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# HARISH AVINASH & ASSOCIATES

## CHARTERED ACCOUNTANTS

CONSULTING IN TAXATION & FINANCIAL ENTERPRISES

Office Copy

MUNICIPALITY

2014-15



# HARISH AVINASH & ASSOCIATES

## CHARTERED ACCOUNTANTS

CHAL CHOWK, HMG ROAD, MARUDHAR ENTERPRISES,  
SRI GANGANAGAR.  
PH- 08107466991

### INDEPENDENT AUDITOR'S REPORT

The Executive officer,  
Padampur Municipality  
(Rajasthan)

We have audited the accompanying financial statements of Padampur Municipality (Rajasthan), which comprise the Balance Sheet as at March 31, 2015, the Income and Expenditure Account for the year the ended, and a summary of significant accounting policies and other explanatory information and notes to accounts.

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

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the ULB in accordance with the Rajasthan Municipal Accounts Manual. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that 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. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require 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 disclosures in the financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the ULB's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the ULB's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

#### Opinion





In our opinion and to the best of our information and according to the explanations given to us and subject to notes to account & significant policies, the financial statements give a true and fair view in conformity with the Rajasthan Municipal Accounts Manual:

- a) in the case of the Balance Sheet, of the state of affairs of the ULB as at March 31, 2015
- b) in the case of the Income and Expenditure Account, of the Deficit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

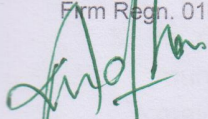
We further report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the ULB so far as appears from our examination of those books;
- c) the Balance Sheet, Income and Expenditure Account, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Income and Expenditure Account, and Cash Flow Statement comply with the Rajasthan Municipal Accounts Manual;

A statement on additional matters is given in the annexure.

For HARISH AVINASH & ASSOCIATES

Chartered Accountants  
Firm Regn. 018284N



CA. Avinash Midha  
Partner, M No. 98416



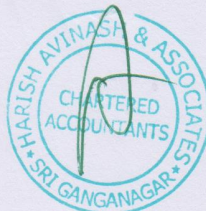
Place : Sri Ganganagar

Date :



Additional Matters to be reported by the financial statement auditor:

1. In our opinion and according to records examined by us all sums due to and received by the municipality have been brought to account and have been appropriately classified;
2. In our opinion and on the basis of test check and according to the information and explanations given to us all grants sanctioned or received by the Municipality during the year, have been accounted properly and where such deduction is made out of such grants towards any dues of the Municipality such deductions have been properly accounted;
3. In our opinion and according to the information and explanations given to us, earmarked funds have been created by the Municipality for Gratuity and Provident Fund and earmarked Funds have been utilized for the purposes for which they were created;
4. In our opinion and according to the information and explanations given to us, Municipality is not maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
5. In our opinion and according to the information and explanations given to us, lease rentals are collected and accounted on cash basis.
6. In our opinion and according to the information and explanations given to us, no proper record of store is maintained by the Municipality.
7. According to information and explanations given to us, parties to whom loans or advances have been given by the municipality during the year are repaying the principal amounts as stipulated. No interest is charged by the municipality on such loans and advances during the year.
8. In our opinion and according to the information and explanations given to us, the municipality has granted loans to his employees against provident fund and no record is maintained by the municipality level. No comment can be made on deduction from salary towards the repayment of principal of loans and interest thereon.
9. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the municipality with regards to the purchase of stores, fixed assets and services.
10. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure for the contracting of works and projects, periodic inspections and measurements, quality checks and payment there for.
11. According to the records of the municipality and information and explanations given to us, the municipality has not been regular in depositing undisputed statutory dues including provident Fund, TDS, Works contract Tax, cess and any other statutory dues with the appropriate authorities during the year.



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12. In our opinion and according to the information and explanations given to us, no personal expenses have been charged to the Municipality's accounts.

13. In our opinion and according to the information and explanations given to us, the books and registers specified under the Rajasthan Municipal Accounts Manual and other applicable acts and rules have been properly maintained. Bank Reconciliation statements are Not prepared for all bank accounts of the Municipality. There is difference in bank account of State Bank of Bikaner and Jaipur (A/c. No. 51092900265), ICICI (A/c. No. 672305003334 and 031501001918) and PD A/c and no satisfactory explanations is provided by the municipality.

14. In our opinion and according to the information, explanations given to us and to the best of our knowledge, the year end and reconciliation procedures have been carried out by the Municipality.

For HARISH AVINASH & ASSOCIATES

Chartered Accountants  
Firm Regn. 018284N

*[Signature]*  
CA. AVINASH MIDHA  
Partner, M No. 98416



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नगरपालिका, पदमपुर

*[Signature]*  
अधिकाशी

Place : Sri Ganganagar

Date : 14/07/2016



**MUNICIPALITY PADAMPUR**  
**BALANCE SHEET AS ON 31-03-2015**

LIABILITIES	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>RESERVE &amp; SURPLUS :-</b>			
Municipal (General) Fund	1	71696688	64560546
Earmarked Funds	2	8251527	7208716
RESERVE & SURPLUS	3	0	0
Total Reserve & Surplus (A)		<b>79948215</b>	<b>71769262</b>
<b>GRANT / CONTRIBUTION FOR SPECIFIC PURPOSE (B) :-</b>	4	<b>27653588</b>	<b>17798876</b>
<b>LOANS :-</b>			
Secured Loans	5	100000	600500
Unsecured Loans	6	0	0
Total Loans ©		<b>100000</b>	<b>600500</b>
<b>CURRENT LIABILITIES &amp; PROVISIONS :-</b>			
Sundry Deposits	7	7671412	5685441
Sundry Creditors	8	0	0
Statutory Liabilities	9	1458428	2156464
Other Liabilities	10	279573	70864
Provisions	11	0	0
Total Current Liabilities and Provisions (D)		<b>9409413</b>	<b>7912769</b>
<b>TOTAL LIABILITIES (A+B+C+D)</b>		<b>117111216</b>	<b>98081407</b>

ASSETS	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>FIXED ASSETS :-</b>			
Gross Block	12	76659227	74041019
Depreciation Fund	13	14147079	13629247
Net Block		<b>62512148</b>	<b>60411772</b>
Capital Work In Process	14	0	0
Total Fixed Assets (A)		<b>62512148</b>	<b>60411772</b>
<b>INVESTMENTS :-</b>			
General Fund Investments	15	0	0
Specific Fund Investments	16	8251527	7208716
Total Investments (B)		<b>8251527</b>	<b>7208716</b>
<b>CURRENT ASSETS, LOAN &amp; ADVANCES :-</b>			
Inventories	17	0	0
Sundry Debtors / Receivables	18	4196730	3819929
Cash & Bank Balances	19	42150811	26640990
Loans, Advances & Deposits	20	0	0
Total Current Assets, Loans & Advances ©		<b>54599068</b>	<b>37669635</b>
<b>TOTAL ASSETS (A+B+C)</b>		<b>117111216</b>	<b>98081407</b>

**NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES**

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

Signature of the Chartered Accountants

Membership No.98416

Date:- 14/07/16

Place:-Sriganganagar



Signature of EO

Signature of AO

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**MUNICIPALITY PADAMPUR**  
**INCOME & EXPENDITURE FOR THE YEAR ENDED 31-03-2015**

PARTICULARS	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>INCOME :-</b>			
Income From Taxes	21	180524	180524
Assigned Compensations	22	14982000	13620000
Rental Income From Municipal Properties	23	0	0
Fees and User Charges	24	10399219	13702062
Revenue Grants, Contributions and Subsidies	25	896273	8734372
Income From Corporation Assets and Investment	26	15022345	857882
Miscellaneous Income	27	2462832	1894001
<b>Total Income</b>		<b>43943193</b>	<b>38988841</b>
<b>EXPENDITURE :-</b>			
Establishment Expenses	28	23939476	23764393
General Administrative Expenses	29	491398	333232
Decrease In Stores / (Increase In Stock)			
Public Works	30	2507360	11743781
Miscellaneous Expenses	31	1450392	2031323
Interest & Financial Exp			
Depreciation During The Year		14147079	13629247
<b>Total Expenditure</b>		<b>42535705</b>	<b>51501976</b>
Surplus / Deficit before adjustment of prior period items and Dep.		1407488	-12513135
Less : Prior Period Items			
Less : Prior Period Adjustment of Depreciation			
<b>NET SURPLUS / DEFICIT</b>		<b>1407488</b>	<b>-12513135</b>

Notes to Accounts and Accounting Policies

Signature of the Chartered Accountants

Membership No.98416

Date:- 14/07/16

Place:-Srigangahagar



Signature of EO

Signature of AO

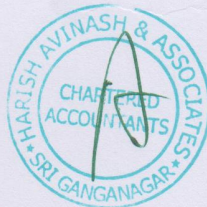
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**MUNICIPALITY PADAMPUR**

**As On 31.03.2015**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
<b>SCHEDULE - 1</b>		
<b>MUNICIPAL (GENERAL) FUND :-</b>	<b>71696688</b>	<b>64560546</b>
Opening Balance	64560546	67487296
Add :- Addition during the year	5728654	9586385
Less :- Deduction during the year		
Less :- Excess of Expenditure over Income		12513135
Add : Excess Of Income Over Expenditure	1407488	
<b>SCHEDULE - 2</b>		
<b>EARMARKED FUND :-</b>	<b>8251527</b>	<b>7208716</b>
Gratuity Fund	502078	170978
General Provident Fund	7749449	7037738
<b>SCHEDULE - 3</b>		
<b>RESERVE &amp; SURPLUS</b>	<b>0</b>	<b>0</b>
Opening Balance		
Add :- Addition During the Year		
Less :- Withdrawal during the Year		
<b>SCHEDULE - 4</b>		
<b>GRANT/ CONTRIBUTION FOR SPECIFIC PURPOSE</b>	<b>27653588</b>	<b>17798876</b>
Special Grant for 13th Financial Commission	11413470	10735846
BPL Avas Ayogna	10089	30580
4th Rajay Vit Ayog	13155464	1745162
MP/MLA Fund	344827	1326992
Janskari Yojana	415000	
SJSRY Fund	2314738	2562296
Nirband Anudan	0	1398000



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**MUNICIPALITY PADAMPUR**

**As On 31.03.2015**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
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**SCHEDULE 5**

**SECURED LOANS :-**

State Government (From ADB through RUIDP)

100000

600500

Secured Loan From RUIDP

Loan From RUIDFCO

100000

600500

Loan From HUDCO (Secured by Govt. Guarantee)

Loan From RUIDFCO For JCTSL (Interest Free Loan)

**SCHEDULE-6**

**UNSECURED LOAN :-**

Bank Of Rajasthan (Long Term Loan)

0

0

**SCHEDULE-7**

**SUNDRY DEPOSITS :-**

Security & Amanant Payable

7671412

5685441

7671412

5685441

**SCHEDULE-8**

**SUNDARY CREDITORS :-**

Creditors For Supplies

Other Creditors

0

0



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## MUNICIPALITY PADAMPUR

As On 31.03.2015

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
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## SCHEDULE-9

## STATUTORY LIABILITIES :-

Income Tax (TDS) Payable

Sales Tax Payable

Salary Payable

Labour Cess Deduction

1458428

2156464

23370

43132

1458428

2089962

## SCHEDULE-10

## OTHER LIABILITIES :-

Sundry Creditors

Labour Cess

279573

70864

279573

70864

## SCHEDULE-11

## PROVISIONS :-

Audit Fees Payable

Electricity Expenses Payable

Water Payable

0

0

## SCHEDULE-12

## GROSS BLOCK

76659227

74041019

## IMMOVABLE ASSETS

Land

Office Building

0

0



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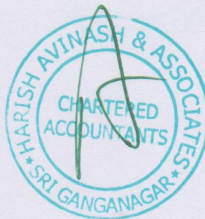
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**MUNICIPALITY PADAMPUR**

**As On 31.03.2015**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
Residential Building		
<b>Infrastructure Assets</b>	<b>73545291</b>	<b>70785479</b>
Roads & Bridge	48828565	45132849
Pool and Puliya	4933232	4651574
Nali Consturction	11452457	14078000
Studiam	1031962	1071448
Slubh Complex	506588	166410
Community Center	2250000	2500000
Buiding	1379355	
Damar Road Consturction	2379337	2763860
Others Construction	783795	421338
<b>Movable Assets</b>	<b>3113936</b>	<b>3255540</b>
Plant & Machinery	39970	37000
Clearing Equipments	130900	154000
Electricity Equipments	420650	252540
Vehcile	592000	640000
Furniture & Fixture	255816	278000
Hand Pump Purchase	21600	24000
Hatha Rehdi	36000	40000
Tractor and Trally	1530000	1800000
Computers	87000	30000
Live Stock		
<b>SCHEDULE-13</b>		
<b>DEPRECIATION FUND :-</b>	<b>14147079</b>	<b>13629247</b>
Opening Balance		
Add :- Depreiciation Provided during the year	14147079	13629247



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**लेखा**



**MUNICIPALITY PADAMPUR**

**As On 31.03.2015**

**Current Year  
(AMOUNT IN RS.)**

**Previous Year  
(AMOUNT IN RS.)**

Heritage Conservation

Heritage Walk

Public Toilet

Resettlement JNNURM

Roads

**SCHEDULE-15**

**GENERAL FUND INVESTMENT :-**

0

0

P.D. Account With Interest

Non-Interest Bearing PD A/c

RUDF Equity Contribution

RUIS Equity Contribution

Equity Contribution Of JCTSL

**SCHEDULE-16**

**SPECIFIC FUND INVESTMENT :-**

8251527

7208716

Employees GPF Accounts

502078

170978

Gratuity P.D A/c

7749449

7037738

**SCHEDULE-17**

**INVENTORIES :-**

0

0

Stores Central

Fire

Electricals

Garage

Stock Others



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**नगरपालिका, पदमपुर**

*अ.न.*  
**लेखाकर्मी**



**MUNICIPALITY PADAMPUR**

**As On 31.03.2015**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
<b>SCHEDULE-18</b>		
<b>SUNDRY DEBTORS / RECEIVABLES</b>	<b>4196730</b>	<b>3819929</b>
House Tax	57786	67250
Lease	3765870	3324852
Other Debtor	37000	37000
City Development Tax	336074	390827
Less : Provision For Doubtful Recoveries		
<b>SCHEDULE-19</b>		
<b>CASH &amp; BANK BALANCES :-</b>	<b>42150811</b>	<b>26640990</b>
Cash In Hand	320	6235
Head Office		
Balances In FDR A/c		
Deposits Control A/c		
Balances in Saving & Current A/c		
Canara Bank	442839	0
HDFC	6902686	1814533
ICICI(BPL)	10089	30580
ICICI(CA)	5466105	1872998
ICICI(KACHI BASTI)	11656	11656
ICICI(13VA VIT AYO)	11413443	10735819
OBC(SJSJRY)	2314738	2562296
OBC(MLA LD)	344827	1326992
OBC(SFC)	111128	142162
PD8448	14205065	4844922
SBBJ(CA)	927915	3292797



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**लेखा**



**MUNICIPALITY PADAMPUR**  
**As On 31.03.2015**

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>SCHEDULE-21</b>		
<b>INCOME FROM TAXES</b>	<b>180524</b>	<b>180524</b>
House Tax		
City Development tax	180524	180524
<b>SCHEDULE-22</b>		
<b>ASSIGNED COMPENSATION</b>	<b>14982000</b>	<b>13620000</b>
Octroi Compensations	14982000	13620000
Entertainment Tax Compensation		
<b>SCHEDULE-23</b>		
<b>RENTAL INCOME FROM MUNICIPLE PROPERTIES :-</b>	<b>0</b>	<b>0</b>
Income From Rent and tah. Bazari		
<b>SCHEDULE-24</b>		
<b>FEES AND USER CHARGES</b>	<b>10399219</b>	<b>13702062</b>
Road Cutting		103583
Agriculture Land Registration	3150	
Interest on Lease	789509	2819089
Lease	848882	881380
Application Fees	450	2512
Certificate	132396	224214
Birth/Death Certificate	3333	745
Penalties & Prosecution	82779	288896
Tender Fees	234850	71700
Marriage Palace Fees	105	
Mutation Fees	1538836	2602959
Development Fees/ Master Plan Book	6764929	6706984
License Fees Construction and Development Work		
<b>SCHEDULE-25</b>		
<b>REVENUE GRANT, CONTRIBUTION, SUBSIDIES</b>	<b>896273</b>	<b>8734372</b>
13vt Ayog Revenue	885873	2508022
Ativrishti (SFC Revanue)		929297
BPL Avas Yojn Revanue		2865000
Janganna Revanue		6750
BPL Saree and comble Revanue		1536000
Scholarschip Income		70800
Charthurth vit ayog Revanue	10400	
SJSRY Revenue		818503



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**MUNICIPALITY PADAMPUR**  
As On 31.03.2015

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
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**SCHEDULE-26**

**INCOME FROM CORP. ASSET/INVESTMENT :-**

Sales Of Scrap	15022345	857882
Sale Of Land		11000
	15022345	846882

**SCHEDULE-27**

**MISCELLANEOUS INCOME :-**

Hording Income	2462832	1894001
Other Interest	14040	8426
Building Constuction Approval		22000
Interest From Bank	1000	
Niva man	748691	257610
Auditor Recovery	2417	1337393
Misc. income	19455	
Ration Card	1677139	268572
	90	

**SCHEDULE-28**

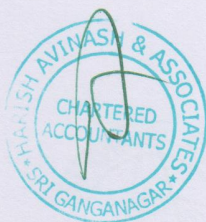
**ESTABLISHMENT EXP. :-**

Corporator (Parishad) Allwance	23939476	23764393
Medical Reimbursement	241400	350600
Salary and Other Payment	1200	1650
Travelling Reimbursement	23653360	23370051
	43516	42092

**SCHEDULE-29**

**GENERAL ADMINISTRATION EXP :-**

Advertisement Exp	491398	333232
Books and Newspaper	302475	159229
Stationary	8024	15963
Telephone/ Postage Exp	107214	113770
Court/ Legal Exp	51497	44270
	22188	



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**MUNICIPALITY PADAMPUR**  
**As On 31.03.2015**

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
SCHEDULE-30		
<b>PUBLIC WORKS :-</b>	<b>2507360</b>	<b>11743781</b>
CC Road Repair	709038	359531
Ativiristi		1206808
BPL Avas yojana Exp	4509	2865000
13th Vit Ayog Clearing Exp	1219574	3861592
BPL Saree and cambal		1536000
Janganna/Pashuganna Exp		180650
Other Exp. (SFC)	10400	
Rain Basera Exp		2475
SJSRY Exp.	53942	816245
Damar Road Repiar		376874
Road Repair	273950	469165
Pool and Puliya Repair	235947	69441
SCHEDULE-31		
<b>MISCELLANEOUS EXP:-</b>	<b>1450392</b>	<b>2031323</b>
Contigencies and Other exp	74904	1150
Aggriculture Land Return	31790	1210692
Vehicles Exp	123051	57798
Orgnaization EXP		114053
Computer Stationary	44150	88065
Discount on House Tax	4732	3668
other repair	66180	
Electricity Bill	148659	173984
Electrcity Line	175309	
Festvial exp	60939	77661
Scholarschip		70800
Moter Repiar	2000	
Misc Exp.	420181	14957
Janswastya		150
Petrol/ Desial	269124	166812
Phinayal Exp		23100
Photo state Exp	5585	2231
Water Bills	23788	26202



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नगरपालिका, पदमपुर

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**Municipality Padampur (Rajasthan)**

**NOTES FORMING PART OF AUDIT REPORT & FINANCIAL STATEMENT  
FOR THE YEAR ENDED ON 31.03.2015**

Accounting policies

The financial statements are prepared on a going concern and historical cost basis. The method of accounting is the accrual based double entry accounting system.

Recognition of Revenue

- a) Property and other taxes are recognized in the period in which they become due and demands are ascertainable.
- b) Revenue in respect of Contract/License Fees is accrued in the year to which it pertains and when Demands are raised.
- c) Assigned revenues like Octroi, Duty / Surcharge on transfer of Immovable properties, Tender Fee, Development fee, etc. are accounted during the year only upon actual receipt.
- d) Lease Rental and interest on lease rental are accounted during the year on actual receipt basis.
- e) Interest received on Bank Deposit is accounted as actual receipts during the year.
- f) Other Incomes, which are of an uncertain nature or for which the amount is not ascertainable or where demand is not raised in regular course of operations, is recognised on actual receipt.

Recognition of Expenditure

- a) Expenses on Salaries are account on April to March and bonus and other allowances are recognised as and when they are due for payment.
- b) All other major revenue expenditures are treated as expenditures in the period in which they are incurred.
- c) In case of works, expenditures are accrued as soon as the work has been measured are becomes due for payment.
- d) Provision for expenses are made at the year-end for all bills received up to & cut off date.
- e) Provision for pensions is not made at municipality level.
- f) Bank charges are accounted on cash basis.



21/4  
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## Fixed Assets

### i. Recognition

- a) All Fixed Assets are carried at cost less accumulated depreciation. The cost of fixed assets include cost incurred/ money spent in acquiring or acquisition or construction qualifying fixed assets up to the date of commissioning of the assets and other incidental and indirect expenses incurred up to that date.
- b) All assets costing less than Rs.5,000/- would be expensed / charged to income & Expenditure Account in the year of purchase.

### ii. Depreciation

- a) Depreciation is provided on WDV method using the rates prescribed in Income Tax Act 1961.

### iii. Revaluation of Fixed Assets

The Municipality has not made any Revaluation of Fixed Assets during the year as there was no such need for revaluation.

Inventories : Inventory is NIL as at the end of financial year.

## Grants

- a) Grants, which are re-imbursement of specific expenditure is recognised and transferred to Income Side of Income & Expenditure Account in the accounting period in which the corresponding expenditure is incurred.
- b) Grant received towards capital expenditure is treated as a liability till such time the fixed asset is constructed or acquired. On construction /acquisition of fixed asset, the grant corresponding to the value of the asset so constructed / acquired is treated as capital receipt and transferred to Municipal general fund.

## Employee benefits

Separate Funds are formed for meeting the provident and the retirement benefits including Gratuity.

## Statutory deductions

Statutory deduction from claimants (Salary, Works, Supplier etc.,) which includes TDS, Sales tax (VAT), provident fund contribution etc., are to be recognized as liability in the same period in which the corresponding claim is recognized as expense.

## Notes on Accounts and other disclosures :

- a). Previous period figures have been recast / restated to confirm to the classification of the current period. Negative figures shown in brackets. Figures are rounded off to the nearest rupee.



21/4  
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- b). In the opinion of the Management of Municipality and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.
- c). There are no fixed assets purchased out of borrowed money. So, there is no question of Borrowing Cost.
- d). There are no investments held by the Municipality during the year except Employee's GPF Accounts and Gratuity PD A/c. There are no long-term investments standing in the name of Municipality.
- e). Fixed assets, inventories & Stationeries item are valued, certified and physically verified by management. Initial recognition of fixed assets is taken as certified by the Municipality and subject to verification. No physical verification of fixed assets and inventories is conducted by us.
- f). All outstanding of third parties balances are subject to confirmation.
- g). Necessary adjustment for writing off of accounts receivable is not made. Further no provisions are made against outstanding receivables during the year.
- h). The entries in the cash book for bank transactions under General Ledger in Double Entry Accrual Accounting are compared with the entries on the bank statements and no differences are noted.
- i). Contingent liability, Judgment and Claims: No estimate of the liability for unsettled claims has been reported by the Municipality.
- j). Security Deposit and EMD: Party wise detail of security deposits / EMD is not available subject to verification.
- k). Sale proceeds of land are treated as income under "Income from Corp Assets/Investment" in absence of cost of the respective assets.



21/4  
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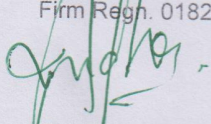


- l). Bank Reconciliation statements are Not prepared for all bank accounts of the Municipality. There is difference in bank account of State Bank of Bikaner and Jaipur (A/c. No. 51092900265), ICICI (A/c. No. 672305003334 and 031501001918) and PD A/c and no satisfactory explanations is provided by the municipality in this regard.

For HARISH AVINASH & ASSOCIATES

Chartered Accountants

Firm Regn. 018284N



CA. Avinash Midha  
Partner, M No. 98416



Place : Sri Ganganagar

Date : 14/07/16

Executive officer

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Account Officer

