahal Complex, Jai Stambh Chowk Paratwada, Amravati (M.S.) 444805

CA

M/S NILESH KOTHARI & CO.

Chartered Accountants

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PAN: - AAGFN6260K, C&AG Regn. No. CR4057

**AUDIT REPORT IN CONNECTION WITH ANNUAL AUDIT OF  
NAGARI NAGAR PARISHAD**

Report on the Financial Statements

We have audited the accompanying Receipts & payment account and Income & Expenditure account for the year ended on 31<sup>st</sup> March 2018 of **NAGARI NAGAR PARISHAD Dist. Mandsaur.**

**Management's Responsibility for the Financial Statements**

The Parishad (Corporation) is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Corporation. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Corporation and for preventing and detecting the frauds and other irregularities, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

**Auditor's Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Receipt and Payment Accounts are in agreement with the books of account maintained at the office of Nagar Parishad subject to following Observation/Discrepancies

1. We report the following observations/discrepancies/inconsistencies :

**"As per notes to accounts in annexure "A" Attached".**

2. The observations/discrepancies /inconsistencies observed in regards with the scope of audit have been detailed out in **"Annexure B"** along with its sub schedules **B-1 to B-5**



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3. Details regarding revenue collection against the budgeted targets and the growth attained during the year in comparison to previous year in given in "Annexure C".

4. Subject to above,-

- I. We have obtained all the information and explanations which, to the of best our knowledge and belief, were necessary for the purposes of the audit;
- II. In our opinion, proper books of accounts have been kept by the above named Entity so far as it appears from the examination of the books.
- III. 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' give a true and fair view of the Receipts & Payments account and Income & Expenditure account of the Nagari Nagar Parishad for the year ended on as at 31st March'2018.

For Nilesh Kothari & Co.  
Chartered Accountants

@NileshKothari

CA Nilesh Kothari  
Partner

(M. No. 405329)  
(FRN. 013622C)

Place: - Ujjain  
Date: - 17<sup>th</sup> Sep'2018

  
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# NAGARI NAGAR PARISHAD

## ANNEXURE-A

### NOTES ON ACCOUNTS

- The Income & Expenditure account attached to the report has been prepared on cash basis.
- There was Opening Bank Reconciliation difference of Rs.9,22,234.54 as per last year's Audit report. The same is also reflecting in current year receipts and payment account provided to us for verification
- It is observed that Revenue/Receipts from various taxes and collection are booked wrongly in Inter head Revenue/Receipts, as total Revenue/Receipts are same but individually heads of receipts are not showing correct figures. Some of the discrepancies as observed are as follows:-

Particulars	Income as per Manual Khata Khatoni	Income as per Receipts and payments account
Sampattikar Bakaya	84231	87897
Sampatti Kar C.Y.	194336.52	171271
Samekit Kar C.Y.	163934	159458

- 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. Some of the discrepancies as observed are as follows:-

Head	Particulars
Other Expenses	Rs.190240 expense incurred for purchase of Swachta Samagri has been shown under 'Other Expenses' head which is not proper.
Miscellaneous Expenses	Rs.823183.50/- has been shown under 'Miscellaneous Expense' head which is unreasonably high. The same should have been classified under respective head based on its nature.

- During the year of Audit, Parishad has made wrongly double payment of Rs.200000 to M/s Future designs for DPR and debited in books of account under the head "**Samayojan account**". When the excess payment done earlier is received back the Parishad had credited the same under head "**Payment Return account**" which is not correct.



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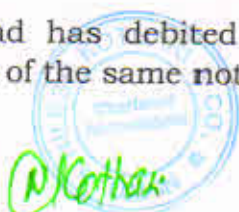
- The following Arithmetical errors were found in manual Cash book maintained by the ULB. The rectification of the same has been provided in Tally accounts maintained by the ULB.-

S. No.	Date	Remarks
1	27/02/2018	Expense side totalling mistake of Rs.100000/-
2	15/03/2018	Rs.400 excess taken in income side.
3	13/06/2017	Rs.1529 income not added while calculating balance.
4	10/08/2017	Rs.510 income added while calculating balance but wrong balance carried forward.
5	08/03/2018	Rs.2000 tender income not added in income.

- Misc. receipts during the year of Audit as per Receipts and Payment account provided to us but details and supporting documents to verify for the same not provided further explanation for the same is also not given to us, detail as under:-

Sr. No.	Particulars	Amount (Rs.)	Remark
1	Telephone Deposit	1500/-	Details not found/Provided to us.
2	Totalling Mistake	109067/-	Totalling Mistake account debited by Rs.109067/- out of which Rs.100400 (Rs.100000/- related to expenses total mistake and Rs.400/ is excess taken in income side) credited due to arithmetical error as mentioned supra & Details for remaining Rs.8667/- not found/Provided to us.
3	Old Mistake	527019/-	Details not found/Provided to us.

- Closing balance of X Bank of Rs.570/- showing as per Receipts and Payment account provided to us but details and supporting documents to verify for the same not provided further explanation for the same is also not given to us.
- Parishad has paid Stautory dues of Rs.302619/- but copy of returns not provided to us for verification of the same.
- Parishad has debited Suspense Account of Rs.4475/- in the year of Audit. Details of the same not found as well as approval for debiting such type of difference under the head of Suspense not found.
- Parishad has debited Shanu Petroleum account (Old BRS) of Rs.21635/- Details of the same not found/provided to us for verification.

  
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- Parishad has debited Totalling Mistake account by Rs.348035/- as per Books of Accounts provided to us for verification. Out of which Rs.4039/- debited due to arithmetical errors as mentioned supra and details of remaining Rs.343996 not found as well as approval for debiting such type of difference under the head of Totalling Mistake Account not found.
- The Nagar Parishad has not provided us the TDS and GST returns for the purpose of audit. Hence we are unable to comment whether the same have been filed timely or not.
- On the verification of Bank Reconciliation Statement of Parishad It is observed that many entries for cheque issued by older than 3 months (even some cheques issued older than 2 years) but still lying in Bank Reconciliation Statement. Technically there is no validity of those cheques proper effect of the same should be given in books of accounts to shown correct picture of financial statements.  
Further observed that Receipts from various sources like Sampati Kar, Jal Kar, Amanat Rashi, NEFT Receipts, Installment of Shochalay and other deposit has been credited in Bank statement but not shown in books.
- On the verification of Bank Reconciliation Statement of Parishad, It is observed that reconciliation account prepare simply mention Debited in Bank but Not Credited in Book and Credited in bank but not debited in books but details of the same not mention as well as provided to us for verification.
- Fixed asset register is maintained in only on quantitative basis which is also not updated and the fixed assets are entered on cash basis in the books even there is no administrative internal control on fixed assets. Nagar Parishad should be advised to maintain register of fixed assets containing location, quantity, amount for proper internal control.
- The grants/Subsidies were credited in bank accounts of Nagar Parishad 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 municipality has to take performance guarantee @ 5% of contract value before issuing work order. But here the municipality is not following practice of taking performance guarantee rather the deduction is made at the time of payment made to contractor.
- The municipality has to maintain challan books for depositing daily collection but here municipality has not maintained challan books from September month when collection through E-receipt has been started.
- From September month of the year under consideration collection through E-receipt has been started and from then the municipality has not maintained separate register for Property Tax, Samekit Kar, Shiksha Kar, Jal Kar. i.e.

  
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direct entry is done in cashier cash book. It is strictly advisable to maintain the details for every tax collection separately.

- The remaining receipts of receipts books are to be cancelled at year end so as to avoid fraud. But during the course of audit we found that remaining receipts of Jalkar receipt book, Vividh book, Nagariya vikas upkar & Shiksha upkar has not been cancelled.
- Store register is not complete. We found that total 15 books of Jalkar have been issued from 1 to 15 but only 13 mentioned in store register.
- The municipality has not separately accounted for the interest payment of HUDCO loan which has resulted in under stated expenses. The details regarding interest & Principal payment are as follows-

Voucher No.	Total payment	Principal	Interest
60	126368	57000	69368
185	124894	57000	67894
391	122639	57000	65639
508	120530	57000	63530


- The Parishad is maintaining separate cash book for Pradhan mantra awas yojna scheme which has not been incorporated in the books. The details regarding the receipts payment of such scheme is as follows-

Particulars	Opening	Receipts	Payments	Closing
PMAY	500000	31800000	30380034.22	1919965.78

- There exist an extraordinary item resulting in expense of Rs.23,06,143/- during the year under consideration. The judgement of the old disputed case with M/s Shubham Electricals, Indore related to purchases of items was against the municipality, hence the amount as ordered by court had been paid to M/s Shubham electricals resulting in expense of Rs.23,06,143/- which was debited under the head of Electricity Power and Accessories.
- Chungi Kshatipurti, Yatrikar and Mudrank Shulk received from directorate Bhopal is accounted for on net amount actually received in the bank after the deduction from the directorate. Adjustments for deductions made by the directorate, Bhopal from grant is not grossed up in the books of account. We Suggests that deduction made by the directorate should be account for separately. Details of the same are also not made available to us.
- We suggest that current 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 interest income can be earned.



  
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- The receipts of interest on FDR were not booked in the cash book. It leads to improper booking of revenue results in revenue leakage. The accountant should be advised to properly book the entries in cash book from the bank statement.
- It is observed that Parishad has not correctly booked receipts and payments timely in correct head as well as necessary accounting entries not made which mislead overall financial statement of Parishad.
- Due to un-availability of opening balances figures of Assets and liabilities Balance sheet cannot be prepared.

Place: - Ujjain  
Date: - 17<sup>th</sup> Sept'2018

For Nilesh Kothari & Co.  
Chartered Accountants.



CA Nilesh Kothari  
Partner  
(M. No. 405329)  
(FRN. 013622C)

  
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# NAGARI NAGAR PARISHAD

## ANNEXURE-B

### (1) AUDIT OF REVENUE

	INDICATORS	OBSERVATIONS	REMARKS
1.	The Auditor is responsible for audit of revenue from various sources.	We have audited all the sources of revenue from various sources, by applying sample test check basis. The Details of various sources have been reported in <b>Annexure 'B1'</b> annexed to this report. It is observed that Revenue/Receipts from various taxes and collection are booked wrongly in Inter head Revenue/Receipts, as total Revenue/Receipts are same but individually heads of receipts are not showing correct figures	Audit of revenue is carried on sample basis on vouchers and receipt books provided for the purpose of audit.
2	The 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, from September month when collection through E-receipt has been started ULB has deposited the daily collection without preparing challans. We also found that remaining receipts from manual receipt books were also not cancelled at year end. As regards to depositing the daily collection in respective bank account, the same has been duly	Apart from below mentioned we have not been observed the amount has not been deposited in respective bank accounts. Further we came across some delays in depositing revenue as mentioned in the report infra vide point No. 4.

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	deposited except the same mentioned below-	
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Date	Particulars
28.04.2017	Revenue of Rs.2625 collected but not deposited in bank account.
01.01.2018	Revenue of Rs.4290 collected but not deposited in bank account.

3	Percentage of Revenue Collection Increase/decrease in various heads in property tax, SamekitKar, ShikshaUpkar, NagriyaVikasUpkar& Other Tax as compared to previous year shall be part of Audit Report.	The details regarding Increase/Decrease in revenue collection in various heads in property Tax, Samekit Kar, Shiksha upkar, Nagri vikas upkar and other taxes compare to previous year have been reported in <b>Annexure "B2"</b> annexed to this report.	Decrease in revenue collection has been found in all taxes collection except water tax receivable and samekit kar previous year. ULB should focus on realisation of due revenue timely.
4	Delay beyond 2 working days shall be immediately brought to the notice of Commissioner/CMO.	During the course of audit we found some delays in depositing revenue the same are as follows-	Below mentioned delays also includes some delay occurred either due to failure of link in bank or due to public holidays.

S. No.	Date of Receipts	Date of Deposits	Amount	Delay	Type of tax
1	06.06.2017	12.06.2017	550	6 days	Vividh, book No. 1 Receipt No.88 to 92
2	07.06.2017	12.06.2017	2630	5 Days	Vividh, book No. 1 Receipt No.88 to 92
3	25.01.2018	01.02.2018	2660	7 Days	Vividh, book No. 7 Receipt No.79 to 87

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4	06.06.2017	12.06.2017	2190	6 days	Jalkar, Book No.06 Receipt No.47 to 65
5	07.06.2017	12.06.2017	2280	5 Days	Jalkar, Book No.06 Receipt No.66 to 100
6	07.06.2017	12.06.2017	7665	5 Days	Jalkar, Book No.07 Receipt No.1 to 78
7	13.04.2017	17.04.2017	85	4 Days	Vividh, book No. 1 Receipt No.14 to 16
8	16.03.2018	20.03.2018	20	4 days	Vividh, book No. 11 Receipt No.1 & 2
9	30.11.2017	04.12.2017	20	4 Days	Vividh, book No. 5 Receipt No.65 & 66
10	16.03.2018	20.03.2018	10460	4 Days	Vividh, book No. 10 Receipt No.82 to 100
11	01.03.2018	05.03.2018	2120	4 days	Vividh, book No. 9 Receipt No.62 to 66
12	06.01.2018	Not deposited	10	-	Vividh, book No. 7 Receipt No.1
13	27.01.2018	01.02.2018	4792	5 Days	Vividh, book No. 7 Receipt No.88 to 94
14	13.04.2017	17.04.2017	2880	4 Days	Jalkar, book No. 2 Receipt No.67 to 70
15	28.09.2017	03.10.2017	3420	5 days	Jalkar Online receipt
16	10.11.2017	14.11.2017	20	4 Days	Sampatti kar online receipt
17	18.12.2017	03.01.2018	2044	16 days	Sampatti kar online receipt
18	27.01.2018	01.02.2018	1507	5 days	Sampatti kar online receipt
19	24.01.2018	01.02.2018	240	8 days	Jalkar Online receipt
20	25.01.2018	01.02.2018	1140	7 days	Jalkar Online receipt
21	27.01.2018	01.02.2018	4680	5 days	Jalkar Online receipt
22	02.02.2018	06.02.2018	390	4 days	Jalkar Online receipt
Note: - Apart from above, The portion Rs.49000/- of the amount collected on 09.02.2018 & 10.02.2018 was deposited on 15.02.2018.					

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	INDICATORS	OBSERVATIONS	REMARKS
5	Entries in Cash Book should be verified.	We have verified the entries reported in the cash book by applying sample test checks .We found some irregularities in posting of the income and expenditures under respective heads. The interest income is not timely recorded in the books.	The posting of receipts and payment should be done under proper heads. The amount shown under miscellaneous expenses of Rs.823183.50/-is unreasonable. It is hereby suggested to specifically classify the same under respective heads and only the nature of expense whose head is not ascertainable should be classified under miscellaneous expenses.
6	Auditor shall specifically mention in report the revenue recovery against the Quarterly & Monthly Targets. Any lapses in revenue recovery shall form part of report.	We have prepared the statement of recovery against the budgeted targets. Complete details of recovery against the budgeted targets have been mentioned in <b>Annexure 'B3'</b> annexed to this report.	It is found that Budgeted and Actual figure have Significant variances target achieve % varying from 27.47% to 95.51% on revenue head wise, which shows that municipality's budget has been prepared based on hypothetical

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		figures. We suggest the same to be based on actual basis based on practicality. Further it is observed that No-where 100% achievement was there.
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	INDICATORS	OBSERVATIONS	REMARKS
7	The Auditor shall verify the interest income from FDR and verify that interest income is duly & timely recorded in Cash Book.	We have verified the FDRs which are held by the municipality and found that the interest income is not account for in cash book. The interest income should be recorded at the time of renewal of FDR.	We suggest that current and saving 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.
8	The Cases were investments are made on lesser interest rates shall be brought to the notice of Commissioner/CMO.	There exist no investments except Fixed deposits with Bank. FDRs are invested at the prevailing interest rate.	Municipality is bearing interest loss by not keeping its funds in auto sweep account. As a ULB it receives huge fund and the same is utilized over a span of time in instalments, So if the account is auto sweep optimum utilization of such funds can be done.

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**(2) AUDIT OF EXPENDITURE**

	<b>INDICATORS</b>	<b>OBSERVATIONS</b>	<b>REMARKS</b>
1	The auditor is responsible for audit of expenditure under all the schemes.	Audit of Expenditure is carried on by us by applying sample test check basis. We found an extraordinary expense during the year under consideration of Rs.2306143/- the same is paid to M/s Shubham Electricals, Indore which is due to order by Court as the decision of disputed case was against the ULB. This has resulted in excess expenditure of Rs.2306143/- which is related to prior period.	The Discrepancies observed have been mentioned infra in the report.
2	Auditor is responsible for checking the entries in Cash Book & Verifying them from relevant vouchers.	While verifying the expenditure from the vouchers some discrepancies observed which are pointed below :	It is advisable that proper procedure should follow before releasing payment.



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Voucher No.	Amount	Particulars	Remarks
16	38000	Nagraj bherumela karyakram	TDS not deducted while making payment.
17	70000	Nagraj bherumela karyakram archestra (Shri radhe rani musical event)	TDS not deducted while making payment.
18	70000	Nagraj bherumela karyakram Bhajan Sandhya	TDS not deducted while making payment.
79	48000	Nagraj bherumela karyakram sound system (Prem sound)	TDS not deducted while making payment.
86	36850	Nagraj bherumela karyakram light decoration. (Sawaliya light decoration)	TDS not deducted while making payment. & date missing on invoice received.
101	200000	Pradhan matri awas yojna DPR (Future Dzine)	TDS not deducted while making payment.
183	89350	Tent vyavastha bhugtan	TDS not deducted while making payment.
203	66672	Flex pamphlet	TDS not deducted while making payment.
240A	1000	Vigyapti	Not recorded in books
312	200000	Pradhan matri awas yojna DPR remaining payment(Future Dzine)	TDS not deducted while making payment.
293	20000	Excellence video vision, banner pamphlet	TDS not deducted while making payment.
367	55240	Excellence video vision, banner pamphlet	TDS not deducted while making payment.
567	24396	Flex, Pamphlet payment	TDS not deducted while making payment.
623	720500	Ambika enterprises	TDS not deducted on advance payment of Rs.1000000
144	6050	Vat Challan	Rs. 6075 paid but recorded in books as Rs.6050.

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3	Auditor shall check balance of the Cash Book & guide the accountant to rectify the errors.	We have verified the balance of the cash book.	Double checking of the balances of the Cash book should be done to avoid differences.
4	Auditor shall verify that the expenditure of a particular scheme is limited to the funds allocated for that particular scheme any over payment shall be brought to the notice of commissioner/CMO.	While verifying the expenditure incurred in a particular scheme on sample test check basis it was 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	It is advisable that municipality should book expenses/ payments in correct head.
5	Auditor shall verify that expenditure is accordance with the guidelines directives act and rules issued by government of India.	We have verified the expenditure on sample test check basis and not observed any deviation except mention supra.	ULB should follow proper procedure to make payments.
6	During the audit financial propriety shall also be checked. All the expenditure should be supported by financial administrative sanctions.	We have verified the financial propriety on sample test check basis and not observed any deviation..	As regards to the financial propriety we did not came across any such expense.



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7	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 sample test check basis, we did not come across any such expenditure which had been incurred without obtaining permission from the relevant sanctioning authority.	No Discrepancies found.
8	Auditor shall be responsible for verification of scheme project wise Utilization Certificates (UC'S) & shall be tallied with Income & Expenditure records and creation of Fixed Assets.	ULB has not provided the Utilization Certificates 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.



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**(3)AUDIT OF BOOK KEEPING**

INDICATORS	OBSERVATIONS	REMARKS
1 Auditor is responsible for audit of all the books of accounts as well as stores.	We have verified the Cash book, Ledgers, Cashier cash book, Grant register, Bank account statements, Vouchers, Receipt books, Store registers and all the records maintained by the municipality and found some discrepancies as mentioned in the notes to accounts attached to this report. Apart from the Discrepancies provided in notes to accounts the following entries not recorded in books of accounts-	The Books of accounts and records as provided by municipality for the purpose of audit has been verified. Municipality has not maintained SD register, EMD register. The property tax register, Samekit kar register, Jal kar register are also incomplete. It is hereby suggested to strictly complete these registers and maintain properly.

Bank Account	Date	Particulars
SBI-271	28.07.2017	Income tax Challan paid of Rs.1050/- but the same has not been recorded in books.
SBI-271	28.09.2017	Rs.6001.18/- paid for sochalaya instalment as per bank statement but the same has not been recorded in books of account.



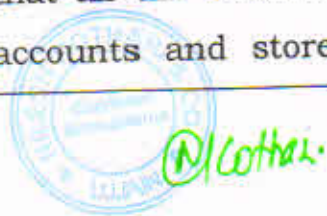
*(M) Gorkh*

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PNB-762	13.12.2017	Rs.251040/- Sochalaya Installment paid but not recorded in books of account.
PNB-762	13.12.2017	Rs.12240/- Sochalaya Installment paid but not recorded in books of account.
PNB-762	14.12.2017	Rs.12240/- Sochalaya Installment paid but not recorded in books of account.
PNB-762	14.12.2017	Rs.12240/- Sochalaya Installment paid but not recorded in books of account.
PNB-762	15.12.2017	Rs.12240/- Sochalaya Installment paid but not recorded in books of account.
PNB-879	17.04.2017	Rs.110 Bank charges not recorded in Books of account.
PNB-879	02.06.2017	Rs.27.50/- Bank charges not recorded in Books of account.
PNB-879	04.01.2018	Rs.17.70/- Bank charges not recorded in Books of account.
PNB-879	20.03.2018	Rs.2000/- had been deposited in bank account but recorded as Rs.20000/- in books of account.
PNB-743	26.03.2018	Amount deposited in bank as per books of account Rs.9209/- but the same has not been found in bank statement.

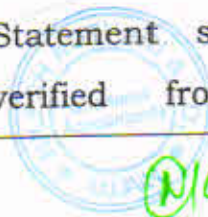
2	Auditor shall verify that all the books of accounts and stores	The books of accounts are being maintained in Double Entry	Though the amount collected has been deposited but in
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	are maintained as per Accounting Rules applicable to ULB, any discrepancies observed should be brought into notice.	Accounting System by applying cash system of Accounting. During the course of audit we found that from the year under consideration municipality has started revenue collection by issuing E- receipt but the amount collected has been deposited without preparing challan on daily basis. The ULB has not completed the corresponding registers of revenue collection.	absence of challan book it seems that municipality has not properly followed the procedure for depositing daily collection. The practice followed by municipality may result in fraud in coming years. Hence it is strictly advisable that in depositing daily collection proper procedure should be followed.
3	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.	During the course of audit, we found that no advance register is being prepared and maintained by the municipality for their internal records because they are rarely giving any advance to its employee(s).	As regards to non-recovery, No such instances were observed.
4	Bank Reconciliation Statement shall be verified from the	Municipality is preparing bank reconciliation statements for its bank	Municipality should prepare proper Bank Reconciliation

  
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	records of ULB & the bank concerned.	accounts. The same are annexed to this report in <b>Annexure "B4"</b> . We found some discrepancies in bank reconciliation statement the same are provided for in 'Notes to Accounts' annexed to this report and point no.1 supra.	Statement with complete disclosure of differences. Further effects for the differences should be given in books.
5	Auditor shall be responsible for verifying the entries in the grant register. The Receipt & payments of grants shall be duly verified from the entries in the Cash Book.	We have verified the entries in the grant register on sample basis. We have also verified the receipt and payments of grants with the entries in the cash book. Details have been annexed to this report in <b>Annexure "B5"</b> .	Municipality should enquire on timely basis for clarifying the head under which the grants are provided by the government.
6	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 Asset register is not properly maintained by the parishad, only quantitative figures are available and records regarding the value of these Fixed assets are not mentioned.	Fixed Assets of the ULB should be marked and its recording in Register must be done. And there should be system of providing depreciation on all depreciable Fixed assets by the municipality.
7	The auditor shall reconcile the accounts of receipt and payments especially for project funds.	We have reconciled the account of receipts and payments of the project fund.	No Discrepancies observed

  
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**(4) AUDIT OF FDR**

INDICATORS		OBSERVATIONS				REMARKS
1	The auditor is responsible for audit of all FDR & TDR.	There exists 2 FDRs and the same has been physically verified by us. The details regarding the same are follows-				
Bank name	A/C No.	Amount	Maturity amount	FDR date	Maturity date	Interest rate
Punjab National Bank	273200DP00002628	497337	533075	21/04/2017	21/04/2018	7.00%
Punjab National Bank	273200PR00003665	764347	947393	31/05/2016	31/05/2019	7.25%
2	Auditor shall ensure that proper records of FDR are maintained and all renewals are timely done.	Municipality has opted for auto renewal of the FDRs on its maturity thereby risk of not getting timely renewal of FDRs is almost nil.				It is suggested that at the time of renewal quote taken from other nationalised bank also, to compare higher rate on FDR.
3	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.	All the FDRs have been kept at the appropriate rate of interest and we didn't come across any instances where the FDRs have been kept at low rate of interest than the prevailing market rate.				No Discrepancies were found.
4	Interest earned on FDR shall be verified from entries in the Cash Book.	As regards the verification of the interest earned and its reporting in the cash book we draw attention to the point that municipality is not recording the interest income from FDR in books.				We suggest Municipality should record the interest earned on FDRs as and when the same are renewed.



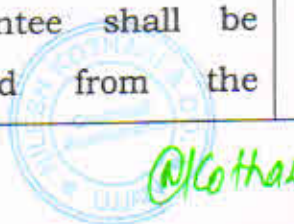
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**(5) AUDIT OF TENDER/BIDS**

	<b>INDICATORS</b>	<b>OBSERVATIONS</b>	<b>REMARKS</b>
1	The auditor is responsible for audit of all tenders/bids invited by ULB.	We have audited the tenders/ bids invited by the ULB on sample test check basis, and no contraventions or exceptions were noticed during the course of audit.	No Discrepancies found.
2	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 followed by the municipality except in the cases where only one bidder was involved in the bidding process.	No Discrepancies were found.
3	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. Municipality has not taken Performance guarantee from contractor before issuing work order in form of FDR.	Separate register should be maintained mentioning the details of tender fees received from the tender and SD deducted. We suggest to take appropriate Performance guarantee from contractor before issuing work order
4	The bank guarantee, if received in lieu of bid processing fee/performance guarantee shall be verified from the	There are no instances of the bank guarantees received in lieu of bid processing fee/performance guarantee.	No such instances observed.

  
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	issuing bank.		
5	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.	No guarantees were received by the municipality during the period covered under the audit.	No such instances observed.
6	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.	As no guarantees were received by the municipality question of extension of bank guarantees shall not arise.	No such instances observed.



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**(6) AUDIT OF GRANTS & LOANS**

	<b>INDICATORS</b>	<b>OBSERVATIONS</b>	<b>REMARKS</b>
1	Auditor is responsible for audit of Grants given by CG and its utilization.	We have audited various grants received from the Central government during the year covered under the audit. Details of grant received under various head have been annexed to this report in <b>Annexure "B5"</b> .	Utilisation Certificates are not provided by the ULB for the purpose of audit.
2	Auditor is responsible for audit of Grants received from State Government and its Utilization.	We have audited various grants received from the state government during the year covered under the audit. Details of grant received under various head have been annexed to this report in <b>Annexure "B5"</b> .	Utilisation Certificates are not provided by the ULB for the purpose of audit.
3	The auditor shall perform audit of loans provided for physical infrastructure and its utilization. During this audit the auditor shall specifically comment on the revenue mechanism ie; 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 the revenue.	During the course of audit, we found that no such asset has been created which generate revenue to the municipality hence the question of generating desired revenue does not arise.	No such instances were observed.

*M. Kothari*



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4	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.	On sample test checking of the records we didn't find any diversion of fund from capital Receipts/Grants/Loan to revenue expenditure.	No such instances observed
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Place: - Ujjain  
Date: - 17<sup>th</sup> Sept'2018

For Nilesh Kothari & Co.  
Chartered Accountants

*Nilesh Kothari*

CA Nilesh Kothari  
Partner  
(M. No. 405329)  
(FRN. 013622C)



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**NAGAR PARISHAD NAGARI, DISTRICT MANDSAUR**  
**Receipts & Payment Account for the Year ended 31.03.2018**

Annexure-B1

Receipts	Amount (Rs)	Amount (Rs)	Payments	Amount (Rs)	Amount (Rs)
<b>To Opening Balances</b>			<b>By Opening Balance</b>		11801.07
Bank Difference	263633.00		Punjab National Bank 743		11801.07
Opening Reconciliation Diff.	922234.54				
PNB 11338	520.00		<b>Loans (Liability)</b>		
Punjab National Bank 762	310778.92		H. Loan (Mukhya Mantri Adhosanrachna)		494455.42
Punjab National Bank 879	639621.00				
State Bank of India 271	15605046.61	17741834.07	<b>Revenue Expenditure</b>		
			<b>Establishment Expenses</b>		
<b>Revenue Receipts</b>			Jaikal Sthai Salary	134095.00	
Haddi Chamda	9000.00		Jaikar Akasmata Salary	235230.00	
Asthai Dakhal	21477.00		Parshad Mandey	232838.80	
Avedak	725.00		Rajaswa Sthai Salary	618034.00	
Avedan Prati	144159.00		Sa. Akasmata Salary	174282.18	
Jal Kar Current	438275.00		Salary / Wages A/c.	993239.24	
Jal Kar Outstanding	95505.00		Sa. Prashashan Salary	987454.00	
Jhanda Diwas	2425.00		Swachta Sthai Salary	1199783.00	
Nagar Palika Vidhan	76480.00		Wages	213597.96	
Naveen Nal Connection	28520.00		Cmo Drawal	9000.00	
Other Income	14484.19		GPF	249101.48	
Road Drill	20256.00		Pension	217016.00	
Road Repairing Income	792270.00		Paribhashit Pension	123292.00	5386963.66
Sametik Kar Current	159458.00				
Sametik Kar Outstanding	113564.00		<b>Administrative expenses</b>		
Sampatti Kar Current	171271.00		Diesel Exp.	608744.08	
Sampatti Kar Outstanding	87897.00		Driver	25223.36	
Scrap Income	260.00		Electricity Power / Accessories	2331649.00	
Shauchaley Shulk	2620.00		Jeep/ Tractor / JCB / Fire Brigade Repair	88900.26	



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Shiksha Kar Current	49096.00	Mela	529593.28
Shiksha Kar Outstanding	22705.00	Jalpray Vay	146517.63
Shramik Card	450.00	Vidhiyut Prawah	1392909.18
Shram Upkar Nirman	9000.00	Miscelleneous	823183.50
Sulabh Sochalaya	310.00	Motar Repairing	7775.00
Stand Shulk	21635.00	News & Advertisment	3701.18
Swachta kar	29144.00	News Paper	4105.30
Swachta Shulk	40.00	Vigyapti Expenses	10804.60
Tender Form	86000.00	Vahan Bima	45500.36
Vikas Kar Current	52776.00	Pest Control	31316.36
Vikas Kar Outstanding	23443.00	Rajaswa Akasmikta	110450.74
Vikas Shulk	48950.00	Safai Aksmikta	57080.90
Vilamb Shulk	66075.00	Sa. Sochalay	43192.36
Vyaysay Kar Current	200.00	Swachta Aksmikta	756526.08
Vyaysay Kar Outstanding	165.00	Bank Charges	11709.18
Ration Card	510.00	Stationery	113526.70
Water Tanker	1750.00	Telephone Exp.	22303.00
		Travelling Exp.	46071.80
<b>Assigned revenue and compensation</b>		Consultancy Fees- DPR	200005.90
Chungikshati Purti 20	8946071.00	Swachta Prabhar Chalu	799.00
Yatri Kar	47000.00	Stand Shulk	3621.18
Rajya vitt ayog anudan	1646000.00	Other Expenses	190240.00
Mudhrank Shulk	142615.00		7605449.93
Mulbhut Suvidha Anudan	2859000.00	<b>Operation and Maintenance expenses</b>	
		Handpump Samagri	428085.00
<b>Interest Income</b>		Kitnashak Dawai	112691.00
	641732.00	Jal Samagri	99806.28
<b>Capital Receipts &amp; Liabilities</b>		Pvc Pipe	822777.00
<b>Grants, Contributions (Specific Purpose)</b>		Murram	191603.44
Kachra Vahan Anudan	540000.00	Street Light	50000.00
Sadak Marammat Anurakshan	563000.00		
14 va vitt aayog	5446000.00	<b>Capital Expenditure &amp; Assets</b>	1704962.72
Shamshan Ghat Anudan	10000000.00	<b>Fixed Assets</b>	
		Cc Road	5074747.46



**मुख्य कारपालिका अधिकारी**  
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<b>Deposits and advances</b>					
Amanat Rashi	147880.00				513178.44
Miscellaneous	48.00	147928.00			336964.26
<b>Miscellaneous A/c</b>					1793057.96
Payment return	200000.00				634230.00
Wages Return	5225.00				150159.72
Telephone Deposit	1500.00				73500.00
Totalling Mistake	109067.00				82000.00
Old Mistake	527019.00	842811.00			1333032.90
<b>Closing Balance</b>					9990870.74
X Bank	570.00				2619768.76
					280028.32
					280028.32
<b>Loans, advances and deposits</b>					
Amanat Rashi					65707.08
Samayojan					200003.54
<b>Statutory Dues</b>					
GST					74324.00
Income Tax					156478.00
Royalty					36764.00
Vrati Kar					29200.00
Labour Welfare Tax					5853.00
<b>Suspense A/c.</b>					302619.00
					4475.00
<b>Shanu Petrolium (Old BRS)</b>					21635.00
<b>Totalling Mistake</b>					348035.00
<b>Closing Balance</b>					
Opening Reconciliation Diff.					922234.54
PNB 11338					640266.85
Punjab National Bank 743					525930.70



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**NAGAR PARISHAD NAGARI, DISTRICT MANDSAUR**  
Income & Expenditure Account for the Year ended 31.03.2018

ANNEXURE B1

Expenditure	Amount (Rs)	Amount (Rs)	Income	Amount (Rs)
<b>Revenue Expenditure</b>			<b>Revenue Receipts</b>	
<b>Establishment Expenses</b>			Haddi Chamda	9000.00
Jalkal Sthai Salary	134095.00		Asthai Dakhal	21477.00
Jalkar Akasmita Salary	235230.00		Avedak	725.00
Parshad Mandey	232838.80		Avedan Prati	144159.00
Rajaswa Sthai Salary	618034.00		Jal Kar Current	438275.00
Sa. Akasmita Salary	174282.18		Jal Kar Outstanding	95505.00
Salary / Wages A/c.	993239.24		Jhanda Diwas	2425.00
Sa. Prashashan Salary	987454.00		Nagar Palika Vidhan	76480.00
Swachta Sthai Salary	1199783.00		Naveen Nal Connection	28520.00
Wages	213597.96		Other Income	14484.19
Cmo Drawal	9000.00		Road Drill	20256.00
GPF	249101.48		Road Repairing Income	792270.00
Pension	217016.00		Sametik Kar Current	159458.00
Paribhashit Pension	123292.00	5386963.66	Sametik Kar Outstanding	113564.00
			Sampatti Kar Current	171271.00
<b>Administrative expenses</b>			Sampatti Kar Outstanding	87897.00
Diesel Exp.	608744.08		Scrap Income	260.00
Driver	25223.36		Shauchailey Shulk	2620.00
Electricity Power / Assessories	2331649.00		Shiksha Kar Current	49096.00
Jeep/ Tractor /JCB / Fire Brigade Repair	88900.26		Shiksha Kar Outstanding	22705.00
Mela	529593.28		Shramik Card	450.00
Jalpraday Vyay	146517.63		Shram Upkar Nirman	9000.00



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Nagar Palika  
Mandsaor

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Vidhiyut Prawah	1392909.18
Miscellaneous	823183.50
Motar Repairing	7775.00
News & Advertisement	3701.18
News Paper	4105.30
Vigyapti Expenses	10804.60
Vahan Bima	45500.36
Pest Control	31316.36
Rajaswa Akasnikita	110450.74
Safai Aksmita	57080.90
Sa. Sochalay	43192.36
Swachta Aksmita	756526.08
Bank Charges	11709.18
Stationery	113526.70
Telephone Exp.	22303.00
Travelling Exp.	46071.80
Consultancy Fees- DPR	200005.90
Swachta Prabhar Chalu	799.00
Stand Shulk	3621.18
Other Expenses	190240.00
<b>Operation and Maintainance expenses</b>	<b>7605449.93</b>
Handpump Samagri	428085.00
Kitnashak Dawai	112691.00
Jal Samagri	99806.28
Pvc Pipe	822777.00
Murram	191603.44
Street Light	50000.00

1704962.72

Sulabh Sochalaya	310.00
Stand Shulk	21635.00
Swachta kar	29144.00
Swachta Shulk	40.00
Tender Form	86000.00
Vikas Kar Current	52776.00
Vikas Kar Outstanding	23443.00
Vikas Shulk	48950.00
Vilamb Shulk	66075.00
Vyavsay Kar Current	200.00
Vyavsay Kar Outstanding	165.00
Ration Card	510.00
Water Tanker	1750.00
<b>Assigned revenue and compensation</b>	<b>2590895.19</b>
Chungkikshati Purti 20	8946071.00
Yatri Kar	47000.00
Rajya vitt ayog anudan	1646000.00
Mudhrank Shulk	142615.00
Mulbhut Suvidha Anudan	2859000.00
	13640686.00



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Excess of Income Over Expenditure	1534204.88	1534204.88		
	16231581.19	16231581.19	16231581.19	16231581.19

WE CONFIRM THE CORRECTNESS OF  
ABOVE INFORMATION

FOR NAGAR PARISHAD, NAGARI DIST. MANDSAUR

AS PER OUR REPORT EVEN DATE ANNEXUED

FOR : NILESH KOTHARI & CO.  
Chartered Accountants

CA NILESH KOTHARI  
(PARTNER)

M.No. 405329  
F.R.N. 013622C



PLACE:UJJAIN  
DATE: 17-09-2018

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NAGAR PARISHAD NAGARI, DISTRICT MANDSAUR

Comparative chart as required by Scope head 1 (subhead 3)

ANNEXURE 'B2'

Particulars	2017-18 (Actual)	2016-17 (Actual)	Growth Percentage
Property tax Current Year	171271.00	240008	-28.64%
Property tax Previous Year	87897.00	81755	7.51%
Samekitkar Current Year	159458.00	160931	-0.92%
Samekitkar Previous Year	113564.00	109993	3.25%
ShikshaUpkar Current Year	49096.00	64534	-23.92%
ShikshaUpkar Previous Year	22705.00	24472	-7.22%
Water Tax Current Year	438275.00	465965	-5.94%
Water Tax Receivables	95505.00	64330	48.46%
Nagariyavikasupkar Current Year	52776.00	66608	-20.77%
Nagariyavikasupkar Previous year	23443.00	23453	-0.04%

NOTE: Negative figure (if any) in above percentage column shows decrease in taxes collection as

WE CONFIRM THE CORRECTNESS OF  
ABOVE INFORMATION

FOR NAGAR PARISHAD, NAGARI DIST. MANDSAUR

PLACE:UJJAIN  
DATE: 17-09-2018

AS PER OUR REPORT EVEN DATE ANNEXUED

FOR : NILESH KOTHARI & CO.  
Chartered Accountants

*N.Kothari*

CA NILESH KOTHARI  
(PARTNER)

M.No. 405329  
F.R.N. 013622C



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*[Signature]*  
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**NAGAR PARISHAD NAGARI, DISTRICT MANDSAUR**

Annexure- 'B3'

**Details Regarding Revenue collection against the Budgeted Targets**

S.No.	Particulars	Audited Actual 16-17 (A)	Budget 17-18		Audited Actual 17-18	Growth In Budget as compared to 16-17	Actual Achievement 17-18
			(B)	(C)			
1	Samipatti Kar (Current year)	240008.00	350000.00	171271.00	45.83%	48.93%	
2	Samipatti Kar ( Outstanding)	81755.00	320000.00	87897.00	291.41%	27.47%	
3	Samekit kar ( Current year )	160931.00	350000.00	159458.00	117.48%	45.56%	
4	Samekit kar (Receivables)	109993.00	400000.00	113564.00	263.66%	28.39%	
5	Nagariya vikas upkar (Current year)	66608.00	100000.00	52776.00	50.13%	52.78%	
6	Nagariya vikas upkar ( Receivables )	23453.00	80000.00	23443.00	241.11%	29.30%	
7	Shiksha Upkar (Current Year)	64534.00	100000.00	49096.00	54.96%	49.10%	
8	Shiksha Upkar (Receivables)	24472.00	75000.00	22705.00	206.47%	30.27%	
9	Jal Kar (Current year)	465965.00	594000.00	438275.00	27.48%	73.78%	
10	Jal Kar (receivables)	64330.00	100000.00	95505.00	55.45%	95.51%	

WE CONFIRM THE CORRECTNESS OF ABOVE INFORMATION

AS PER OUR REPORT EVEN DATE ANNEXUED

FOR NAGAR PARISHAD, NAGARI DIST. MANDSAUR

FOR : NILESH KOTHARI & CO.  
Chartered Accountants

PLACE:UJJAIN  
DATE: 17-09-2018

CA NILESH KOTHARI  
(PARTNER)

M.No. 405329

F.R.N. 013622C



नगर परिषद नगरी  
सेवापाल

मुख्य नगरपालिका अधिकारी  
नगर परिषद नगरी

**Panjab national Bank 743**  
**Bank Reconciliation Statement as on 31st March,2018**

ANNEXURE 'B4'

Particulars				Dr.	Cr.
Balance as per books				525,930.70	
CHQ outstanding					
8/11/2016	823512	Misc Exp	1350		
4/2/2017	823494	Misc Exp	500		
1/3/2017	634489	Misc Exp	500		
1/3/2017	634480	Misc Exp	500		
				2,850.00	
<b>Debited in books but not credited in bank</b>					
4/28/2017	Samppati kar				2625.00
1/1/2018	Jalkar				4290.00
<b>Debited In Bank But Not Credited In Book</b>					
8/30/2016	Self		600		
11/10/2016	Diff		229		
1/27/2017	Diff		40		
					869.00
<b>credited In Book But Not debited In Bank</b>					
6/6/2017				200.00	
<b>credited In Bank But Not debited In Books</b>					
4/4/2016	NEFT		21635		
4/11/2016	BILL 273200A000		39721		
9/1/2016	TRF		1000		
6/3/2017	excess deposit		100		
10/31/2017	NEFT		700		
11/15/2017	by cash		2		
2/15/2018	by cash		108		
				63266.00	
<b>Balance as per Bank Statement</b>					584,462.70
			<b>Total (Rs.)</b>	<b>592,246.70</b>	<b>592,246.70</b>
				0.00	

<b>SBI 271</b>					
<b>Bank Reconciliation Statement as on 31st March,2018</b>					
Particulars				Dr.	Cr.
Balance as per books				18,685,014.03	
Chq Outstanding					
3/31/2017	salary wages			43,605.00	
<b>Debited In Bank But Not Credited In Book</b>					
11/8/2016	amanat rashi				3,000.00
7/28/2017	6075-6050				25.00
7/19/2017	721.18-720				1.18
7/1/2017	7777.36-7775				2.36
7/28/2017	Transfer				1,050.00
9/29/2017	NEFT Pravin salim				6001.18
<b>Balance as per Bank Statement</b>					18,718,539.31
			<b>Total (Rs.)</b>	<b>18,728,619.03</b>	<b>18,728,619.03</b>



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मुख्य नगर पालिका अधिकारी  
 नगर परिषद नगरी

### Panjab national Bank 762

#### Bank Reconciliation Statement as on 31st March, 2018

Particulars				Dr.	Cr.
Balance as per books				1,380,958.90	
outstanding Chq					
5/25/2016	53127	Amanat Rashi	3000		
3/28/2017	923423	Amanat Rashi	2000		
3/28/2017	923424	Amanat Rashi	2000		
3/28/2017	923425	Amanat Rashi	2000	9,000.00	
<b>Debited In Bank But Not Credited In Book</b>					
11/10/2016	wrong posting	13395-1000			395.00
12/13/2017	2nd intallment of shochalay				251,040.00
12/13/2017	NEFT				12,240.00
12/14/2017	NEFT				12,240.00
12/14/2017	NEFT				12,240.00
12/15/2017	NEFT				12,240.00
<b>credited In Bank But Not debited In Books</b>					
9/28/2017	Bill	273200A011		10040	
10/29/2017	5968-5928			40	
12/7/2017	1500-1395			105	
10/30/2018	Cash	17000-16990		10	
Balance as per Bank Statement					1,099,758.90
			<b>Total (Rs.)</b>	<b>2,790,112.80</b>	<b>1,651,588.90</b>
				1,138,523.90	

### Panjab national Bank 879

#### Bank Reconciliation Statement as on 31st March, 2018

Particulars				Dr.	Cr.
Balance as per books				964,276.00	
<b>Debited In Bank But Not Credited In Book</b>					
3/26/2018					20,000.00
4/17/2017					110.00
6/2/2017					27.50
1/4/2018					17.70
<b>credited In Bank But Not debited In Book</b>					
3/20/2018	cash			2000	
Balance as per Bank Statement					946,120.80
			<b>Total (Rs.)</b>	<b>966,276.00</b>	<b>966,276.00</b>
				0.00	



  
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 नगर परिषद नगरी

PNB 338 Pradhan mantriavas yojna						
Bank Reconciliation Statement as on 31st March,2018						
Particulars					Dr.	Cr.
Balance as per books					640,266.85	
Chq Outstanding						
3/31/2017 salary wages						
Debited In Bank But Not Credited In Book						30,050,000.00
Credited in bank but not debited in books					32,013,755.00	
Balance as per Bank Statement						2,604,021.85
				Total (Rs.)	32,654,021.85	32,654,021.85



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मुख्य नगर मालिका अधिकारी  
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**NAGAR PARISHAD NAGRI**

**GRANT CHART FOR THE PERIOD 01.04.2017 to 31.03.2018**

**ANNEXURE 'B5'**

PARTICULARS	OPENING	RECEIPTS	PAYMENT	CLOSING
MULBHOOT	693575.00	2859000.00	3211128.84	341446.16
RAJYA VITT AAYOG ANUDAN	528252.00	1646000.00	1310281.26	863970.74
SADAK MARAMMAT	326517.00	563000.00	842052.30	47464.70
CM ADHOSANRACHNA ANUDAN	2000000.00	0.00	0.00	365771.80
CM SWACHTA MISSION ANUDAN	1690199.00	0.00	1324427.20	365771.80
SPECIAL FUND	1247647.00	0.00	1247626.24	20.76
14 VITT AYOG ANUDAN	4141927.00	5446000.00	5686049.00	3901878.00
KACHRA WAHAN ANUDAN	0.00	540000.00	540000.00	0.00
FIRE WAHAN ANUDAN	2000000.00	0.00	1757500.00	242500.00
CM SWACHTA MISSION PRACHAR PRASAR ANUDAN	500000.00	0.00	501249.76	-1249.76

**SEPARATE CASH BOOK**

PARTICULARS	OPENING	RECEIPTS	PAYMENT	CLOSING
PMAY	500000.00	31800000.00	30380034.22	1919965.78

WE CONFIRM THE CORRECTNESS OF  
ABOVE INFORMATION

AS PER OUR REPORT EVEN DATE ANNEXUED

FOR NAGAR PARISHAD, NAGARI DIST. MANDSAUR

FOR : NILESH KOTHARI & CO.

Chartered Accountants

*Nilesh Kothari*



CA NILESH KOTHARI

(PARTNER)

M.No. 405329

F.R.N. 013622C

PLACE:UJJAIN

DATE: 17-09-2018

*सिद्धापाल*  
नगर परिषद नगरी

*सिद्धापाल*  
मुख्य नगर पालिका अधिकारी  
नगर परिषद नगरी



## Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2017-18

Name of ULB

NAGAR PARISHAD, NAGARI DIST. MANDSAUR

Name of Auditor

NILESH KOTHARI &amp; CO., CHARTERED ACCOUNTANTS

Sr. No.	Parameters	Description		Year 2017-18 % of Growth	Observation in Brief	Suggestions
		Year 2016-17	Receipts (Rs.)			
1	Audit of Revenue					
	राजस्व कर वसूली					
(i)	संपत्तिकर	321763	259168	-19.45%		
(ii)	समेकित कर	270924	273022	0.77%		
(iii)	नगरीय विकास उपकर	90061	76219	-15.37%		
(iv)	शिक्षा उपकर	89006	71801	-19.33%		
	कुल योग	771754	680210	-11.86%		
	गैर राजस्व वसूली					
(i)	भवन भूमि किराया	0	0			
(ii)	जल उपभोक्ता प्रभार	530295	533780	0.66%		
(iii)	टोस अपशिष्ट प्रबंधन उपभोक्ता प्रभार	0	0	0.00%		
(iv)	अन्य कर / शुल्क	992750	1376905	38.70%		
	कुल योग	1523045	1910685	25.45%		



## Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2017-18

**NAGAR PARISHAD, NAGARI DIST. MANDSAUR  
NILESH KOTHARI & CO., CHARTERED ACCOUNTANTS**

Name of ULB  
Name of Auditor

Sr. No.	Parameters	Description	Observation in Brief	Suggestions
	महा योग	2294799	2590895	12.90%
2	Audit of Expenditure	We have audited the expenditure incurred by the ULB on random text basis.	During the course of audit we found that ULB has not made proper tax deductions while making payment. The classification of expenditure under the respective head is also not proper.	The Nagar Parishad should compile payment procedure according to government norms as well as classify the expenditure under proper heads based on its nature.
3	Audit of Book Keeping	The Nagar Parishad has maintained books of accounts, and records related to daily transactions. The discrepancies found have been provided in Annexure 'A' & Annexure 'B' of Audit report attached herewith.	The books of accounts are being maintained in Double Entry Accounting System by applying cash system of Accounting. Sampatti kar register, Samekit kar register, Jal kar registers are incomplete. Further many old entries lying in Bank reconciliation proper effect should be given in books of accounts.	Municipality should properly maintain records related to daily transactions.
4	Audit of FDR	There exists only two FDRs details are already mentioned in the report.	The FDR's have been kept at prevailing market rate. At the time of renewal Quotations should be taken from banks so that the FDRs can be deposited at best rate quoted.	We suggest that current and saving accounts 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 interest income can be earned.
5	Audit of Tenders/Bids	Proper tendering procedures are followed by Nagar Parishad except the qualifications mentioned in the report.	The files maintained by the municipality are not complete in all respect. Contracts are not completed within the time prescribed in the contract. Separate SD register should be maintained mentioning the SD deducted & SD payable to each contractor.	ULB should change its practice of deducting performance guarantee at the time of payment. Performance guarantee should be taken before issuing work order.

*Nilesh Kothari*



## Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2017-18

Name of ULB **NAGAR PARISHAD, NAGARI DIST. MANDSAUR**  
 Name of Auditor **NILESH KOTHARI & CO., CHARTERED ACCOUNTANTS**

Sr. No.	Parameters	Description		Observation in Brief	Suggestions
6	Audit of Grants & Loans	The records related to grants receipts and payments are properly maintained by nagar parishad except the qualification mentioned in the report.		The grants received by municipality is through proper channel and the payments are made by the municipality for the purpose for which the same is provided by government.	Municipality should enquire on timely basis for clarifying the head under which the grants are provided by the government.
7	Incidences relating to diversion of funds from Capital receipts/Grants/loans to Revenue Nature Expenditure and from one scheme/project to another	On our random verification we didn't came across any such diversion of fund.		Observation as per Annexure "A" and Annexure "B" of Audit Report.	
8	Any Other	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 etc.		The revenue expenditure of the nagar parishad as compared to the revenue receipts seems to be tremendously high.	The Nagar Parishad should concentrate on more revenue generation so as to fulfill its excessive revenue expenditure and will not have to excessively rely on compensations and grants from government.



  
 निलेश कोठारी  
 चार्टर्ड अकाउंटन्ट्स

  
 मुख्याधिकारी  
 नगर पंचायत

## Revised Abstract Sheet for reporting on Audit Paras for Financial Year 2017-18

Name of ULB **NAGAR PARISHAD, NAGARI DIST. MANDSAUR**  
 Name of Auditor **NILESH KOTHARI & CO., CHARTERED ACCOUNTANTS**

Sr. No.	Parameters	Description	Observation in Brief	Suggestions
b)	Percentage of Capital Expenditure with respect to Total Expenditure	Capital Expenditures- Rs _____ and Total Expenditure- Rs. _____ Therefore Ratio as required = % $(\frac{\quad}{\quad}) * 100$	Information required to ascertain the same have not provided hence we cannot make any comment on the same.	Nil

WE CONFIRM THE CORRECTNESS OF ABOVE INFORMATION

FOR NAGAR PARISHAD, NAGARI DIST. MANDSAUR

AS PER OUR REPORT EVEN DATE ANNEXUED

FOR : NILESH KOTHARI & CO.  
Chartered Accountants

PLACE: UJJAIN  
DATE: 17-09-2018

CA NILESH KOTHARI  
(PARTNER)  
M.No. 405329  
F.R.N. 013622C



*(Signature)*  
नेजापाल नगरी  
न. परिषद नगरी

*(Signature)*  
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