



INDEPENDENT AUDITORS REPORT

To the member of Municipal Board, Rajgarh

We have audited the accompanying financial statements of **Municipal Board, Rajgarh**, which comprise the Balance Sheet as at **March 31, 2015** and the Income and Expenditure Account 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 **Municipal Board** 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.

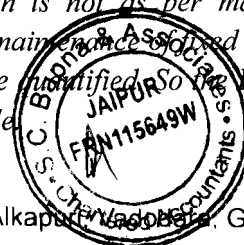
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the **Municipal Board'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 **Municipal Board'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.

Basis for Qualified Opinion

I. We invite attention to:

1. Fixed Asset

As per Rajasthan Municipal Accounts manual "Depreciation on the fixed assets shall be provided on straight line method uniformly on all assets having useful life of more than one year with respect to prescribed rates of depreciation guided by the Income tax Act, 1961 and rules subject to 95 % of their book value (cost less residual value 5%). However the Municipal Board Rajgarh, Alwar has not charged depreciation or made any provision for depreciation, which is not as per manual and due to Voluminous, incompleteness of data and non maintenance of fixed asset register, the actual depreciation as per manual could not be ascertained. So the impact of the same on Income & Expenditure a/c is unascertainable.



Offices :

- 74-76, Gayatri Chambers, RC Dutt Road, Near Railway Station, Alkapuri, Vadodra, Gujarat-390005
Phone : 0265-2331056, 2334365 | bapnasc@gmail.com
- 501, 5th Floor, Arcadia, Nariman Point, Mumbai, Maharashtra-400021 Phone: 022-22845755, 099209 14577
- 179, Sector No 3, Hiran Magri, Udaipur, Rajasthan-313001



2. Provisions, Contingent Liabilities and Contingent Assets :

- *The Municipal Board has not made any Provision regarding Salaries, Accounting Fees & some other heads. Contingent Liabilities are not disclosed in the notes.*

3. Party wise details:

- *The Municipality has not made accounting entries of Earnest Money and Security Deposits party Wise , because of that we are unable to find out or reconcile the party wise receipts and refunds .In this case there may be a chances that municipality has paid excess refund to some parties.*

Qualified opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effects of the matters described in the Basis for Qualified Opinion mentioned above* 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 **Municipal Board** as at **March 31, 2015** and
- b) in the case of the Income and Expenditure Account, of the excess of expenditure over income 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 **Municipal Board** so far as appears from our examination of those books:
- c) the Balance Sheet and Income and Expenditure Account, dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet and Income and Expenditure Account comply with the Rajasthan Municipal Accounts Manual;

A statement on additional matters is given in the **Annexure "A"**

Place: Jaipur
Date: 21.01.2017

For S.C.Bapna & Associates
Chartered Accountants

(CA Vikesh Jain)
(Partner)

M No.: 406182

FRN No.: 115649W

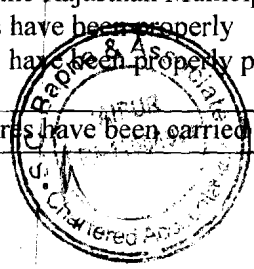
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Municipal Board, Rajgarh

Annexure "A" - Additional matters to be reported by the financial statements auditor

1. Whether all sums due to and received by the Municipality have been brought to account and have been appropriately classified;	Accounting is as per cash book maintained by ULB
2. Whether all grants sanctioned or received by the Municipality during the year, have been accounted properly, and where any deduction is made out of such grants towards any dues of the Municipality whether such deductions have been properly accounted;	Accounting is as per cash book maintained by ULB. Information related to grant sanctioned and deductions is not available with the ULB.
3. Whether any Earmarked Funds have been created as per the provision of any statute and, if so, whether such Earmarked Funds have been utilized for the purposes for which they were created;	Yes
4. Whether the Municipality is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; whether these fixed assets have been physically verified at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same has been properly dealt with in the books of account;	No
5. Whether in case of leasehold property given by the Municipality, whether lease rentals are collected regularly by the Municipality and that the lease agreements are renewed after their expiry;	No Complete details not Maintained
6. Whether physical verification has been conducted by the Municipality at reasonable intervals in respect of stores; Whether the procedures of physical verification of stores followed by the Municipality are reasonable and adequate if not, state the inadequacies in such procedures; Whether any material discrepancies have been noticed on physical verification of stores as compared to stores records, and if so, whether the same have been properly dealt with in the books of account;	No. There is no procedure for physical verification
7. Whether the parties to whom loans or advances have been given by the Municipality are repaying the principal amounts as stipulated and are also regular in payment of the interest and if not, whether reasonable steps have been taken by the Municipality for recovery of the principal and interest;	No Complete details not Maintained
8. Whether advances given to municipal employees and interest thereon are being regularly recovered;	No Complete details not Maintained
9. Whether there exists an adequate internal control procedure for the purchase of stores, fixed assets and services	No
10. Whether there exists an adequate internal control procedure for the contracting of works and projects, periodic inspections and measurements, quality checks and payments there for	No
11. Whether the Municipality is regular in depositing statutory dues including tax deducted at source, works contract tax, cess payable to the Government, ESI, PF etc., and if not, the nature and cause of such delay and the amount not deposited;	No statutory dues has been deposited yet, including Gratuity, Pension, NPS, Labour Cess etc. (Details Attached)
12. Whether any personal expenses have been charged to the Municipality's accounts; if so, the details thereof;	No
13. Whether the books and registers specified under the Rajasthan Municipal Accounts Manual and other applicable acts and rules have been properly maintained; whether Bank Reconciliation statements have been properly prepared for all the bank accounts of the Municipality;	No (Details Attached)
14. Whether the year-end and reconciliation procedures have been carried out;	No



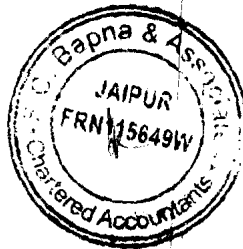
1. During the Audit we have found that Statutory Liabilities have not been deposited during the year and some Statutory Liabilities have a Opening Balances from the previous year, these are as follows:

Name of Statutory Liabilities	Balance as on 01.04.2014	During the Year	Balance as on 31.03.2015
Gratuity	9,55,503	2,17,687	11,73,190
NPS	74,147	-	74,147
Other Deductions from Employees	21,52,152	1,56,354	23,08,506
Pension	28,80,995	11,26,746	40,07,741
Labour Cess @1%	3,00,593	1,58,232	4,58,825

2. Details relating to Other Deductions from the Salary were not maintained by the Municipality in the books of account and no details were provided by the Municipality.
3. Bank Reconciliation Statement provided, but details relating to cheques pending for clearance not provided to us:

Bank A/c	Balance as per Cash Book	Balance as per Pass Book	Difference
Axis Bank A/c No. 4314	44,291.64	46,291.64	2,000.00
BRKG Bank	27,748.00	47,248.00	19,500.00
P.D. A/c No. 8448	2,16,07,671.00	2,08,07,231.00	8,00,440.00
SBBJ Bank A/c 461416	25,53,812.09	48,74,471.51	23,20,659.42
SBI Rajgarh A/c 66818	4,624.67	91,769.97	87,145.30
PNB A/c 2488	26,28,235.85	24,64,562.69	1,63,673.16

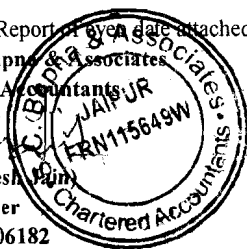
4. There is a difference in Bank Balance shown in Cash Book and in the Accounts maintained in Tally amounted Rs. 40/- .



**MUNICIPAL BOARD RAJGARH
BALANCE SHEET AS AT 31.03.2015**

LIABILITIES	Schedule	As At 31 March 2015	As At 31 March 2014
RESERVE & SURPLUS			
Municipal (General) Fund	1	65,345,179.66	49,546,859.02
Total Reserve & Surplus (A)		<u>65,345,179.66</u>	<u>49,546,859.02</u>
GRANTS & CONTRIBUTION	2	142,580.00	142,580.00
Total Grants & Contributions (B)		<u>142,580.00</u>	<u>142,580.00</u>
CURRENT LIABILITIES & PROVISIONS			
Sundry Deposits	3	2,267,808.00	4,153,760.00
Statutory Liabilities	4	9,753,840.00	6,842,274.00
Other Current Liabilities	5	100,950.00	87,929.00
Total Current Liabilities and Provisions (C)		<u>12,122,598.00</u>	<u>11,083,963.00</u>
TOTAL LIABILITIES (A+B+C)		<u>77,610,357.66</u>	<u>60,773,402.02</u>
ASSETS			
FIXED ASSETS			
Gross Block	6	53,219,816.00	36,315,731.00
Net Block		<u>53,219,816.00</u>	<u>36,315,731.00</u>
Total Fixed Assets (A)		<u>53,219,816.00</u>	<u>36,315,731.00</u>
CURRENT ASSETS, LOAN & ADVANCES			
Cash & Bank Balances	7	22,717,089.66	23,298,035.02
Loans & Advances	8	1,673,452.00	1,159,636.00
Total Current Assets, Loans & Advances (B)		<u>24,390,541.66</u>	<u>24,457,671.02</u>
TOTAL ASSETS(A+B)		<u>77,610,357.66</u>	<u>60,773,402.02</u>
Other notes forming part of Financial Statements		-	-
Significant Accounting Policies			

As per our Report of even date attached
For S.C.Bapna & Associates
Chartered Accountants
JAI PUR
FRN 115649W
(CA Vikesh Jain)
Partner
M.No 406182
FRN : 115649W
Date: 19.01.2017
Place: Jaipur



For & on behalf of Board of Directors

(Signature)
अधिसायी अधिकारी
(Officer)
नगर पालिका राजगढ़ (राजगढ़)

(Signature)
(Chairman)
न० पा० राजगढ़ (राजगढ़)

MUNICIPAL BOARD RAJGARH

STATEMENT OF INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON 31 MARCH 2015

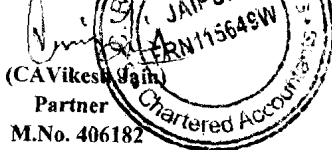
PARTICULARS	Schedule	For the Year	For the Year
		Ended 31.03.2015 (Amount in Rs.)	Ended 31.03.2014 (Amount in Rs.)
INCOME			
Income From Taxes	9	17,608,305.00	8,421,912.00
Fees and User Charges	10	289,498.00	1,992,727.00
Revenue Grants, Contributions and Subsidies	11	24,330,037.00	34,152,500.00
Miscellaneous Income	12	597,977.00	1,281,888.00
Total Income		42,825,817.00	45,849,027.00
EXPENDITURE			
Establishment Expenses	13	20,478,344.00	19,754,156.00
General Administrative Expenses	14	2,430,905.00	1,852,406.00
Public Works	15	4,095,775.00	2,417,614.00
Miscellaneous Expenses	16	22,472.36	5,161.00
Total Expenditure		27,027,496.36	24,029,337.00
Surplus\ Deficit before adjustment of prior period items and Depreciation		15,798,320.64	21,819,690.00
Less; Prior Period Items		-	-
Less: Prior Period adjustment of Depreciation		-	-
NET SURPLUS\ DEFICIT		15,798,320.64	21,819,690.00

Other notes forming part of Financial Statements
Significant Accounting Policies

As per our Report of even date attached

For S.C.Bapna & Associates

Chartered Accountants



(CA Vikesh Jain)

Partner

M.No. 406182

FRN : 115649W

Date: 19.01.2017

Place: Jaipur

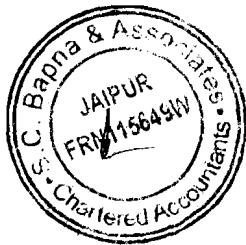
For & on behalf of Board of Directors


अभिशाषी अधिकारी (Officer)
2 नगर पालिका राजगढ़ (राजगढ़)

अध्यक्ष (Chairman)
न० पा० राजगढ़ (राजगढ़)

Notes on Financial Statements for the year ended 31st March, 2015

Particulars	For the period ending on 31.03.2015	For the period ending on 31.03.2014
Schedule-1		
MUNICIPAL (GENERAL) FUND		
Opening balance	49,546,859.02	27,727,169.02
Add: Excess of Income over Expenditure	15,798,320.64	21,819,690.00
Total	65,345,179.66	49,546,859.02
Schedule- 2		
GRANTS & CONTRIBUTION		
Grant Received for Census	142,580.00	142,580.00
Total	142,580.00	142,580.00
Schedule- 3		
SUNDRY DEPOSITS		
Earnest Money Deposit	581,671.00	839,962.00
Security Deposits Payable	1,063,043.00	2,690,704.00
Performance Security	623,094.00	623,094.00
Total	2,267,808.00	4,153,760.00
Schedule- 4		
STATUTORY LIABILITIES		
PF Payable	765,177.00	30,025.00
Gratuity Payable	1,173,190.00	955,503.00
Pension Payable	4,007,741.00	2,880,995.00
Labour Cess @ 1%	458,825.00	300,593.00
Royalty Payable	627,550.00	154,246.00
Sales Tax Payable	197,725.00	55,000.00
TDS Payable	69,008.00	239,613.00
NPS Payable	74,147.00	74,147.00
Loan Deduction From Employee-2011-15	71,971.00	
Other Deduction From Employee-2011-15	2,308,506.00	2,152,152.00
Total	9,753,840.00	6,842,274.00
Schedule- 5		
CURRENT LIABILITIES		
Other Current Liabilities	21,600.00	20,400.00
Provision for Audit Fees	79,350.00	39,675.00
Sundry Creditors	-	27,854.00
Total	100,950.00	87,929.00




अधिकाारी अधिकाारी
नगर बालिका राजमंड (राजगढ़)

Schedule- 6**GROSS BLOCK**

Computer & Accessories	81,607.00	81,607.00
Construction of Road , Building, Wall, Shed	51,360,136.00	34,810,551.00
Furniture	60,565.00	60,565.00
Inverter	30,000.00	30,000.00
Lamp Post	179,249.00	179,249.00
New Building Construction	685,168.00	685,168.00
Electric Equipment	114,200.00	114,200.00
Toilet & Rooms	13,421.00	13,421.00
Wheel Bero with Caps	329,800.00	118,000.00
Lacerjet Printer	13,200.00	-
Tracter Trolly	352,470.00	222,970.00
Total	53,219,816.00	36,315,731.00

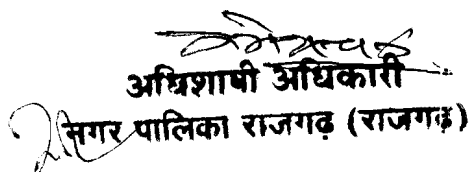
Schedule- 7**CASH & BANK BALANCES**

Cash in Hand	29,833.11	78,910.11
Balances in Saving & Current a/cs		
Axis Bank A/c (4314)	44,291.64	2,106,892.00
Axis Bank (Mukhyamantri Shahri BPL AAVAS)- 6017	505,100.00	(17,715.00)
Bachat Khata SBBJ	331.67	331.67
Baroda Rajsthan Kshetriya Gramin Bank	27,748.00	27,748.00
Government Treasuroy-8338 A/c 31 PF	267,027.00	107,950.00
Government Treasuroy-8338 A/c 64/95 Lease	75,575.00	75,575.00
Oriental Bank of Commerce A/C-0069	51,544.00	50,120.00
Personal Deposit A/c -8448	21,607,671.00	6,009,207.00
Post Office	1,097.65	1,097.65
Punjab National Bank	24,991.00	24,991.00
Punjab National Bank A/C-2488	2,628,235.85	2,771,585.85
Sbbj Bank A/c-461416 (Vikash Khata)	(2,553,812.09)	12,047,430.91
SBI Rajgarh A/c-66818	4,624.67	11,079.67
State Bank of Bikaner & Jaipur	1,884.43	1,884.43
State Bank of India	946.73	946.73
Total	22,717,089.66	23,298,035.02

Schedule- 8**LOANS & ADVANCES**

Difference in Cash Book	73.00	1,608.00
Difference in PD A/C 8448	(33.00)	-
Loan Given to Employee Against P.F 2011-15	1,573,045.00	1,044,936.00
Loan on Vehicle Agreement A/c	25,000.00	25,000.00
Rajsthan Information Secretary	30,000.00	30,000.00
Other Advances	25,000.00	25,000.00
Payment of Deducted Royalty, Commercial Tax ,TDS	-	5,322.00
Other Advances to Staff	20,367.00	20,367.00
Service Tax Receivable	-	7,403.00
Total	1,673,452.00	1,159,636.00




अधिकाारी
नगर पालिका राजगढ़ (राजगढ़)

Notes on Financial Statements for the year ended 31st March, 2015

Particulars	For the period ending on 31.03.2015	For the period ending on 31.03.2014
Schedule - 9		
INCOME FROM TAXES		
Compensation in Lieu of Octroi	17,494,000.00	7,392,000.00
Urban Development Tax	114,305.00	1,029,897.00
State Grant Token Money	-	15.00
Total	17,608,305.00	8,421,912.00
Schedule - 10		
FEES AND USER CHARGES		
Other Fees	289,498.00	1,992,727.00
Total	289,498.00	1,992,727.00
Schedule - 11		
REVENUE GRANT, CONTRIBUTION, SUBSIDIES		
Annual Aid by Govt.	4,530,000.00	5,494,000.00
Grant from State Govt.	19,559,000.00	18,651,500.00
13th State Finance Corporation	-	5,276,000.00
MLA MP Fund	241,037.00	1,824,000.00
Director Of Local Bodies (SSV)	-	2,907,000.00
Total	24,330,037.00	34,152,500.00
Schedule - 12		
MISCELLANEOUS INCOME		
Interest Received-171	340,237.00	418,690.00
Other Income-180	257,740.00	863,198.00
Total	597,977.00	1,281,888.00
Schedule -13		
ESTABLISHMENT EXP.		
Corporator (Parishad) Allowance	-	59,700.00
Salary and Other Payment	20,478,344.00	19,694,456.00
Total	20,478,344.00	19,754,156.00
Schedule -14		
GENERAL ADMINISTRATION EXP.		
Advertisement Expenses	213,254.00	463,275.00
Audit Fees Payable	39,675.00	39,675.00
Printing & Stationery Exp-220-21	41,948.00	91,660.00
Others Exp	1,751,691.00	1,043,381.00
Repairing of Computer Expenses 05	800.00	20,810.00
Court Expenses	69,043.00	30,345.00
Repair & Maintenance	235,984.00	87,846.00
Travelling Reimbursement	78,510.00	75,414.00
Total	2,430,905.00	1,852,406.00



अधिसूचना
अधिसूचना अधिकारी
नगर पालिका राजगढ़ (राजगढ़)


Schedule- 15**PUBLIC WORKS**

Swarna Jayanti Rojgar Yojna Expenses	143,350.00	177,500.00
Bakunth Mukti Dham Yojna	-	7,000.00
S.J.S.R.Y.	-	1,600.00
Mukhyamantri Shahri B.P.L. Awas A/c	-	180,000.00
Rain Basera	7,333.00	15,220.00
Scholarship Payment	-	27,600.00
Sadi Khambal Yojana	-	654,600.00
Cleaning & Garbage Transportation on Contract	2,777,239.00	913,943.00
Repairing of Road Light	1,167,853.00	440,151.00
Total	4,095,775.00	2,417,614.00

Schedule- 16**MISCELLENOUS EXPENSES**

Bank Charges	317.36	5,161.00
Fire Expenses	22,155.00	-
Total	22,472.36	5,161.00




प्रतिशाषी अधिकारी
राज्यपालिका राजगढ़ (राजगढ़)

List of Other Fees

Marriage Registration Fees	17,785.00
Lease Rent	79,524.00
Fees For Damage Road	13,131.00
Advertisement Fees A/c140/40/01	250.00
Inspection Fees	5,260.00
Entrance Fees	5,200.00
Birth & Death Registration Fees	66,019.00
Fees for Duplicate Certificate Fees	1,244.00
Fees For ration & Certificate Fees	900.00
Application Fees and Book Let	780.00
Nigaman Fees	99,405.00
	<u>289,498.00</u>

List Of Other Income

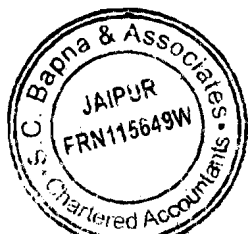
Other Penalties & Fees 140/20/04	5,100.00
Penalties for Agreement A/c 140/20/03	1,313.00
Penalties From Other Act	40.00
Election Holding Fees	9,000.00
Consultant Charges	2,969.00
Lease Rent for Other Installment	162,380.00
Sale of Tender form	51,275.00
Sale of Product	12,600.00
Other Receipts	13,063.00
	<u>257,740.00</u>


List Of Interest Income

Interest From Saving Bank 171/10/02	276,326.00
Other Income 180	555.00
Interest on 8338	12,889.00
Noc Electricity & Nal	50,467.00
	<u>340,237.00</u>

List of Other Expenses

Carriage & Transport Expenses 01 /40	4,300.00
Petrol Diesel & Other Oil Expenses 01	110,694.00
Purchase of Electric Items	776,080.00
Electricity Expense	99,032.00
Audit Fees Local Fund/ CA/ Accounting	321,600.00
Festival Expenses	216,114.00
Medical Expenses	16,739.00
News Paper & Periodicals	10,247.00
Postage & Telegram Expense	2,000.00
Purchase Of General Equipment	1,300.00
Rent For Building Expenses	130,000.00
Sundry Expenses	15,231.00
Telephone Expenses-220-12	40,452.00
Water Expenses	7,602.00
Maintenance Garden, Nursory & Park 01	300.00
	<u>1,751,691.00</u>

**Amount In Rs.**

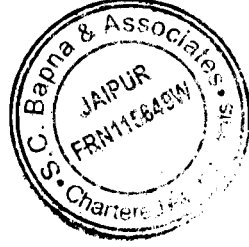

अधिशायी अधिकारी
नगर पालिका राजगढ़ (राजगढ़)


List For Salary & Other Benefits

Salary and Benefits to Employer 01
Salary and Benefit to Workers 02
PF Paid to Employee
Bonus
Gratuity Payment to Employee
LIC Expense
Computer operator Salary

14,890,684.00
976,911.00
1,456,109.00
132,093.00
2,766,194.00
195,234.00
61,119.00

20,478,344.00




अभिशाषी अधिकारी
नगर पालिका राजगढ़ (राजगढ़)