

HARISH AVINASH & ASSOCIATES  
CHARTERED ACCOUNTANTS

CHAL CHOWK, HHS ROAD, MARIDHRA, INTERDISTRICT,

SHRIGANGA NAGAR,

RAJASTHAN-362001

ऑफिस कोपी

नगर पालिका पदमपुर

चक्र २०१५-१६



# 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, 2016, 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, 2016
- 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

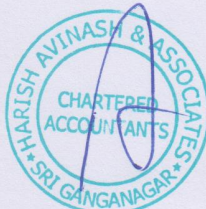
Date :





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

CA. AVINASH MIDHA  
Partner, M No. 98416

Place : Sri Ganganagar  
Date :



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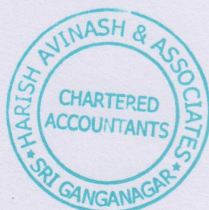
**MUNICIPALITY PADAMPUR**  
**BALANCE SHEET AS ON 31-03-2016**

LIABILITIES	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>RESERVE &amp; SURPLUS :-</b>			
Municipal (General) Fund	1	81409506	71696688
Earmarked Funds	2	6693116	8251527
RESERVE & SURPLUS	3	0	0
Total Reserve & Surplus (A)		88102622	79948215
<b>GRANT / CONTRIBUTION FOR SPECIFIC PURPOSE (B) :-</b>	4	13599873	27653588
<b>LOANS :-</b>			
Secured Loans	5	0	100000
Unsecured Loans	6	0	0
Total Loans ©		0	100000
<b>CURRENT LIABILITIES &amp; PROVISIONS :-</b>			
Sundry Deposits	7	7941789	7671412
Sundry Creditors	8	0	0
Statutory Liabilities	9	64263	1458428
Other Liabilities	10	8100	279573
Provisions	11	0	0
Total Current Liabilities and Provisions (D)		8014152	9409413
<b>TOTAL LIABILITIES (A+B+C+D)</b>		<b>109716647</b>	<b>117111216</b>
<b>ASSETS</b>			
<b>FIXED ASSETS :-</b>			
Gross Block	12	98501726	76659227
Depreciation Fund	13	18081253	14147079
Net Block		80420473	62512148
Capital Work In Process	14	0	0
Total Fixed Assets (A)		80420473	62512148
<b>INVESTMENTS :-</b>			
General Fund Investments	15	0	0
Specific Fund Investments	16	6693116	8251527
Total Investments (B)		6693116	8251527
<b>CURRENT ASSETS, LOAN &amp; ADVANCES :-</b>			
Inventories	17	0	0
Sundry Debtors / Receivables	18	4674929	4196730
Cash & Bank Balances	19	17928129	42150811
Loans, Advances & Deposits	20	0	0
Total Current Assets, Loans & Advances ©		29296174	54599068
<b>TOTAL ASSETS (A+B+C)</b>		<b>109716647</b>	<b>117111216</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:-  
Place:-Sriganganagar



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Signature of AO



**MUNICIPALITY PADAMPUR**  
**INCOME & EXPENDITURE FOR THE YEAR ENDED 31-03-2016**

PARTICULARS	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>INCOME :-</b>			
Income From Taxes	21	180524	180524
Assigned Compensations	22	16480000	14982000
Rental Income From Municipal Properties	23	0	0
Fees and User Charges	24	6116484	10399219
Revenue Grants, Contributions and Subsidies	25	1186679	896273
Income From Corporation Assets and Investment	26	6051	15022345
Miscellaneous Income	27	2674858	2462832
<b>Total Income</b>		<b>26644596</b>	<b>43943193</b>
<b>EXPENDITURE :-</b>			
Establishment Expenses	28	25712791	23939476
General Administrative Expenses	29	949945	491398
Decrease In Stores / (Increase In Stock)			
Public Works	30	2433240	2507360
Miscellaneous Expenses	31	1190568	1450392
Interest & Financial Exp			
Depreciation During The Year		18081253	14147079
<b>Total Expenditure</b>		<b>48367797</b>	<b>42535705</b>

Surplus / Deficit before adjustment of prior period items and Dep. -21723201 1407488

Less : Prior Period Items

Less : Prior Period Adjustment of Depreciation

**NET SURPLUS / DEFICIT -21723201 1407488**

Notes to Accounts and Accounting Policies

Signature of the Chartered Accountants

Membership No.98416

Date

Place:-Sriganganagar



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Signature of EO  
नगरपालिका, पदमपुर

Signature of AO



## MUNICIPALITY PADAMPUR

As On 31.03.2016

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>SCHEDULE - 1</b>		
<b>MUNICIPAL (GENERAL) FUND :-</b>	<b>81409506</b>	<b>71696688</b>
Opening Balance	71696688	64560546
Add :- Addition during the year	31436019	5728654
Less :- Deduction during the year		
Less :- Excess of Expenditure over Income	21723201	
Add : Excess Of Income Over Expenditure	0	1407488
<b>SCHEDULE - 2</b>		
<b>EARMARKED FUND :-</b>	<b>6693116</b>	<b>8251527</b>
Gratuity Fund	99665	502078
General Provident Fund	6593451	7749449
<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>13599873</b>	<b>27653588</b>
Special Grant for 13th Financial Commission	7292369	11413470
BPL Avas Ayogna	0	10089
4th/5th Rajay Vit Ayog	5896677	13155464
Swach Bharat Mission	66000	0
MP/MLA Fund	344827	344827
Janskari Yojana	0	415000
SJSRY Fund	0	2314738



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


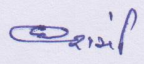
**MUNICIPALITY PADAMPUR**

**As On 31.03.2016**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
<b>SCHEDULE 5</b>		
<b>SECURED LOANS :-</b>	<b>0</b>	<b>100000</b>
State Government (From ADB through RUIDP)		
Secured Loan From RUIDP		
Loan From RUIDFCO	0	100000
Loan From HUDCO (Secured by Govt. Guarantee)		
Loan From RUIFDCO For JCTSL (Interest Free Loan)		
<b>SCHEDULE-6</b>		
<b>UNSECURED LOAN :-</b>	<b>0</b>	<b>0</b>
Bank Of Rajasthan (Long Term Loan)		
<b>SCHEDULE-7</b>		
<b>SUNDRY DEPOSITS :-</b>	<b>7941789</b>	<b>7671412</b>
Security & Amanant Payable	7941789	7671412
<b>SCHEDULE-8</b>		
<b>SUNDARY CREDITORS :-</b>	<b>0</b>	<b>0</b>
Creditors For Supplies		
Other Creditors		



  
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MUNICIPALITY PADAMPUR

As On 31.03.2016

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>SCHEDULE-9</b>		
<b>STATUTORY LIABILITIES :-</b>	<b>64263</b>	<b>1458428</b>
Income Tax (TDS) Payable	24386	0
Sales Tax Payable	17686	0
Salary Payable	0	1458428
Labour Cess Deduction	22191	
<b>SCHEDULE-10</b>		
<b>OTHER LIABILITIES :-</b>	<b>8100</b>	<b>279573</b>
Sundry Creditors	8100	279573
Labour Cess		
<b>SCHEDULE-11</b>		
<b>PROVISIONS :-</b>	<b>0</b>	<b>0</b>
Audit Fees Payable		
Electricity Expenses Payable		
Water Payable		
<b>SCHEDULE-12</b>		
<b>GROSS BLOCK</b>	<b>98501726</b>	<b>76659227</b>
<b>IMMOVABLE ASSETS</b>	<b>0</b>	<b>0</b>
Land		
Office Building		



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


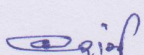
**MUNICIPALITY PADAMPUR**

**As On 31.03.2016**

	<b>Current Year (AMOUNT IN RS.)</b>	<b>Previous Year (AMOUNT IN RS.)</b>
Residential Building		
<b>Infrastructure Assets</b>	<b>94848686</b>	<b>73545291</b>
Roads & Bridge	65951965	48828565
Pool and Puliya	4334936	4933232
Nali Consturction	10409329	11452457
Studiam	1859513	1031962
Slubh Complex	851887	506588
Community Center	2025000	2250000
Buiding	1649089	1379355
Damar Road Consturction	2741618	2379337
Others Construction	5025349	783795
<b>Movable Assets</b>	<b>3653040</b>	<b>3113936</b>
Plant & Machinery	34613	39970
Refliation Sign	380254	
Park Equipments	4775	
Clearing Equipments	111265	130900
Electricity Equipments	914025	420650
Vehcile	503200	592000
Furniture & Fixture	243568	255816
Hand Pump Purchase	43640	21600
Hatha Rehdi	32400	36000
Tractor and Trally	1300500	1530000
Computers	84800	87000
Live Stock		
<b>SCHEDULE-13</b>		
<b>DEPRECIATION FUND :-</b>	<b>18081253</b>	<b>14147079</b>
Opening Balance		
Add: Depreciation Provided during the year	18081253	14147079
<b>SCHEDULE-14</b>		
<b>CAPITAL WORK IN PROGRESS:-</b>	<b>0</b>	<b>0</b>
Carcass Plant		
Cattle House		
Development Work Through SFC		
Development of 12th Finance Commission		
Development of 13th Finance Commission		



  
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MUNICIPALITY PADAMPUR

As On 31.03.2016

Current Year  
(AMOUNT IN RS.)

Previous Year  
(AMOUNT IN RS.)

Heritage Conservation  
Heritage Walk  
Public Toilet  
Resettlement JNNURM  
Roads

SCHEDULE-15

GENERAL FUND INVESTMENT :-

P.D. Account With Interest  
Non-Interest Bearing PD A/c  
RUDF Equity Contribution  
RUIS Equity Contribution  
Equity Contribution Of JCTSL

0

0

SCHEDULE-16

SPECIFIC FUND INVESTMENT :-

Employees GPF Accounts  
Gratuity P.D A/c

6693116

8251527

99665

502078

6593451

7749449

SCHEDULE-17

INVENTORIES :-

Stores Central  
Fire  
Electricals  
Garage  
Stock Others

0

0



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## MUNICIPALITY PADAMPUR

As On 31.03.2016

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
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## SCHEDULE-18

## SUNDRY DEBTORS / RECEIVABLES

House Tax	4674929	4196730
Lease	55682	57786
Other Debtor	4245611	3765870
City Development Tax		37000
Less : Provision For Doubtful Recoveries	373636	336074

## SCHEDULE-19

## CASH &amp; BANK BALANCES :-

	17928129	42150811
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Cash In Hand	1368	320
Head Office		

Balances In FDR A/c  
Deposits Control A/c

Balances in Saving &amp; Current A/c

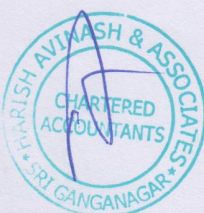
Canara Bank	96263	442839
HDFC	121875	6902686
ICICI(BPL)	0	10089
ICICI(CA)	1693111	5466105
ICICI(KACHI BASTI)	11656	11656
ICICI(13VA VIT AYO)	6462642	11413443
OBC(SJSJRY)	0	2314738
OBC(MLA LD)	344827	344827
OBC(SFC)	46698	111128
PD8448	1831183	14205065
ICICI(SBM)	66920	
SBBJ(CA)	7251586	927915

Nationalized Banks

## SCHEDULE-20

## LOANS, ADVANCES &amp; DEPOSITS:-

Loans to Staff	0	0
Building Loan		
Grain Loan		
Vehicle Loan		
Advance to Staff		
Advance to Contractors and Suppliers		



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**MUNICIPALITY PADAMPUR**  
**As On 31.03.2016**

	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>16480000</b>	<b>14982000</b>
Octroi Compensations	16480000	14982000
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>6116484</b>	<b>10399219</b>
Road Cutting	14553	
Agriculture Land Registration	815041	3150
Interest on Lease	345462	789509
Lease	859370	848882
Application Fees	20964	450
Certificate	40609	132396
NOC	113273	
RTI	131	
Transfer Fees	87410	
Birth/Death Certificate	11725	3333
Surcharge	834000	
Tamir	21388	
Renewal Income	8000	
Penalties & Prosecution	135031	82779
Tender Fees	206050	234850
Verfity Fees	27848	
Dividation Fees	5115	
Marriage Palace Fees	120	105
Mutation Fees	164655	1538836
Development Fees/ Master Plan Book	2405739	6764929
License Fees Construction and Development Work		
<b>SCHEDULE-25</b>		
<b>REVENUE GRANT, CONTRIBUTION, SUBSIDIES</b>	<b>1186679</b>	<b>896273</b>
13vt Ayog Revenue	1186679	885873
Charthurth vit ayog Revanue		10400



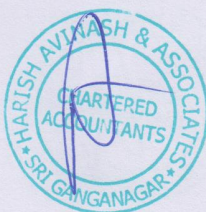
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**MUNICIPALITY PADAMPUR**  
As On 31.03.2016

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>SCHEDULE-26</b>		
<b>INCOME FROM CORP. ASSET/INVESTMENT :-</b>		
Sales Of Scrap	6051	15022345
Sale Of Land	6051	0
	0	15022345
<b>SCHEDULE-27</b>		
<b>MISCELLANEOUS INCOME :-</b>		
Hording Income	2674858	2462832
Other Interest	21125	14040
Building Constuction Approval	125170	
Interest From Bank	57664	1000
Malba	1401206	748691
Niyaman	9300	
Auditor Recovery	198747	2417
Misc. income	30037	19455
Ration Card	811974	1677139
	19635	90
<b>SCHEDULE-28</b>		
<b>ESTABLISHMENT EXP. :-</b>		
Corporator (Parishad) Allwance	25712791	23939476
Medical Reimbursement	555865	241400
Salary and Other Payment		1200
Travelling Reimbursement	25124844	23653360
	32082	43516
<b>SCHEDULE-29</b>		
<b>GENERAL ADMINISTRATION EXP :-</b>		
Advertisement Exp	949945	491398
Audit Fees	210438	302475
Books and Newspaper	298600	
Stationary	1180	8024
Telephone/ Postage Exp	208548	107214
Court/ Legal Exp	52179	51497
	179000	22188



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नगरपालिका, पदमपुर

लेखाकर्मी



MUNICIPALITY PADAMPUR  
As On 31.03.2016

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<b>SCHEDULE-30</b>		
<b>PULIC WORKS :-</b>		
CC Road Repair	2433240	2507360
BPL Avas yojana Exp		709038
13th Vit AyogClearing Exp and other Exp		4509
Janganna/Pashuganna Exp	1018948	1219574
Park Equipment Repair	128850	
Other Exp. (SFC)	103405	
Rain Basera Exp	154078	10400
SJSRY Exp.	2500	
Damar Road Repiar	191488	53942
Road Repair	225458	
Pool and Puliya Repair	157186	273950
	451327	235947
<b>SCHEDULE-31</b>		
<b>MISCELLENIOUS EXP:-</b>		
Contigencies and Other exp	1190568	1450392
Ration Card	173862	74904
Aggriculture Land Return	20285	
Lease Refund	65353	31790
Vehicles Exp	8108	
Computer Stationary	34307	123051
Discount on House Tax		44150
ther repair		4732
Electricity Bill	47725	66180
Electricity Line	293314	148659
ection Exp	3550	175309
stivial exp	80935	
oter Repiar	72445	60939
sc Exp.		2000
ol/ Desial	153089	420181
oto state Exp	208452	269124
ter Bills		5585
	29143	23788



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**Municipality Padampur (Rajasthan)**

**NOTES FORMING PART OF AUDIT REPORT & FINANCIAL STATEMENT  
FOR THE YEAR ENDED ON 31.03.2016**

Accounting policies

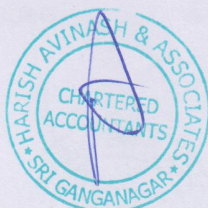
The financial statements are prepared on a going concern and historical cost basis. The method of accounting is the accrual based double entry accounting system.

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.



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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

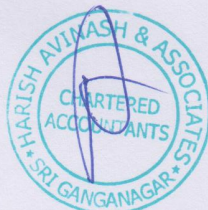
Separate Funds are formed for meeting the provident and the retirement benefits including Gratuity.

## 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.



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लेखा कर्म



- 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.



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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 :

अधिरापी अविषयरी  
नगरपालिका, पदमपुर

Account Officer  
अविषयरी