



INDEPENDENT AUDITOR'S REPORT

To the member of **Municipal Board, Shahpura**

We have audited the accompanying financial statements of **Municipal Board, Shahpura**, which comprise the Balance Sheet as at **March 31, 2014** 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

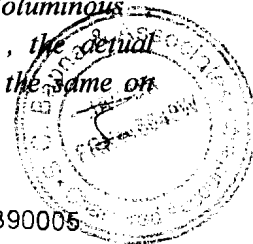
I. We invite attention to:

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 of Shahpura, Jaipur has charged depreciation of Rs.19,12,22,656.00 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 quantified. So the Impact of the same on Income & Expenditure a/c is uncertainable.*

Offices :

- 74-76, Gayatri Chambers, RC Dutt Road, Near Railway Station, Alkapuri, Vadodara, 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. Opening Balances

- The Municipal Board has not made available audited accounts for the previous financial year i.e. 2012-13. So we have considered the Opening Balances taken in the Books of accounts while auditing the financial statements for the year 2013-14 as provided by the Municipal Board.

3. Debit Balances of Liability side items:

- There are some account heads in asset side of accounts while they should be in Liability Side, like EMD payable which should always be in liability side while it is in asset side by Rs. 63210.00. which means that a sum of Rs. 63210.00 has been refunded to those persons from whom EMD not received or excess money refunded. Likewise Provident fund Payable is in asset side by Rs. 3596.00, which shows that payment has been made but no deductions has made. As the nature of payment is not clear, so the impact of which on the accounts could not be ascertained.

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, 2014** 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;

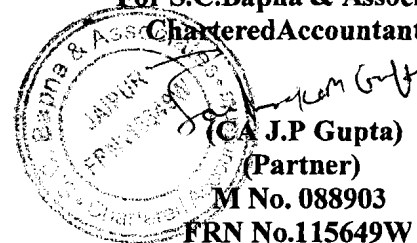
We further report that:

- 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 : 30.12.2016

For S.C.Bapna & Associates
Chartered Accountants



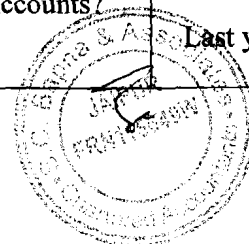
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Municipal Board, Shahpura

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
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
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
14. Whether the year-end and reconciliation procedures have been carried out;	No
15. Whether Opening Balances have been taken from Last Year Audited Accounts?	No Last year accounts were not audited



SHAH PURA MUNICIPAL BOARD
BALANCE SHEET AS AT 31.03.2014

Particulars	Schedule	As At 31 March 2014
LIABILITIES		
RESERVE & SURPLUS		
Municipal (General) Fund	1	169,085,643.00
Earmarked Funds	2	2,597,379.00
Total Reserve & Surplus (A)		171,683,022.00
GRANTS & CONTRIBUTIONS		
Total Grants & Contributions (B)	3	22,941,101.00
CURRENT LIABILITIES & PROVISIONS		
Sundry Deposits	4	3,991,560.00
Employees Liabilities	5	710,652.00
Statutory and Other Liabilities	6	5,574,407.00
Total Current Liabilities and Provisions (C)		10,276,619.00
TOTAL LIABILITIES (A+B+C)		204,900,742.00
ASSETS		
FIXED ASSETS		
Gross Block		366,797,664.00
Less: Depreciation Fund	7	(191,222,656.00)
Net Block		175,575,008.00
Total Fixed Assets (A)		175,575,008.00
CURRENT ASSETS, LOAN & ADVANCES		
Inventory	8	689,700.00
Cash & Bank Balances	9	28,508,522.00
Loans and Advances	10	127,512.00
Total Current Assets, Loans & Advances (B)		29,325,734.00
TOTAL ASSETS(A+B)		204,900,742.00

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

S.C. Bapna
(CA J.P. GUPTA)

Partner

M.No. 88903

FRN : 115649W

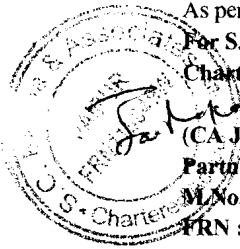
Date: 30.12.2016

Place: Jaipur

For & on behalf of Board of Directors

Pooja
(Chairman)
अगरवालेक्य
शाहपुरा (जयपुर)

Farhan
(अधिकारी)
न.फ. शाहपुरा, जय.

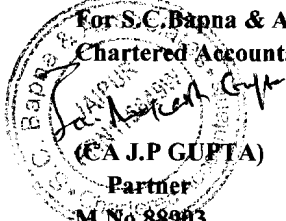


SHAHPURA MUNICIPAL BOARD
STATEMENT OF INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED ON 31st MARCH 2014

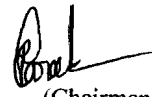
PARTICULARS	Schedule	For the Year Ended 31.03.2014
INCOME		
Income From Taxes	11	13,000,970.00
Rental Income From Municipal Properties	12	3,604,981.00
Fees and User Charges	13	9,144,399.00
Revenue Grants, Contribution and Subsidies	14	12,247,134.00
Miscellaneous Income	15	3,521,582.00
Total Income		41,519,066.00
EXPENDITURE		
Establishment Expenses	16	16,145,960.00
General Administrative Expenses	17	5,842,651.00
Public Works	18	11,598,599.00
Depreciation	7	32,950,019.00
Total Expenditure		66,537,229.00
Surplus\ Deficit before adjustment of prior period items and Depreciation		(25,018,163.00)
Less; Prior Period Items		-
Less: Prior Period adjustment of Depreciation		-
NET SURPLUS\ DEFICIT		(25,018,163.00)
Other notes forming part of Financial Statements		
Significant Accounting Policies		

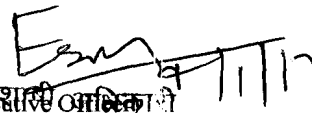
As per our Report of even date attached

For S.C.Banna & Associates
Chartered Accountants


(CA J.P GUPTA)
Partner
M.No 88903
FRN : 115649W
Date: 30.12.2016
Place:Jaipur

For & on behalf of Board of Directors


(Chairman)
श.म. शाहपुरा
नगरपालिका
शाहपुरा (जयपुर)


(Executive Officer)
न.म. शाहपुरा, जय.

Notes on Financial Statements for the year ended 31st March, 2014

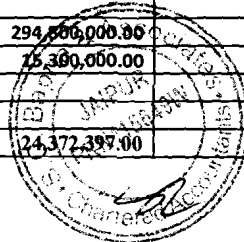
Particulars	For the period ending on 31.03.2014
Schedule-1	
MUNICIPAL (GENERAL) FUND	
Opening balance	194,103,806.00
Add: Excess of Expenditure over Income	<u>(25,018,163.00)</u>
Total	<u>169,085,643.00</u>
Schedule-2	
EARMARKED FUNDS	
General Provident Fund a/c	<u>2,597,379.00</u>
	<u>2,597,379.00</u>
Schedule-3	
GRANTS & CONTRIBUTIONS	
Special grant for Census	129,200.00
Finance Act	<u>22,811,901.00</u>
	<u>22,941,101.00</u>
Schedule- 4	
Sundry Deposits	
Earnest Money Deposits	(63,210.00)
Security Deposit Refundable	<u>4,054,770.00</u>
	<u>3,991,560.00</u>
Schedule- 5	
Employees Liabilities	
Salary Payable	684,952.00
Leave salary Payable	<u>25,700.00</u>
	<u>710,652.00</u>
Schedule- 6	
Statutory and Other Liabilities	
PF Payable	(3,596.00)
Gratuity	1,728.00
Royalty Deduction	989,077.00
Pension Deduction	168,133.00
Bank Loan Deduction	212,123.00
PF Loan Deduction	4,000.00
LIC	28,224.00
Sales Tax	365.00
Income Tax Deducted	(19,045.00)
Avapt Bhumi	<u>4,193,398.00</u>
Total	<u>5,574,407.00</u>
Schedule- 8	
INVENTORIES	
Stock in Hand	<u>689,700.00</u>
	<u>689,700.00</u>



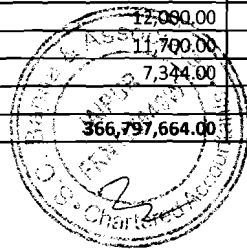
Schedule 7

Fixed Assets:

PARTICULARS	RATE	Gross Block		Depreciation Upto 31.03.2013	Depreciation During the Year	Depreciation Upto 31.03.2014	Net Block
Land	0%		25,100,000.00				25,100,000.00
Garden		3,000,000.00					
Fire Station		2,000,000.00					
RSRTC		20,000,000.00					
Park		100,000.00					
Building	5%		5,715,000.00	2,857,500.00	142,875.00	3,000,375.00	2,714,625.00
Office Building		2,000,000.00					
Office Quarter		400,000.00					
Chungi Naka W N 16		200,000.00					
Chungi Naka W N 08		150,000.00					
Chungi Naka W N 13		500,000.00					
Chungi Naka ward N 03		200,000.00					
Toilets W N 14		30,000.00					
Toilets W N 09		60,000.00					
Toilets w n 05		50,000.00					
Toilets w n 11		100,000.00					
Toilets w n 11a		30,000.00					
Toilets w n 15		100,000.00					
Toilets w n 15a		15,000.00					
Sulabh Complex w n 15		1,500,000.00					
Bathroom w n 16		100,000.00					
Water Hut		100,000.00					
Toilets w n 15b		40,000.00					
Toilets W N 23		40,000.00					
Toilets W N 8		50,000.00					
Toilets W N 13		50,000.00					
Roads & Bridges							
CC Road	10%	294,800,000.00	294,800,000.00	147,400,000.00	29,480,000.00	176,880,000.00	117,920,000.00
Damar Road	16.67%	15,300,000.00	15,300,000.00	7,650,000.00	2,550,000.00	10,200,000.00	5,100,000.00
Roads & Bridges through Capital Receipts							
New Road Construction	5%	24,372,397.00	24,372,397.00	-	736,744.00	736,744.00	23,635,653.00

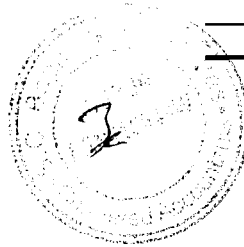


Plant & Machinery	5%		17,600.00	8,800.00	440.00	9,240.00	8,360.00
Engine		6,000.00					
Light Motor		5,600.00					
Submersible Pump		6,000.00					
Vehicles	5%		632,800.00	-	15,820.00	15,820.00	616,980.00
HMT		129,400.00					
Messi 1035 Di		244,400.00					
Sonalika		259,000.00					
Office & Other Equipments	5%		414,364.00	207,182.00	10,359.00	217,541.00	196,823.00
Locks		8,190.00					
Berrier		12,500.00					
Trolli		81,500.00					
Getti		42,780.00					
Pawra Iron		7,650.00					
Horse Pipe		7,344.00					
Panje and Phawre		14,000.00					
Camera Printer Computer		212,400.00					
Fax Machine		28,000.00					
Furniture, Fixture, Fittings	5%		445,503.00	149,155.00	13,781.00	162,936.00	282,567.00
Furniture & Fixtures		147,193.00					
Steel Almirah		30,000.00					
Table Sunmika		28,900.00					
Chair Foun		89,776.00					
Chair Cain		10,200.00					
Chair Cain Supreme		6,500.00					
Room Cooler		40,800.00					
Fan		16,490.00					
Doors		25,600.00					
Windows		19,000.00					
Cheenal Gate		12,000.00					
Bench		11,700.00					
Fursh		7,344.00					
TOTAL		366,797,664.00	366,797,664.00	158,272,637.00	32,950,019.00	191,222,656.00	175,575,008.00



Notes on Financial Statements for the year ended 31st March, 2014

Particulars	For the period ending on 31.03.2014
Schedule – 11	
INCOME FROM TAXES	
Building, Land & House Tax	67,970.00
Compensation in Lieu of Octroi	12,933,000.00
Total	13,000,970.00
Schedule – 12	
RENTAL INCOME FROM MUNICIPAL PROPERTIES	
Teh Bazari Rent	77,965.00
Lease Land annual premium Charges	3,527,016.00
Total	3,604,981.00
Schedule - 13	
FEES AND USER CHARGES	
Other Licensing Fees	2,722.00
Construction Of Building & Projection Fees	96,455.00
Copying Fees	7,122.00
Birth/Death Certificate Fees	1,717.00
Other Certificate	1,579.00
Marriage Certificate Fees	7,300.00
Development Charges	2,344,489.00
Land Conversation Fees	6,327,237.00
Samjhota Adhisandhan	3,500.00
Other Penalties	11,340.00
Advertisement fees	39,071.00
Mutation Fees	74,227.00
Property Transfer Charges	24,955.00
Application Fees	34,450.00
Road damage recovery charges	57,735.00
Contract of Dead Animals	11,100.00
Tender Fees	99,400.00
Total	9,144,399.00
Schedule - 14	
REVENUE GRANT, CONTRIBUTION, SUBSIDIES	
General Grant	6,157,000.00
Grant for Swarn Jayanti Urban Employment Scheme	3,806,551.00
Grant from MLA for development	1,943,561.00
Grant for Gandhi Busty Yojna	157,522.00
Rain Basera	182,500.00
Total	12,247,134.00



Schedule- 9**CASH & BANK BALANCES**

Cash in Hand	4,785.00
Balances in Saving & Current a/cs:	
SBBJ- Shahpura(a/c15205)	501,208.00
Interest Bearing P.D. Account	2,597,379.00
Non- Interest Bearing P.D. Account	6,702,354.00
Jaipur Nagore Gramin Anchlik Bank(468)	97,124.00
Jaipur Nagore Gramin Anchlik Bank(8341)	376,159.00
U.C.O Bank Shahpura (a/c 24/2)	44,023.00
U.C.O Bank Shahpura (a/c 39/07)	161,823.00
Jaipur Thar Gramin Bank (11424)	1,000.00
Bank of Baroda Shahpura (a/c 5691)	5,214,654.00
Syndicate Bank Shahpura (a/c 14600)	500,000.00
SBBJ (a/c 505)	300.00
The Bank of Rajasthan Manoharpura	3,766.00
HDFC Bank Shahpura (a/c 505)	4,136,206.00
The Jaipur Central Co-operative Bank Ltd. (a/c 356)	1,344,143.00
Post Office Shahpura (a/c 270940)	96.00
U.C.O Bank (sjsry a/c 3471)	2,346.00
OBC (sjsry)	554.00
ICICI Bank 0	2,252,555.00
SBBJ (SJSRY)	7,487.00
SBBJ (Durty Busty)	51,022.00
Bank of Baroda (4166)	4,506,796.00
UCO Bank (Jan Sahabagita)	2,742.00
Total	28,508,522.00

Schedule- 10**Loans and advances and Deposits**

Employees advance control a/c	66,000.00
Advances to Others	61,512.00
	127,512.00



Schedule - 15**MISCELLANEOUS INCOME**

Interest from SB a/c	910,052.00
Other Income	2,611,530.00
Total	3,521,582.00

Schedule -16**ESTABLISHMENT EXPENSES**

Salary and Other Payment	14,227,681.00
Medical Reimbursement	36,421.00
Provident Fund	1,500,000.00
Parshad Allowance	381,858.00
Total	16,145,960.00

Schedule -17**GENERAL ADMINISTRATION EXP.**

Electricity and Water Expenses	604,308.00
Telephone & Postage & Fax	2,000.00
Newspaper, Magazine & general Exp.	14,983.00
Travelling , Conveyance Exp.	75,281.00
Fuel Petrol & diesel	311,346.00
Insurance Exp.	34,801.00
Legal fees	20,750.00
Consultancy Charges	1,700,000.00
Advertisement Expenses	1,667,092.00
Audit fees	116,400.00
Printing and Stationary	258,657.00
Festivals Exp.	119,290.00
Medicine & Phenyle	123,580.00
Contingencies and other Contracts	783,565.00
Other expenses	2,500.00
Election Expenses	6,640.00
Bank Charges	1,458.00
Total	5,842,651.00

Schedule- 18**OPERATION AND MAINTENANCE**

Road and Bridge	6,333,993.00
Electricity Line Growth	32,055.00
Repair and Maintenance vehicle expenses	62,187.00
Repair and Maintenance (Furniture & Fixtures)	650.00
Purchase Electrical Appliances	3,657,784.00
Repair and Maintenance Office Equipments	2,030.00
Purchase of Extra Item	8,850.00
Contract Expenses	1,391,800.00
Purchase Equipment of Clearence	109,250.00
Total	11,598,599.00

