

# FINANCIAL STATEMENT

*[Under Double Entry Accounting System)]*

MUNICIPAL	COUNCIL	SIKAR	2012-13
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*Prepared by:*  
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# **MUNICIPAL COUNCIL SIKAR**

**2012-13**

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An ISO 9001:2008  
Certified Firm

*K. K. Chanani & Associates*

**Chartered Accountants**

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**INDEPENDENT AUDITOR'S REPORT**

To,  
**The Commissioner,  
Municipal Council Sikar,  
Rajasthan**

**Report to Financial Statement**

We have audited the accompanying financial statements of **Municipal Council, Sikar, Rajasthan** which comprise the Balance Sheet as at March 31, 2013, the Income and Expenditure Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**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 and cash flows 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

*Subject to statement on additional matters as given in Annexure-A attached herewith, and the following :*

- a) *Liabilities that may arise on account of late filing of return, late payment, short or non-deduction and mismatching of TDS, RVAT, Royalty and Labour cess has not been ascertained and hence not considered. To this extent Surplus of Income over Expenditure is overstated and Liabilities are understated.*
- b) *There has been discrepancy between the balances of security deposit, advances, loans etc as determined by the council vis-à-vis as determined by the Local audit department and AG Audit department as at the year end .The details of which are as follows:*

<i>Account Head</i>	<i>As per Double Entry Accounts</i>	<i>As per Local/AG Audit Report</i>	
<i>Advances(Dr)</i>	<i>Rs 8,37,74,458/-</i>	<i>Rs 9,31,68,434/-</i>	<i>Loacal Audit Pg 34</i>
<i>Security and other Deposit(Cr)</i>	<i>Rs.1,3453,635/-</i>	<i>Rs 1,64,68,801/-</i>	<i>Loacal Audit Pg 36</i>
<i>RUDF loan</i>	<i>Rs.6,78,85,536/-</i>	<i>Rs. 7,58,81,000/-</i>	<i>Loacal Audit Pg 37</i>
<i>New Pension(cr)</i>	<i>Rs.4,55,626/-</i>	<i>Rs.9,18,432/-</i>	<i>AG Report</i>



*This discrepancy has not been properly explained by the management of the municipal council. As such to this extent of discrepancy, the accounts do not reflect true and fair view. Besides, adjustment has not been made for lapsed deposit no longer payable. As such, Liabilities are overstated and Surplus of Income over expenditure is understated.*

- c) Liabilities on account of repayment to State Government towards their share against various realizations as per Local Audit Report has not been considered in the accounts. As such, to this extent, Liabilities are understated and Surplus of Income over expenditure is overstated.*

*Details as per Table below:*

<i>Order under which amount to be remitted</i>	<i>Page no of Local audit report(2012-13)</i>	<i>Amount (in Rs.) to be remitted to Government Exchequer</i>
<i>6(7)Raj/39/2001-02/297877-96 / 07/01/2002</i>	<i>114</i>	<i>17,68,730/-</i>
<i>Urban Development tax(lease)</i>	<i>118</i>	<i>4,52,27,000/-</i>
	<i>TOTAL</i>	<i>4,69,95,730/-</i>

- d) Liabilities on account of non-deduction/ non-payment of Patrakar Kalyan Khosh has not been ascertained and accounted for. To this extent Surplus of Income over Expenditure is overstated and Liabilities are understated.*
- e) Liabilities or recovery on account of pending cases and/or notices filed against or by municipal council by/against third parties is not ascertainable and hence not considered. Financial impact of such cases has not been ascertained and hence we are unable to comment on correctness or otherwise of Income, Expenditure, Assets or Liabilities to this extent. Contingent Liabilities, if any, arising out of these cases has not been estimated by the municipal council nor has been disclosed in notes to accounts.*
- f) Payment on account of Battery purchased for Computer Rs.1,89,800/= has been charged to revenue under the Repairs and Maintenance - Office and not capitalized. This resulted in overstatement of expenditure and understatement of Fixed Assets.*



- g) *Closing Stock of Stores has not been determined by the municipality and hence not considered in the accounts. To this extent both, Surplus of Income over Expenditure and Assets are understated.*
- h) *The amount receivable on account of Urban Development Tax and House Tax has not been determined and not considered as income of the year. As such, Income and Assets are understated to this extent.*
- i) *Amount of fees and user charges of various types has not been properly realized from the concerned payer as per details below:*

<i>Nature</i>	<i>On Account of</i>	<i>Amount (in Rs.) to be realizable</i>
<i>Service Tax not realised</i>	<i>Neon Sign Board</i>	<i>65,174/-</i>
<i>Fees realisable</i>	<i>Mobile Tower</i>	<i>24,40,000/-</i>
<i>Registration Charges</i>	<i>Marriage Homes(Registered)</i>	<i>11,16,000/-</i>
<i>Fees realisable</i>	<i>Marriage Homes(Unregistered)</i>	<i>1,60,000/-</i>

*As such both Surplus of Income over expenditure and assets are understated.*

- j) *All expenses except accounting charges, contractual monthly payments and audit fee are accounted for on cash basis. Similarly, all incomes except interest on deposits in savings accounts with banks are accounted for on cash basis Receipts in PD Accounts (treasury) by deposit of amount directly by the tax payers are taken into account on verification with treasury irrespective of the year of receipt.*
- k) *Receipt of RUDF Loan in cash Rs. 28,34,000/= as per Double entry Tally Accounts is not properly explained to us. As such, we are not in a position to comment on correctness or otherwise of such receipts Besides, interest paid on RUDF loan Rs. 2,13,921/-(against repayment of Rs.3,02,912/-) an Rs. 6,98,669/-(against repayment of Rs.8,96,000/- ) has not been accounted for and entire amount is shown as deduction from loan. As such, liabilities are overstated and income is understated to that extent.*



- l) Excess payment on account of Tax Deducted at source Rs.1,516/- (excess deposit) on 20/03/2013 and Rs. 450/-(interest payment) on 28/03/2013 has not been adjusted in accounts .To this extent accounts do not reflect true and fair view.
- m) Municipality has credited an amount of Rs.11,571/- under the head Other Income on 31/03/2013 for which neither documentary evidence nor proper explanation was provided to us. Under the circumstances, we are not in a position to comment on correctness or otherwise of such incomes and/or expenses.
- n) Debit Balance in Bank Loan Rs. 1,66,238/- on account of short deduction from employees not properly explained to us. To this extent, the accounts do not reflect a true and fair view.
- o) Interest on Fixed Deposit held in bank has not been provided. As such, both Surplus of Income over expenditure and assets are understated.
- p) Double entry accounting system has not been properly done as deduction on account of TDS, royalty, cess etc is made from payment voucher instead of passing the journal voucher involving the name of contractor/supplier concerned. Besides, the income and expenses under various heads are not exactly the same as given in the books of accounts maintained at the council office except balances at year end in respect of cash balance and bank balances are agreed. (barring cases as given in para "q" herein below.
- q) Discrepancy noticed between the computerized double entry accounts and physical record are as under:

Particulars	As per Cash /Other Scheme Books	As per Computerised Books of accounts
<b>IHSDP Bnk Accounts</b>		
BOB ..4551	Rs. 16,02,850/-	Rs.34,08,380/-
BOB..8360	Rs.27,74,873/-	Rs,27,21,805/-
0BC..3213	Rs.23,13,939/-	Rs 5,61,477/-
Total(IHSDP)	Rs.66,91,662/-	Rs.66,91,662/-
<b>TFC Bank Accounts</b>		
ICICI 1853	Rs.3,22,71,976/-	Rs.3,33,95,204/-

The discrepancy has not been properly explained by the management As such , accounts does not reflect true and fair view to this extent



*r) Bank Reconciliation, in respect of several bank accounts, have been given in the Cash Book for the year 2012-13. However, treatment of differences arising out of reconciliation including old differences and bank charges debited by bank remains unaccounted for. Besides, bank statement for the period has not been produced before us for verification. To this extent accounts does not reflect true and fair view.*

in our opinion and to the best of our information and according to the explanations given to us, 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, 2013;
- b) in the case of the Income and Expenditure Statement, of the surplus 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 available information and explanation 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.

Krishna Kumar Chanani  
Partner, K K Chanani & Associates  
Chartered Accountants  
FRN NO. 322232E  
Membership No .056045



Kolkata, the 22nd November  
October, 2016



An ISO 9001:2008  
Certified Firm

*K. K. Chanani & Associates*

**Chartered Accountants**

Head Office: 5/1 Clive Row, 3<sup>rd</sup> Floor, Room No.78, Kolkata-700001

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**Annexure A to Auditor's Report (2012-13)**

**Additional Matters to be reported by the financial statement auditor**

1. In our opinion and according to records examined by us and to the best of our knowledge and belief all sums due to and received by the Municipality have been brought to account on Cash Basis except, accounting charges and audit fee which are brought to accounts on accrual basis and have been *generally* appropriately classified but such classification do not agree with the classification as given by the municipal council.
2. In our opinion 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 on cash basis, and where any deduction is made out of such grants towards any dues of the Municipality, such deductions have been properly accounted.
3. Earmarked Funds have been created by the Municipality for Gratuity and Provident Fund, According to the information and explanations given to us Earmarked Funds have been utilized for the purposes for which they were created to some extent.
4. As explained to us the Municipality is maintaining records showing full particulars, including quantitative details. However, *situation* of fixed assets has not been specified in the records so maintained.



As informed to us, Management of ULB *has not carried out physical verification of fixed assets* . As such we are unable to comment on material discrepancies, if any, on physical verification and its treatment in books of accounts.

5. The Municipality *is not maintaining proper records showing full particulars of leasehold property*. Lease Rentals are therefore not verified.
6. As explained to us *physical verification of stores has not been conducted by the Municipality at reasonable intervals* As such we are unable to comment on the procedures of physical verification of stores vis-a-vis material discrepancies, if any, on physical verification and its treatment in books of accounts.  
*Moreover, neither the stores has been verified and valued at the year-end nor has same been recognized in the accounts prepared for the year under report.*
7. As explained to us, Municipality has granted advance against work *but the same has not been adjusted within one month as required as per Rajasthan Muncipal Council manual and no reasonable steps are carried out for adjustment of such advance*. Moreover, Municipality has granted loans to the employees .
8. The Municipality has granted loans to the employées against PF. Deduction from salary are made towards the loans.
9. In our opinion and according to the information and explanations given to us, there exists an adequate internal control procedure for the purchase of stores, fixed assets and services.
10. In our opinion and according to the information and explanations given to us, there exists an adequate internal control procedure for the contracting of works and projects, periodic inspections and measurements, *quality*



checks and payments there for. *Besides, some weakness in internal control procedures* which require immediate attention of the management are as under:

- a) In PWA Form 278, Pan No. and Aadhar Card No. should be given at suitable place along with details of bank account where NEFT payment is to be done.
  - b) The suppliers of materials and/ or providers of services should submit their bill within 30 days of the completion of their supply and/or job and the concerned passing authority should pass the bill or otherwise do necessary action within a further period of 30 days. Any delay on either part should be penalized with fine as deemed necessary by the competent authority. This will help in determining liability as and when arises to a great extent.
  - c) There is excessive number of bank accounts which need to be pruned to a reasonable number as may be determined by the municipality and or any higher authority, if any .
  - d) Quality checks in respect of all contracts need to be carried out. As explained to us, quality checks are being done in respect of those contract whose terms and conditions require such certificate
11. *The Municipality is generally regular in depositing undisputed statutory dues including tax deducted at source, works contract tax, cess and royalty payable to the Government, ESI, PF, Patrakar Kalyan Khosh etc except in cases as reported in Annexure "A1" enclosed herewith. Cases of non-deduction of income tax at source, royalty, sales tax and patrakar kalyan khosh as traced by us on the basis of our test checking are also given in the Annexure "A2" enclosed herewith.*



## MUNICIPAL COUNCIL SIKAR

### ANNEXURE "A2" TO ANNEXURE ON AUDITOR'S REPORT FOR YEAR ENDED 31.03.2013

#### CASES OF NON DEDUCTION OF TDS, ROYALTY, SALESTAX, PATRAKAR KALYAN KHOSH

##### I CASES OF NON-DEDUCTION OF TAX AT SOURCE


Sl. No	Particulars	Date of Payment	Amount (in RS)	Section under which tax to be deducted	Rate of Deduction
1	Legal Expenses	2012-13	407,458	194 J	10%
2	Computer Operator	2012-13	389,717	194C	1%
3	Stationery (V NO 60)	08-01-2013	49,900	194C	1%
4	Operating & Maintenance(V No 37)	03-10-2012	124,226	194C	1%

##### II CASES OF NON-DEDUCTION OF PATRAKAR KALYAN KHOSH

Sl. No.	Particulars	Date of Payment	Amount (in RS)	Rate of Deduction	Amount to be Deducted
1	V NO.064	08-02-2013	5,000	1%	50
2	V NO 217	31-03-2013	5,000	1%	50



**NAGAR PARISHAD SIKAR**  
**Balance Sheet As on 31st March 2013**

LIABILITIES	Schedule	31st March 2013	31st March 2012
		(Amount )	(Amount )
<b><u>RESERVE &amp; SURPLUS</u></b>			
Municipal (General) Fund	1	367,595,760.07	85,895,535.92
Earmarked Funds	2	50,780,178.00	44,216,900.00
Reserve & Surplus	3	52,949,922.00	-
<b>Total Reserve &amp; Surplus (A)</b>		<b>471,325,860.07</b>	<b>130,112,435.92</b>
<b><u>GRANT/ CONTRIBUTION FOR SPECIFIC PURPOSE</u></b>			
Grant/Contribution for Specific purpose	4	91,651,153.30	90,322,808.30
<b>Total Grant/Contribution (B)</b>		<b>91,651,153.30</b>	<b>90,322,808.30</b>
<b><u>LOANS</u></b>			
Secured Loans	5	67,885,536.00	-
<b>Total Loans (C)</b>		<b>67,885,536.00</b>	<b>-</b>
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
Sundry Deposits	6	13,453,635.00	4,969,868.00
Statutory Liabilities	7	2,717,883.00	146,169.00
Other Liabilities	8	91,617.00	65,923.00
Provisions	9	152,250.00	-
<b>Total Current Liabilities and Provisions (D)</b>		<b>16,415,385.00</b>	<b>5,181,960.00</b>
<b>TOTAL LIABILITIES (A+B+C+D)</b>		<b>647,277,934.37</b>	<b>225,617,204.22</b>
<p>Notes to Accounts and Accounting Policies 26</p> <p>As per our Report of even date attached</p> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 45%;"> <p>Krishna Kumar Chanani Partner, K K Chanani &amp; Associates Chartered Accountants FRN NO. 322232E Membership No .056045</p> <p>Kolkata, the <u>29th</u> November October, 2016</p> </div> <div style="width: 10%; text-align: center;">  </div> <div style="width: 40%; text-align: center;"> <p><i>Bm</i> EO/Commissioner</p> <p><i>BTL</i> CAO/ Sr. A.O</p> </div> </div>			

**NAGAR PARISHAD SIKAR**  
**Balance Sheet As on 31st March 2013**

ASSETS	Schedule	31st March 2013	31st March 2012
		(Amount)	(Amount)
<b><u>FIXED ASSETS</u></b>			
Gross Block	10	69,604,297.00	-
Depreciation Fund	11	4,207,565.00	-
Net Block		65,396,732.00	-
Total Fixed Assets (A)		65,396,732.00	-
<b><u>INVESTMENTS</u></b>			
General Fund Investments	12	18,115,228.00	31,625,702.00
Specific Fund Investments	13	98,516,983.00	91,953,705.00
Total Investments (B)		116,632,211.00	123,579,407.00
<b><u>CURRENT ASSETS, LOAN &amp; ADVANCES</u></b>			
Cash & Bank Balances	14	381,474,533.37	102,037,797.22
Loans, Advances and Deposits	15	83,774,458.00	-
Total Current Assets, Loans & Advances (C)		465,248,991.37	102,037,797.22
<b>TOTAL ASSETS(A+B+C)</b>		<b>647,277,934.37</b>	<b>225,617,204.22</b>

Notes to Accounts and Accounting Policies

26

As per our Report of even date attached

Krishna Kumar Chanani  
Partner, K K Chanani & Associates  
Chartered Accountants  
FRN NO. 322232E  
Membership No .056045




*Bm*  
EO/Commissioner

*SH L*  
CAO/ Sr. A.O

Kolkata, the 22nd November  
October, 2016

# NAGAR PARISHAD SIKAR

## Income and Expenditure Statement for the year ended on 31st March 2013

PARTICULARS	Schedule	31st March 2013	31st March 2012
		(Amount )	(Amount )
<b><u>INCOME</u></b>			
Income from Taxes	16	2,783,138.00	
Assigned Compensations	17	87,542,000.00	
Rental Income from Municipal Properties	18	379,719.00	
Fees and User Charges	19	218,816,418.07	
Revenue Grants, Contributions and Subsidies	20	43,687,367.00	
Income from Corporation Assets and Investment	21	113,373,058.00	
Miscellaneous Income	22	4,909,441.00	
<b>Total Income</b>		<b>471,491,141.07</b>	<b>0.00</b>
<b><u>EXPENDITURE</u></b>			
Establishment Expenses	23	98,167,705.00	
General Administrative Expenses	24	12,891,264.92	
Public Works	25	67,961,104.00	
Depreciation During the Year	11	4,207,565.00	
<b>Total Expenditure</b>		<b>183,227,638.92</b>	<b>0.00</b>
<b>Surplus\ Deficit before adjustment of prior period items and Depreciation</b>		<b>288,263,502.15</b>	<b>0.00</b>
Less; Prior Period Items		-	
Less: Prior Period adjustment of Depreciation		-	
<b>NET SURPLUS\ (DEFICIT)</b>		<b>288,263,502.15</b>	<b>0.00</b>
<p><b>Notes to Accounts and Accounting Policies</b> 26</p> <p><b>As per our Report of even date attached</b></p> <div style="display: flex; justify-content: space-between; align-items: flex-start;"> <div style="width: 45%;"> <p>Krishna Kumar Chanani Partner, K K Chanani &amp; Associates Chartered Accountants FRN NO. 322232E Membership No .056045</p> <p>Kolkata, the <u>22nd</u> November October, 2016</p> </div> <div style="width: 45%; text-align: center;">  <p><i>Bm</i> EO/Commissioner</p> <p><i>371</i> CAO/ Sr. A.O</p> </div> </div>			

**NAGAR PARISHAD SIKAR**

**Statement of Cash FlowAs on 31st March 2013**

S.NO	PARTICULARS	2012-13	2011-12
<b>A.</b>	<b><u>Cash flow From Operating Activities</u></b>		
a.	Surplus/(Deficit) over expenditure	288,263,502.15	
b.	Add : Non Cash Items Debited in Income & Expenditure A/c. Depreciation	4,207,565.00	
	Add : Non-operating Items debited in Income & Expenditure A/c	-	
	Less: Non-operating Items credited in Income & Expenditure A/c. Interest Received	8,588,595.00	
	Sale of Land , etc	104,784,463.00	
	Rental Income	379,719.00	
c.	Adjusted income over expenditure before changes in current assets and current liabilities and extra ordinary items.	178,718,290.15	
d.	Changes in current assets and current liabilities Add : Increase in sundry deposit	8,483,767.00	
	Add : Increase in Statutory Liabilities	2,571,714.00	
	Add : Increase in Other Liabilities	25,694.00	
	Add : Increase in Provisions	152,250.00	
	Less : Increase in Loans and Advances	-83,774,458.00	
e.	Add : Adjustment to Capital Contribution	52,949,922.00	
	Net cash generated from/ (used in) operating activities (A)	159,127,179.15	-
<b>B.</b>	<b><u>Cash flows from investing activities</u></b>		
a.	Add : Proceeds from sale of land & obsoletes	104,784,463.00	
b.	Add : Interest Received	8,588,595.00	
c.	Add : Rental Income	379,719.00	
d.	Add : Decrease in General funds investments	13,510,474.00	
e.	Less: Increase in Specific Fund Investment	-6,563,278.00	
f.	Less: Purchase of fixed assets	-69,604,297.00	
	Net cash generated from/ (used in) investing activities (B)	51,095,676.00	-
<b>C.</b>	<b><u>Cash flows from financing activities</u></b>		
a.	Grants utilised for specific purpose	1,328,345.00	
b.	Add : Increase in Loans	67,885,536.00	
	Net cash generated from (used in) financing activities(C)	69,213,881.00	-
<b>D.</b>	<b><u>Net increase/ (decrease) in cash and cash equivalents (A + B + C)</u></b>	279,436,736.15	-
<b>E.</b>	<b><u>Change in Cash and Cash Equivalents</u></b>		
a.	Cash and cash equivalents at beginning of period	102,037,797.22	
b.	Cash and cash equivalents at end of period	381,474,533.37	
	Net increase/ (decrease) in cash and cash equivalents( b-a)	279,436,736.15	

As per our Report of even date attached

Krishna Kumar Chanani  
Partner, K K Chanani & Associates  
Chartered Accountants  
FRN NO. 322232E  
Membership No .056045



Kolkata, the 22nd November  
2016 October, 2016

EO/Commissioner

CAO/ Sr. A.O

**NAGAR PARISHAD SIKAR**  
**Schedule forming part of Financial Statements As on 31st March 2013**

**Schedule - 1**

**2012-13**

**2011-12**

<b>MUNICIPAL (GENERAL) FUND</b>	<b>Amount</b>	<b>Amount</b>
Opening Balance	85,895,535.92	130,112,435.92
Add Addition during the year	44,216,900.00	
Less Deduction during the year	50,780,178.00	44,216,900.00
Add Excess of Income over expenditure	288,263,502.15	
<b>Total</b>	<b>367,595,760.07</b>	<b>85,895,535.92</b>

**Schedule - 2**

<b>EARMARKED FUND</b>	<b>Amount</b>	<b>Amount</b>
Gratuity Fund (As per Pass Book)	624,725.00	79,365.00
General Provident Fund(As per Pass Book)	50,155,453.00	44,137,535.00
<b>Total</b>	<b>50,780,178.00</b>	<b>44,216,900.00</b>

**Schedule - 3**

<b>RESERVE &amp; SURPLUS</b>	<b>Amount</b>	<b>Amount</b>
<b>Capital Contribution</b>		
Opening Balance	-	
Add Addition during the year	52,949,922.00	
Less Withdrawal during the year	-	
<b>Total</b>	<b>52,949,922.00</b>	<b>-</b>

**Schedule - 4**

<b>GRANT/CONTRIBUTION FOR SPECIFIC PURPOSE</b>	<b>Amount</b>	<b>Amount</b>
Grant from State Finance Commission	16,122,818.00	2,217,592.00
Grant under IDSMT Scheme	23,955,283.00	51,961,334.00
Special Grant for 13th Financial Commission	37,918,960.00	20,375,104.00
Grant Under IHSDP Scheme	5,085,045.00	5,321,984.00
M.P./ MLA Fund	1,852,561.00	899,795.00
CM Housing Scheme	435,000.00	0.00
SJSRY	6,004,286.30	9,546,999.30
Pannadhaya Scheme	277,200.00	0.00
<b>Total</b>	<b>91,651,153.30</b>	<b>90,322,808.30</b>

**Schedule - 5**

<b>SECURED LOANS</b>	<b>Amount</b>	<b>Amount</b>
Loan from RUIDFCO	67,885,536.00	0.00
<b>Total</b>	<b>67,885,536.00</b>	<b>0.00</b>



**NAGAR PARISHAD SIKAR(2012-13)**

**Schedule - 6**

<b>SUNDRY DEPOSITS</b>	<b>Amount</b>	<b>Amount</b>
Security Deposits	7,068,381.00	3,261,446.00
Amanat Payable	6,385,254.00	1,708,422.00
<b>Total</b>	<b>13,453,635.00</b>	<b>4,969,868.00</b>

**Schedule - 7**

<b>STATUTORY LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>
Income Tax (TDS) Payable	-1,966.00	17,780.00
Commercial Tax Payable	7,080.00	68,915.00
Labour Cess Payable	56,722.00	27,415.00
Gratuity Payable	868,028.00	0.00
New Pension Payable	455,626.00	0.00
Patrakar Kalyan Kosh	1,543.00	32,059.00
Providend fund Payable	1,330,850.00	0.00
<b>Total</b>	<b>2,717,883.00</b>	<b>146,169.00</b>

**Schedule - 8**

<b>OTHER LIABILITIES</b>	<b>Amount</b>	<b>Amount</b>
Bank Loan Recoveries from Employees	-166,238.00	0.00
Royalty Payable	257,855.00	65,923.00
<b>Total</b>	<b>91,617.00</b>	<b>65,923.00</b>

**Schedule - 9**

<b>PROVISIONS</b>	<b>Amount</b>	<b>Amount</b>
Audit fees Payable	57,250.00	-
Accounting fees payable	95,000.00	-
<b>Total</b>	<b>152,250.00</b>	<b>-</b>

**Schedule - 10**

<b>FIXED ASSETS : GROSS BLOCK</b>	<b>Amount</b>	<b>Amount</b>
<b>Immovable Assets</b>		
Office Building	4,548,000.00	0.00
<b>Infrastructure Assets</b>		
Roads & Bridge	49,028,358.00	0.00
Sewrage & Drainage	13,173,192.00	0.00
Public Lighting	572,900.00	0.00
Garden	649,182.00	0.00
<b>Moveable Assets</b>		
<b>Furniture</b>		
Furniture & Fixture	37,450.00	0.00
<b>Vehicles</b>		
Vehicles	1,312,238.00	0.00
<b>Office Equipments</b>		
Computer	247,600.00	-
Office - Other Equipments	35,377.00	0.00
<b>Total</b>	<b>69,604,297.00</b>	<b>-</b>



**NAGAR PARISHAD SIKAR(2012-13)**

**Schedule - 11**

<b>DEPRECIATION FUND</b>	<b>Amount</b>	<b>Amount</b>
Opening balance	0.00	0.00
Add:- Depreciation for the year (as per Annexure I enclosed)	4,207,565.00	
<b>Total</b>	<b>4,207,565.00</b>	<b>-</b>

**Schedule - 12**

<b>GENERAL FUND INVESTMENT</b>	<b>Amount</b>	<b>Amount</b>
PD-8338 (Interest bearing)	8,429,687.00	3,402,703.00
PD-8448 (Non-Interest bearing)	9,685,541.00	28,222,999.00
<b>Total</b>	<b>18,115,228.00</b>	<b>31,625,702.00</b>

**Schedule - 13**

<b>SPECIFIC FUND INVESTMENT</b>	<b>Amount</b>	<b>Amount</b>
Gratuity P.D A/c (As per Pass Book)	624,725.00	79,365.00
Employee's GPF A/c (As per Pass Book)	50,155,453.00	44,137,535.00
Pension PD A/c 8011	47,358,466.00	47,358,466.00
New Pension	378,339.00	378,339.00
<b>Total</b>	<b>98,516,983.00</b>	<b>91,953,705.00</b>

**Schedule - 14**

<b>CASH &amp; BANK BALANCES</b>	<b>Amount</b>	<b>Amount</b>
Cash in Hand	6,300.00	-
Cheque in hand	75,344.00	-
Balances in Saving & Current a/cs (As per Annexure II enclosed)	450,288,295.37	177,880,399.22
Less Transfer to General Fund Investment	-18,115,228.00	-31,625,702.00
Less Transfer to Specific Fund Investment	-50,780,178.00	-44,216,900.00
<b>Total</b>	<b>381,474,533.37</b>	<b>102,037,797.22</b>

**Schedule - 15**

<b>LOANS,ADVANCES &amp; DEPOSITS</b>	<b>Amount</b>	<b>Amount</b>
Ruidf TFC	2,511,800.00	0.00
PWD Advance	848,000.00	
Deposites with AVVNL	7,328,981.00	0.00
Loan & Advances- TCIL	73,085,677.00	0.00
<b>Total</b>	<b>83,774,458.00</b>	<b>-</b>

**Schedule - 16**

<b>INCOME FROM TAXES</b>	<b>Amount</b>	<b>Amount</b>
House Tax	2,783,138.00	
<b>Total</b>	<b>2,783,138.00</b>	<b>-</b>



**NAGAR PARISHAD SIKAR(2012-13)**

**Schedule - 17**

<b>ASSIGNED COMPENSATION</b>	<b>Amount</b>	<b>Amount</b>
Octroi Compensations	87,542,000.00	
<b>Total</b>	<b>87,542,000.00</b>	<b>-</b>

**Schedule - 18**

<b>RENTAL INCOME FROM MUNICIPLE PROPERTIES</b>	<b>Amount</b>	<b>Amount</b>
Income from Municipal Properties	300,669.00	
Income Teh Bazari	79,050.00	
<b>Total</b>	<b>379,719.00</b>	<b>-</b>

**Schedule - 19**

<b>FEES AND USER CHARGES</b>	<b>Amount</b>	<b>Amount</b>
Licensing Fees	68,262.00	
Fees for Grant of Permit	17,398,906.00	
Fees for Certificate or Extract	152,118.00	
Development Charges	18,134,477.00	
Regularisation fees	10,511,471.00	
Penalty & Fines	3,548,592.00	
Other Fee- Property Transfer Charges	6,592,225.00	
User Charges	186,425.00	
Administrative Charges	281,370.07	
Lease Money Received	159,155,030.00	
Registration Charges	543,686.00	
Audit Para	12,606.00	
Advertisement Fees	2,231,250.00	
<b>Total</b>	<b>218,816,418.07</b>	<b>-</b>

**Schedule - 20**

<b>REVENUE GRANT,CONTRIBUTION,SUBSIDIES</b>	<b>Amount</b>	<b>Amount</b>
Revenue Grant- General	20,316,000.00	
Revenue Grant Transfer from IDSMT	1,642,857.00	
Revenue Grant Transfer from IHSDP	77,365.00	
Revenue Grant Transfer from SFC	401,000.00	
State Finance Commisiion Development -Electricity	6,535,000.00	
Revenue Grant Transfer from TFC	11,719,744.00	
Re-imbursement of Expenses	156,401.00	
Grant for Rain Basera	730,000.00	
Revenue Grant- Census	2,109,000.00	
<b>Total</b>	<b>43,687,367.00</b>	<b>-</b>



**NAGAR PARISHAD SIKAR(2012-13)**

**Schedule - 21**

<b>INCOME FROM CORP.ASSET/INVESTMENT</b>	<b>Amount</b>	<b>Amount</b>
Interest from Banks	8,333,371.00	
Other Interest	255,224.00	
Sale of Products	104,444,810.00	
Sale of Forms & Publications	339,653.00	
<b>Total</b>	<b>113,373,058.00</b>	

**Schedule - 22**

<b>MISCELLANEOUS INCOME</b>	<b>Amount</b>	<b>Amount</b>
Recoveries from Employees	221,703.00	
Misc. Income	4,687,738.00	
<b>Total</b>	<b>4,909,441.00</b>	-

**Schedule - 23**

<b>ESTABLISHMENT EXP.</b>	<b>Amount</b>	<b>Amount</b>
Salary, Bonus & Wages	87,916,846.00	
Pension contribution	53,063.00	
Gratuity Exp.	6,647,549.00	
Conveyance Allowances	13,248.00	
Medical Re Imbursement	799,904.00	
Parshad Allowances	1,056,950.00	
Uniform Allowances	368,090.00	
Bonus	924,704.00	
Other Allowances	387,351.00	
<b>Total</b>	<b>98,167,705.00</b>	-

**Schedule - 24**

<b>GENERAL ADMINISTRATION EXP.</b>	<b>Amount</b>	<b>Amount</b>
Advertisement & Promotion Expenses	3,079,548.00	
Audit fees	1,173,250.00	
Professionals & other Fees	98,000.00	
Communication Expenses	100,844.00	
Books & Journals	14,970.00	
Printing & stationary	274,910.00	
Travelling & Conveyance	145,821.00	
Ruidf Contribution	2,500,000.00	
CMAR Membership	401,000.00	
Office Maintance	423,874.00	
Others Exp.	411,337.00	
Finance Charges	47,352.92	
Legal expenses	407,548.00	
Repair & Maintainance-Office Building	38,019.00	
Vehicle Running and Maintanance Exp	318,778.00	
Power and Fuel	2,229,454.00	
Other Contigencies	1,226,559.00	
<b>Total</b>	<b>12,891,264.92</b>	-



**NAGAR PARISHAD SIKAR(2012-13)**

**Schedule - 25**

<b>PUBLIC WORKS</b>	<b>Amount</b>	<b>Amount</b>
Expenditure On Safai	23,056,807.00	
Repair & Maintanance of Public Toilets	81,000.00	
Repair and Maintenance-Sewerage and Drainage	2,585,052.00	
Repair & Mainatenance- Roads & Bridge	20,803,904.00	
Expenditure On Road Light	12,743,800.00	
Electricity- Bulk Purchase	41,577.00	
Expenditure on Parks and Gardens	2,806,458.00	
Repair & Maintanance-Others	3,861,066.00	
Grants and Subsidies	1,100,000.00	
Census	50,898.00	
Pannadhay Scheme Exp.	273,600.00	
Programme Expenditure	556,942.00	
<b>Total</b>	<b>67,961,104.00</b>	<b>-</b>



# NAGAR PARISHAD SIKAR

YEAR

2012-13

## ANNEXURE I TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

### Calculation Of Depreciation

Particulars	Gross Value B/F	Depreciation B/F	Op WDV	Upto Sep	After Sep	Total	Dep Rate	Depreciation Current	Gross Value C/F	Depreciation C/F	Cl. WDV
<b>Immovable Assets</b>											
Office Building	-	-	-	-	4,548,000	4,548,000	10%	227,400	4,548,000	227,400	4,320,600
<b>Infrastructure Assets</b>											
Roads & Bridge	-	-	-	11,885,776	37,142,582	49,028,358	10%	3,045,707	49,028,358	3,045,707	45,982,651
Sewrage & Drainage	-	-	-	666,995	12,506,197	13,173,192	10%	692,009	13,173,192	692,009	12,481,183
Public Lighting	-	-	-	-	572,900	572,900	10%	28,645	572,900	28,645	544,255
Garden	-	-	-	-	649,182	649,182	10%	32,459	649,182	32,459	616,723
<b>Moveable Assets</b>											
<b>Furniture</b>											
Furniture & Fixture	-	-	-	29,350	8,100	37,450	10%	3,340	37,450	3,340	34,110
<b>Vechile</b>											
Car	-	-	-	-	1,312,238	1,312,238	15%	98,418	1,312,238	98,418	1,213,820
<b>Office Equipments</b>											
Computer	-	-	-	-	247,600	247,600	60%	74,280	247,600	74,280	173,320
Office - Other Equipments	-	-	-	35,377	-	35,377	15%	5,307	35,377	5,307	30,070
	-	-	-	12,617,498	56,986,799	69,604,297		4,207,565	69,604,297	4,207,565	65,396,732



## MUNICIPAL COUNCIL SIKAR

### ANNEXURE "A1" TO ANNEXURE ON AUDITOR'S REPORT FOR YEAR ENDED 31.03.2013

#### I CASES OF DELAY IN DEPOSIT OF TAXES

Sl. No	Particulars	Date of Payment	Amount (in RS)	Due Date of Remittance	Date of Remittance
1	Sales tax	24-09-2012	7,080	15-10-2012	Not Paid
2	Sales tax	Feb,2013	18,032	15-03-2013	28-03-2013
3	Labour Cess	09-11-2012	43,673	15-12-2012	Not Paid
4	Labour Cess	09-11-2012	4,507	15-12-2012	Not Paid
5	Labour Cess	March,2013	8,542	April,2013	O/s.
6	Royalty	March, 2013	2,315	15-04-2013	Not Paid
7	Royalty	June,2012	124,653	15-07-2012	22-08-2012
8	Royalty	Sept,2012	9809	15-10-2012	Not Paid
9	Royalty	Oct,2012	28690	15-11-2012	Not Paid
10	Royalty	Dec,2012	94280	15-01-2013	Not Paid
11	Royalty	Jan,2013	59846	15-02-2013	Not Paid
12	Royalty	Feb,2013	45879	15-03-2013	28-03-2013
13	Royalty	Mar,2013	38337	15-04-2013	Not Paid
14	Royalty	Nov,2012	(Bal Fig) 4659	15-12-2012	Not Paid
15	Royalty	Jan,2013	10737	15-02-2013	Not Paid
16	Royalty	Mar,2013	9182	15-04-2013	Not Paid
17	Tax deducted at source	Feb,2013	30456	07-03-2013	28-03-2013
18	Tax deducted at source	06-08-2012	460	07-09-2012	19-09-2012
19	Journalist Welfare Fund	2012-13	27,069	2012-13	28-03-2013
20	Patrakar Kalyan Khosh	23-10-2012	262	2012-13	Not Paid
21	Patrakar Kalyan Khosh	Mar,2013	981	2012-13	Not Paid
22	Patrakar Kalyan Khosh	2012-13	300	2012-13	Not Paid



## NAGAR PARISHAD SIKAR(2012-13)

### ANNEXURE II TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2013

#### DETAILS OF BANK ACCOUNT AS ON 31.03.2013

NAME OF BANK ACCOUNT	AMOUNT
<b>Investment in Bank</b>	
FDR	150,000,000.00
<b>GENERAL Cash Book Bank</b>	
Allahabad Bank	1,927,996.00
Bank of Saurashtra	1,000.00
BOB	11,248,650.00
CPF 8338	50,155,453.00
Gratuity Bank A/c 8338	624,725.00
OBC 2527	37,566,421.07
PD 8338	8,425,784.00
PD 8448	20,201,791.00
SKSB 81	38,712,155.00
UCO 9211	21,729,696.00
<b>IDSMT Cash Book Bank</b>	
Axis Bank 9645 IDSMT	10,271,809.00
Bob 5239 IDSMT	9,827.00
Obc 3282 IDSMT	9,686,406.00
RGB 3814 IDSMT	15,146,861.00
SKSB 573 IDSMT	302,710.00
SKSB 783 IDSMT	144,059.00
<b>IHSDP Cash Book Bank</b>	
BOB 4551 IHSDP	3,408,380.00
BOB 8360 IHSDP	2,721,805.00
OBC 3213 IHSDP	561,477.00
<b>MLA/MP Cash Book Bank</b>	
BOB- MLA/MP	1,870,839.00
<b>SFC Cash Book Bank</b>	
PD 8448 SFC	22,970,000.00
SKSB 701 SFC	2,240,545.00
<b>Sjsry</b>	
Bob Sjsry	11,404.00
Pd8448 Sjsry	3,683,750.00
SKSB 81 Sjsry	2,374,832.30
<b>Sundray Cash Book</b>	
Bob Sundray C. B.	86,139.00
Icici 2249 Sundry C. B.	435,000.00
Pd 8338 Sundray C. B.	3,903.00
Sksb 581 Sundray C. B.	60,007.00
<b>TFC Bank Accounts</b>	
Icici 1853 TFC	33,395,204.00
IDBI 32993 TFC	309,667.00
<b>Grand Total</b>	<b>450,288,295.37</b>



# MUNICIPAL COUNCIL

SIKAR (2012-13)

## SCHEDULE 26

### ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

#### I ACCOUNTING POLICIES

##### 1. Basis of Accounting

The financial statements are prepared on a going concern and under historical cost basis under cash basis of accounting except in case of contractual payments like accounting charges and audit fees. The method of accounting is the double entry system. However, initial opening balances has been derived based on transitional methodology devised for first time adoption of double entry accounting system which inter-alia includes certain estimates, assumptions and back calculation, instead of tracing the transactions since its inception.

##### 2. Recognition of Revenue

###### *i. Revenue*

- a. Property and Other Taxes are recognized in the period in which they are received
- b. Revenues in respect of Profession Tax on Organisations /entities are determined in the year in which they are received
- c. Advertisement taxes are considered on receipt basis.
- d. Revenue in respect of Trade License Fees are determined in the year in which they are received
- e. Assigned revenues like Entertainment Tax, Duty / Surcharge on transfer of Immovable properties are accounted during the year only upon actual receipt.
- 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 recognized on actual receipt.



## MUNICIPAL COUNCIL

SIKAR (2012-13)

ii. *Provision against payables*

- a. Provisions against payables are made based on type of income; age judgement and past experience of the management. Security deposits and earnest money deposit identified by the Municipal Council to be no longer payable are written back and considered as income.

### 3. Recognition of Expenditure

i. *Expenditure*

- a. Expenses on Salaries, bonus and other allowances are recognized as and when they are paid
- b. All revenue expenditures are treated as expenditures in the period in which they are paid..
- c. In case of works contracts, expenditures are considered in the year in which the payment has been made
- d. Provision for expenses are made at the year-end for certain expenses of yearly contractual nature for which the amount is known beforehand like audit fees and accounting charges.
- e. Expenses on account of retirement benefit viz. encashment of leave etc. are recognized on cash basis.

ii. *Provision against receivables*

- a. Provisions against receivables are made based on type of income; age of receivable and judgement and past experience of the management. Incomes that have been accrued and are doubtful of recovery are provided for. .

### 4. 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 installing or constructing the fixed asset, interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets and other incidental and indirect expenses incurred up to that date.



## MUNICIPAL COUNCIL

SIKAR (2012-13)

- b. All assets costing less than Rs.5,000/- are expensed/charged to Income & Expenditure Account in the year of purchase.
- c. Any Fixed Asset, which has been acquired free of cost or in respect of which no payment has been made, is recorded at nominal value of Re. 1/-

### *ii. Depreciation*

Depreciation is provided on Written down value method as per rates specified in Income Tax Act, 1961 as suggested in Rajasthan Municipal Accounting Manual.

### *iii. Revaluation of Fixed Assets:*

- a. Revaluation of fixed assets is undertaken either at the time of issue of municipal bonds or when commercial development/lease of properties is made.
- b. Increase in net book value arising on revaluation is credited to 'Revaluation Reserve Account'. Decrease in net book value is charged to Income and Expenditure account.
- c. Revaluation reserve is amortized by proportionate amount of depreciation charged on the revalued portion of the cost of the fixed assets.

## **5. Borrowing cost**

Borrowing cost is recognized as revenue expenditure as and when paid .

## **6. Inventories**

Inventories are valued as follows:

- a. Raw materials are valued at Cost based on first in first out method
- b. Finished goods are valued at lower of the cost or market value.

## **7. Grants**

- a. General Grants, which are of revenue nature, are recognized as income on actual receipt



# MUNICIPAL COUNCIL

SIKAR (2012-13)

- b. Grants, which are re-imbursement of specific revenue expenditure is recognized as income in the accounting period in which the corresponding revenue expenditure is charged to the Income and Expenditure Account.
- c. 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 a capital receipt and transferred to capital contribution.

## **8. Employee benefits**

- a. Separate Funds are formed for meeting the provident and gratuity.
- b. Contribution towards Provident and gratuity funds are recognised as and when it is due

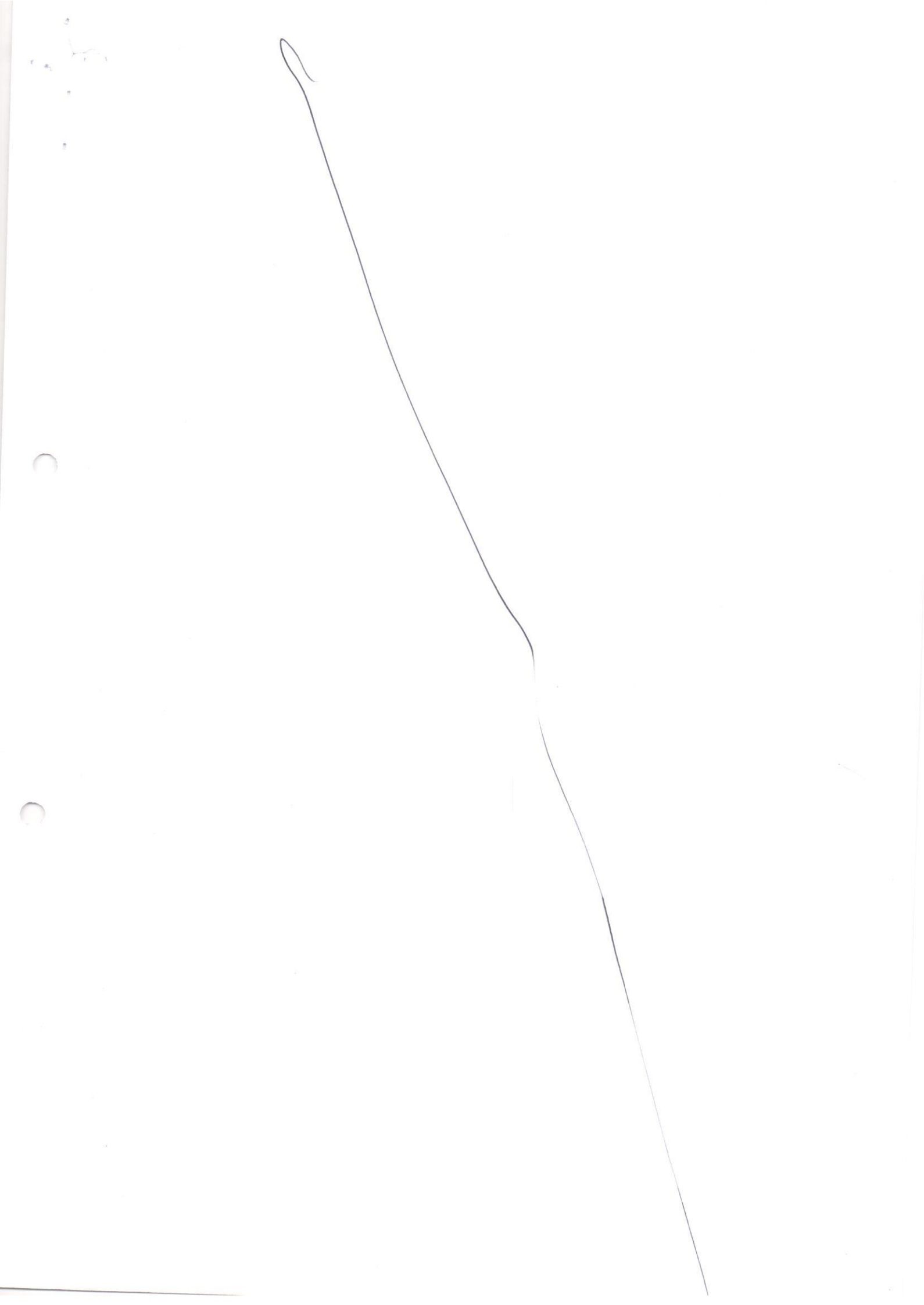
## **9. Investments**

- a. All investments are initially recognised at cost. The cost of investment shall include cost incurred in acquiring the investment and other incidental expenses incurred for its acquisition.
- b. Long-term investments are carried at their cost. However in the event of any permanent diminution in their value as on the date of balance sheet, these are provided for.
- c. Short-term investments are carried at their cost or market value (if quoted) whichever is lower.

## **10. Opening Balances as at 31st March 2012**

- a. Municipal Fund  
Residual of total assets over outside liabilities has been considered as opening balance of Mutual Fund.
- b. Earmarked Funds/Special Funds  
The Balance of Earmarked Funds is the total assets available against such earmarked funds.





**MUNICIPAL COUNCIL**  
**SIKAR (2012-13)**

- c. Other Liabilities/Provisions  
Other liabilities/Provisions has been ascertained by performing Subsequent Event Testing i.e the liabilities paid like salary paid
- d. Deposits Received  
The amount of Deposits Received has been arrived at from the Register of Deposits maintained by the Accounts Officer of the Municipal Board
- e. Fixed Assets  
The amount of Fixed Assets have been ascertained as per Guidelines specified in the Rajasthan Municipal Accounting Manual.

There may exist possibilities that certain assets and liabilities are identified after preparation of draft Opening Balance Sheet as well as after preparation of the first Balance Sheet subsequent to Opening Balance Sheet. In such case, the value of assets or liabilities identified will be directly incorporated in the Opening Balance Sheet (where first Balance Sheet subsequent to the Opening Balance Sheet is not prepared) or through the account "Adjustments to Opening Balance Sheet" in the Balance Sheet for the period concerned.

**II NOTES TO ACCOUNT**

1. The value of fixed assets acquired after 1<sup>st</sup> April, 2012 and till 31<sup>st</sup> March, 2013 have been depreciated as per rates specified in the Income Tax Act, 1961 on written down value method. The depreciation amount so obtained has been considered in determining Depreciation Fund.
2. Balance of the Deposits received from contractors/suppliers is on the basis of receipts issued against deposit and deduction made from payments to them
3. Balance of Loan against Provident Fund given to employees are subject to their confirmation.

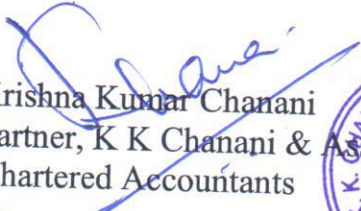


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4. Balances of Debtors, Creditors and other parties are subject to confirmation
5. These accounts have been prepared covering receipts of various Grants/Aids/Funds from State Government for specific purpose/scheme. In view of long duration of scheme, utilization of same is subject to verification on completion of scheme

Signatories to Schedule 1 to 26

In confirmation and witness of facts

  
Krishna Kumar Chanani  
Partner, K K Chanani & Associates  
Chartered Accountants  
FRN NO. 322232E  
Membership No .056045



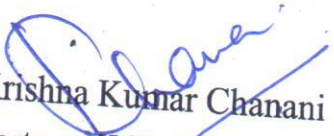
For Municipal Council :Sikar, Rajasthan

  
EO/Commissioner

Kolkata, the 22<sup>nd</sup> November  
October, 2016

  
CAO/ Sr . A.O..

12. To the best of our knowledge and according to information and explanation given to us, no personal expenses have been charged to the Municipality's accounts.
13. To the best of our knowledge and according to information and explanation given to us, the books and registers specified under the Rajasthan Municipal Accounts Manual and other applicable acts and rules have been properly maintained. *Accounting effect of bank charges debited by Bank, Old Differences, Non- collection of cheques, Cancellation of stale cheques not Presented has not been considered in accounts in few cases.*
14. To the best of our knowledge and according to information and explanation given to us, year-end procedures have been carried out *but reconciliation procedures at year end have not been carried out. . Even balance of grant to be utilized do not reconcile with the balance remaining to be spent as per users' certificate issued by the municipal council in few cases. Besides, Assets as per Fixed Assets Register, value of security deposit as per Deposit register , loans payable as per loan register and advances given as per allied register are not fully reflected in books of account.*

  
Krishna Kumar Chanani  
Partner, K K Chanani & Associates  
Chartered Accountants  
FRN No. 322232E  
Membership No .056045



Kolkata, the 22<sup>nd</sup> November  
October, 2016