

Municipal Board, SHEOGANJ

Financial Statements and Independent Auditors reports

FY 2020-21

To,
Executive Officer,
Municipal Board, SHEOGANJ,

We have audited the accompanying financial statements of Municipal Board, SHEOGANJ, which comprise the Balance Sheet as at March 31, 2021, 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 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 is 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 statement 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 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.

Basis for qualified Opinion

The Subject to statement on additional matters as given in Annexure 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 Labor cess has not been ascertained and hence not considered. To this extent Surplus of Income over Expenditure is overstated and Liabilities are understated.*
- b) *Liabilities or recovery on account of pending cases and/or notices filed against or by, municipal board 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 board nor has been disclosed in notes to accounts.*
- c) *Closing Stock of Stores has been determined by the Municipality and hence considered in the accounts. To this extent both, Surplus of Income over Expenditure and Assets are understated.*



- d) Bank Reconciliation, in respect of several bank accounts, have not been provided since long. Hence, treatment of differences arising out of reconciliation remains unaccounted for. Some of accounts closed in previous year for which statement are not available. Besides, bank charges as also interest income on deposit in saving account remains unaccounted for. The amount has not been determined by the management. To this extent accounts does not reflect true and fair view.
- e) The amount receivable on account of Urban Development Tax has not been determined and not considered as income of the year. As such, Income and Assets are understated to this extent.
- f) All expenses except salary, contribution towards new pension scheme, accounting charges and audit fee are accounted for on cash basis. Similarly, all incomes 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.

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 matter described in the Basis for Qualified Opinion Paragraph, the financial statements present true and fair view, in all material respects in Conformity with the Rajasthan Municipal Accounts Manual But Subject to the Matters specified from Annexure- 1 to Annexure-14:-

- a) in the case of the Balance Sheet, of the state of affairs of the ULB as at March 31, 2021
- b) in the case of the Income and Expenditure Account, of the surplus/ deficit for the year end on that date; and

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 complies with the Rajasthan Municipal Accounts Manual;

For PSGV & CO

Chartered Accountants

(CA MOHIT SINGH)

(Partner)

FRN No.023126C

M.No. 421281

Place : JAIPUR

UDIN No : **22421281BFDCIS8878**

Dated : 08.12.2022



Annexure A to Auditor's Report (2020-21)
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 for certain expenditure which are brought to accounts on accrual basis and have been generally appropriately classified;
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, in some cases such deductions have not been properly accounted. As such income and expenditure are understated to that extent.
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. However, contribution to these funds in respect of previous year is yet to be made and for which amount has not been ascertained.
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.

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 has been conducted by the Municipality at reasonable intervals in respect of stores. In our opinion and according to the information and explanations given to us, the procedures of physical verification of stores followed by the Municipality are reasonable.

In our opinion and according to the information and explanations given to us, no material discrepancies have been noticed on physical verification of stores as compared to stores records. However, neither the stores has been verified at the year-end nor has same been recognized in the accounts prepared for the year under report.

7. As explained to us, there are no parties other than the employees to whom loans or advances have been given by the Municipality.
8. The Municipality has granted loans to the employees against PF. Deduction from salary are made towards the loans and interest.

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, and payments there for. However, according to information and explanation given to us, works contracts are not subject to quality checks. 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 HEFT payment is to be done. Besides, such Form should be signed under the seal of the firm and passing authority should also affix their seal,
 - 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 of 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. Payment Voucher Serial No. is as per voucher issued by various department. Voucher No. and date should be specified on each voucher separately on the basis of date of issue of cheques. Cheques should be prepared only after the sanction by competent authority.
11. The Municipality is not regular in depositing undisputed statutory dues including tax deducted at source, works contract tax, cess and royalty payable to the Government, ESI, PF etc.
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,. However, Bank Reconciliation statements have not been prepared for the some closed bank accounts of the Municipality. Accounting effect of bank charges debited by Bank, Non- collection of cheques, Interest credited by Bank, Cancellation of stale cheques not Presented has not been determined and considered in accounts.
14. Balances outstanding in Balance mismatch and cheque return account is not traceable.

15. Balance of MISA showing excess utilization of Rs 1,65,581/- not mark/setoff against any fund
16. IHSDP amounting Rs 47 Lacs in Loans and Advance belong to deduction from SFC fund grant.
17. Revenue expense Rs 2,67,33,785/- shown under indirect income is account for properly by booking corresponding expenses could not be ascertained.
18. Several Specific or Government grant account not match with manual books maintained by DLB.

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 for Fund Balances.



Limitations of Audit

Limitations of PSGV & CO in carrying out the assignment as per the scope of work are as under:

- 'PSGV & CO has restricted the scope of work to 'Terms of Reference' only.
- 'PSGV & CO has undertaken the audit in accordance with generally auditing standards, guidelines issued by ICAI.
- In performing the review and verification, the work, PSGV & CO has relied entirely on:
 - Financial and expenditure report/ details provided by the Accounts department of the ULB.
 - Other information, schedules, reports and explanations as given to us during and in connection with our audit.
 - Report includes comments on those accounting issues/ accounting policies, which are material and are not in accordance with the Rajasthan Municipal Accounts Manual
 - 'PSGV & CO has assumed the genuineness of all the documents and signatures thereon as if they were originals and also that the copies confirm to the originals.
 - Transactions and events which are not recorded and which were not disclosed to PSGV & CO may not have been identified in the procedure.
- The working papers, prepared in conjunction with the work are the property of the firm, constitute confidential and proprietary information and will be retained by PSGV & CO in accordance with Firm's internal policies and procedures.
- 'PSGV & CO has no responsibility to update the report for events and circumstances occurring after the date of report.
- The draft observations for each location covered by us were circulated by us to the concerned office to which responses to the extent furnished to us have been considered by us. Responses not furnished have been reported against each observation as contained in the Management Letter.
- This report is for the year 2020-21 and is confidential being for use only to which it is issued. It must not be quoted, cited, copied, disclosed or circulated, or referred to in correspondence or discussion with any other person or made public except to a person to whom it is issued.



Balance Sheet of Municipal Board, SHEOGANJ
As on 31 March 2021

PARTICULARS	Schedule	2020-21	2019-20
		(Amount in Rs.)	(Amount in Rs.)
I - LIABILITIES			
RESERVE & SURPLUS			
Municipal (General) Fund	1	482,602,752.04	465,492,938.00
Earmarked Funds	2	68,042,987.22	73,449,359.00
Reserve & Surplus			
Total Reserve & Surplus (A)		550,645,739.26	538,942,297.00
GRANT/ CONTRIBUTION FOR SPECIFIC PURPOSE (B)	3	130,725,397.41	97,394,188.00
CURRENT LIABILITIES & PROVISIONS			
Secured Loan	4	3,959,000.00	9,975,000.00
Sundry Deposits	5	14,288,970.50	15,470,520.00
Sundry Creditors	6	-	-
Statutory Liabilities	7	9,055,389.00	5,390,537.00
Other Liability	8	3,082,465.00	1,861,126.00
Provisions		-	-
Total Current Liabilities and Provisions (C)		30,385,824.50	32,697,183.00
TOTAL LIABILITIES (A+B+C)		711,756,961.17	669,033,668.00
II - ASSETS			
FIXED ASSETS			
Gross Block	9	530,166,031.00	510,087,687.00
Depreciation Fund	10	97,090,484.90	73,588,973.00
Net Block		433,075,546.10	436,498,714.00
Capital Work In Process	11	25,400,000.00	25,400,000.00
Total Fixed Assets (A)		458,475,546.10	461,898,714.00
INVESTMENTS			
General Fund Investments	12	68,489,938.34	98,876,508.00
Specific Fund Investments	13	9,961,284.22	16,027,392.00
Total Investments (B)		78,451,222.56	114,903,900.00
CURRENT ASSETS, LOAN & ADVANCES			
Inventories	14	1,170,200.00	1,170,200.00
Sundry Debtors	15	1,076,907.00	1,076,907.00
Cash & Bank Balances	16	166,021,085.51	83,421,947.00
Loans, Advances & Deposits	17	6,562,000.00	6,562,000.00
Total Current Assets, Loans & Advances (C)		174,830,192.51	92,231,054.00
TOTAL ASSETS(A+B+C)		711,756,961.17	669,033,668.00

Notes to Accounts and Accounting Policies Sch 29

For PSGV & CO
Chartered Accountants
Firm Regn. No. -0023126C

CA Mohit Singh
(Partner)
Membership No. 421281
UDIN No. : 22421281BFDC58878
Dated : 08.12.2022
Place : - Jaipur



For and Behalf on Municipal Board, Sheoganj

अधिशाषी अधिकारी
नगरपालिका मण्डल, शिवगंज (र)

Income and Expenditure Account of Municipal Board, SHEOGANJ
For the Year Ending 31 March 2021

PARTICULARS	Schedule	2020-21	2019-20
		(Amount in Rs.)	(Amount in Rs.)
INCOME			
Income From Taxes	18	197,631.00	690,039.00
Assigned Compensations	19	78,923,000.00	71,924,000.00
Rental Income from Municipal Properties	20	880,282.00	1,757,320.00
Fees and User Charges	21	25,050,477.50	21,427,563.00
Income from Corporation Assets and Investment	22	3,423,176.00	3,946,487.00
Miscellaneous Income	23	33,434,338.50	773,121.00
Total Income - I		141,908,905.00	100,518,530.00
EXPENDITURE			
Establishment Expenses	24	64,488,064.00	55,667,587.00
General Administrative Expenses	25	21,935,811.96	17,578,979.00
Decrease in Stores	26	-	-
Public Works	27	3,811,728.00	10,781,834.00
Miscellaneous Expenses	28	11,061,975.10	4,736,586.00
Depreciation During the Year		23,501,511.90	23,929,107.00
Total Expenditure - II		124,799,090.96	112,694,093.00
Surplus (Deficit) before adjustment of prior period items and Depreciation		17,109,814.04	-12,175,563.00
NET SURPLUS (DEFICIT)			

Notes to Accounts and Accounting Policies Sch 29

For PSGV & CO

Chartered Accountants

Firm Regn. No. 0023126C



CA Mohit Singh
(Partner)

Membership No. 421281

UDIN No. : 22421281BFDCIS8878

Dated : 08.12.2022

Place: - Jaipur


For and Behalf on Municipal Board, Sheoganj


अधिसाधी अधिकारी
नगरपालिका मण्डल, शिवसंघ (Officer)

**Schedule forming part of Balance Sheet of Municipal Board, SHEOGANJ
As on 31 March 2021**

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 1		
MUNICIPAL (GENERAL) FUND		
Opening balance	465,492,938.00	477,668,501.00
Add : - Addition during the year		
Less - Deduction during the year		
Add- Excess of Income over Expenditure	17,109,814.04	-12,175,563.00
Total	482,602,752.04	465,492,938.00
Schedule - 2		
EARMARKED FUND		
General Provident Fund	6,776,480.65	12,552,947.00
Gratuity Fund	3,844,539.57	3,474,445.00
Special Fund	57,421,967.00	57,421,967.00
Total	68,042,987.22	73,449,359.00
Schedule - 3		
GRANT/CONTRIBUTION FOR SPECIFIC PURPOSE		
Special Grant for 15th Financial commission	21,942,000.00	-
Special Grant for 14th Financial commission	24,979,501.00	-
Special Grant for 13th Financial commission	1,087,332.00	59,812,352.00
Special Grant for Swarna Jayanti Sahari Roy gar Sch	325,459.41	325,459.00
Special Grant from S F C	52,147,156.00	27,435,948.00
Special Grant from BRGF GRANT	-	-7,622,365.00
Special Grant from IHSDP GRANT	1,610,391.00	4,917,391.00
Special Grant from NIRBHAND RASHI	-	-1,878,944.00
Special grant from Nulm Fund	607,913.00	3,539,877.00
Special Grant from RAIN BASERA GRANT	292,000.00	292,000.00
Special Grant from ROAD RESTORATION	-	-4,343,317.00
Special Grant from SHAREE KAMBAL YOJNA	75,500.00	500.00
Special Grant from SWM	3,398,283.00	11,499,889.00
Special Grant from TOILET SERVER	12,000.00	12,000.00
Special Grant from CM Aavas Yojna Grant	377,700.00	377,700.00
Special Grant From MUSA GRANT	-165,581.00	3,025,698.00
Special Grant for MJAY	22,475,743.00	-
Special Grant for PMAY	1,560,000.00	-
Total	130,725,397.41	97,394,188.00
Schedule - 4		
SECURED LOANS		
Loan from RUDIFCO Loan	3,959,000.00	9,975,000.00
Total	3,959,000.00	9,975,000.00





अधिसापी अधिकारी
नगरपालिका मण्डल, शिवगंज

**Schedule forming part of Balance Sheet of Municipal Board, SHEOGANJ
As on 31 March 2021**

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 5 SUNDRY DEPOSITES Securities & Amanat Payable	14,288,970.50	15,470,520.00
Total	14,288,970.50	15,470,520.00
Schedule - 6 SUNDRY CREDITORS	-	-
Total	-	-
Schedule - 7 STATUTORY LIABILITIES Income Tax, Payable TDS Payable EWSLI 140-15-07 Labour Shess 350-30-02 GST	240,711.00 1,956.00 783,995.00 7,997,669.00 31,058.00	63,261.00 19,947.00 783,995.00 4,571,584.00 -48,250.00
Total	9,055,389.00	5,390,537.00
Schedule - 8 OTHER LIABILITIES Payable to other Deratment agency Recoverises Royalty Payable Employees Liabilities Tree Grow -340-80-05 BSUP 140-15-06 GIS NPS Gratuity LIC 350-20-01 Pension Fund Other Miscellaneous Liabilities	- 833,879.00 360,889.00 926,530.00 752,839.00 14,080.00 87,709.00 7,874.00 - - 98,665.00	- 814,238 260,656 393,030 276,318 - 87,709 7,874 -24,334 -1 45,636
Total	3,082,465.00	1,861,126.00
Schedule - 9 GROSS BLOCK Immovable Assets Land Office Buildings	248,351,401.00 40,617,722.00	248,054,401.00 38,057,005.00





अधिशायी अधिकारी
नगरपालिका मण्डल, शिवगंज

**Schedule forming part of Balance Sheet of Municipal Board, SHEOGANJ
As on 31 March 2021**

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Infrastructure Assets		
Roads & Bridge	189,387,986.00	184,601,965.00
Sewerage & Drainage	22,093,752.00	18,860,592.00
Water ways	1,329,956.00	1,269,108.00
Public Lighting	12,726,622.00	6,578,591.00
Others	2,075,808.00	
Moveable Assets		
Plant and Machinery	2,255,106.00	2,056,190.00
Vehicles	2,144,916.00	2,144,916.00
Furniture/Electrical Fittings	6,364,461.00	6,099,400.00
Office Equipment	742,493.00	686,593.00
Other Fixed Assets	2,075,808.00	1,678,926.00
Total	530,166,031.00	510,087,687.00
Schedule - 10 DEPRECIATION FUND		
Opening Balance	73,588,973.00	49,659,866.00
Add - Depreciation provided during the year	23,501,511.90	23,929,107.00
Less - Depreciation for the previous year	-	-
Total	97,090,485	73,588,973.00
Schedule - 11 CAPITAL WORK IN PROGRESS		
Capital Work in Progress Building (Land)	25,400,000.00	25,400,000.00
Total	25,400,000.00	25,400,000.00
Schedule - 12 GENERAL FUND INVESTMENT		
P.D Account with Interest	20,026,325.00	20,026,325.00
Non-Interest Bearing PD A/c	48,463,613.34	78,850,183.00
Total	68,489,938.34	98,876,508.00




अधिकाारी अधिकाारी
 नगरपालिका मण्डल, शिवगंज

**Schedule forming part of Balance Sheet of Municipal Board, SHEOGANJ
As on 31 March 2021**

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 13 SPECIFIC FUND INVESTMENT		
Employee's GPF Accounts	6,776,480.65	12,552,947.00
Gratuity P.D.A/c	3,184,803.57	3,474,445.00
Total	9,961,284.22	16,027,392.00
Schedule - 14 INVENTORIES		
Stock Others	1,170,200.00	1,170,200.00
Total	1,170,200.00	1,170,200.00
Schedule - 15 SUNDRY DEBTORS		
House Tax	269,757.00	269,757.00
Rent Receivable	807,150.00	807,150.00
Total	1,076,907.00	1,076,907.00
Schedule - 16 CASH & BANK BALANCES		
Cash in Hand	-	23.00
Bank Accounts SB& CA	166,021,085.51	83,421,924.00
Total	166,021,085.51	83,421,947.00
Schedule - 17 LOANS, ADVANCES & DEPOSITS		
Advances Others	6,562,000.00	6,562,000.00
Total	6,562,000.00	6,562,000.00




अधिसाथी अधिकारी
 नगरपालिका मण्डल, शिवगंज

Schedule forming part of Income and Expenditure Account of Municipal Board, SHEOGANJ
For the Year Ending 31 March 2021

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 18		
INCOME FROM TAXES		
Property tax	197,631.00	690,039.00
Total	197,631.00	690,039.00
Schedule - 19		
ASSIGNED COMPENSATION		
Octroi Compensations	78,923,000.00	71,924,000.00
Total	78,923,000.00	71,924,000.00
Schedule - 20		
RENTAL INCOME FROM MUNICIPAL PROPERTIES		
Income from Rent	-	1,703,820.00
Land Rent 130-10-05	828,387.00	-
Samudayik Bhawan 130-10-04	16,800.00	53,500.00
Town hall Rent 130-20-01	33,000.00	-
House Rent Rece. 180-40-07	2,095.00	-
Total	880,282.00	1,757,320.00
Schedule - 21		
FEES AND USER CHARGES		
Fees for Certificate or Extract	940.00	10,406.00
Fees for Grant of Permit	-	-
Advertisement Fees 140-40-01	152,046.00	132,492.00
Birth & Death Certificate Fees 140-13-02	1,952.00	2,415.00
Cheque Ret Received 180-50-01	1,222,629.00	1,065,738.00
Marriage Registration Fees 140-13-03	29,520.00	29,760.00
Development Charges	4,139,837.00	4,516,423.00
Regularisation Fees	-	-
Hording Banar Fees 140-40-08	27,810.00	182,026.00
House Transfer Fees 110-13-04	294,193.00	427,909.00
Land Conversion 140-15-04	3,455,147.00	2,111,544.00
Lease Fees 140-50-01	8,027,083.00	4,268,105.00
Parking Fees 140-50-13	2,400,000.00	600,000.00
House Noc. 140-12-01	1,706,433.00	1,468,337.00
Tendar Fees 130-11-01	215,050.00	166,050.00
Road Cutting 180-80-01	265,850.00	147,750.00
Land Change 140-40-02	1,687,525.00	1,836,398.00
Vivah Sthal Registration	59,641.00	60,555.00
Mobile Tower 130-10-02	60,000.00	-
Other Fees	278,493.00	122,456.00
Other Income	1,026,328.50	4,279,199.00
Total	25,050,477.50	21,427,563.00
Schedule - 22		
INCOME FROM CORPORATION ASSET / INVESTMENTS		
Interest from Bank Accounts	3,423,176.00	3,640,544.00
Other Interest	-	305,943.00
Total	3,423,176.00	3,946,487.00




अधिभाषी अधिकारी
नगरपालिका मण्डल, शिवगंज

**Schedule forming part of Income and Expenditure Account of Municipal Board, SHEOGANJ
For the Year Ending 31 March 2021**

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 23		
MISCELLANEOUS INCOME		
Sale of Forms & Publications	-	-
Electric & Water Noc. 140-13-03	-	960 00
Excess Salary 180-40-06	140,878 00	26,389 00
Mobile Tower 130-10-02	-	20,000 00
Recoveries	-	510,972 00
Sale of Land to Pub. 150-10-03	3,330,361 00	162,150 00
Dand & Sastya 140-20-01	754,147 50	23,650 00
Septik Tank Safas 150-41-03	40,000 00	27,000 00
State Grant Patra 150-10-06	379,667 00	-
Covid 19	300,000 00	-
Aakal Rahat 160-10-06	1,755,500 00	-
Others	26,733,785 00	-
Total	33,434,338 50	773,121 00
Schedule - 24		
ESTABLISHMENT EXP.		
Corporator (Parishad) Allowance		
Salary & Other Payments	64,488,064 00	55,667,587 00
TOTAL	64,488,064 00	55,667,587 00
Schedule - 25		
GENERAL ADMINISTRATION EXP.		
Advertisements Exp	2,541,878 00	2,258,883 00
Audit Fees	166,000 00	4,000 00
Book & News Papers	264,696 00	21,630 00
Legal Expenses	920,614 00	163,540 00
Dress Expenses	-	159,450 00
Communication Exp	162,887 00	59,122 00
Printing & Stationery	912,688 00	251,103 00
Travelling & Conveyance	451,832 00	251,040 00
Bank Charge	2,872 96	1,649 00
Bad 230-51-08	-	45,000 00
Water Bill Exp. 230-20-02	23,600 00	313,686 00
Post Office Exp. 220-12-03	34,361 00	6,000 00
Parshad Bhatta 210-20-05	2,255,807 00	707,886 00
Bouns 210-10-04	150,677 00	680,223 00
Cheq Ret. Paid 280-30-03	144,565 00	927,566 00
Others Unfixed Asset 230-59-06	-	202,460 00
Electricity Bill Exp. 230-20-01	2,459,687 00	3,580,030 00
Fenal & Other 220-80-01	406,947 00	300,142 00
Fire Motor Repairing 230-53-02	35,671 00	340,000 00
Function Exp. 250-20	3,659,387 00	4,602,317 00
Vehicle Insurance	138,668 00	90,794 00
Power & Fuel	1,585,735 00	942,188 00
Bulk Purchases	-	-
Repairing Office 230-52-01	471,312 00	15,445 00
Repairs & Maintenance- Infrastructure Assets	515,993 00	-
Playground Dev & Mant 230-51-03	-	691,780 00
Telephone Exp. 220-12-01	176,647 00	716,569 00
Udhan Maintenance	2,895,571 00	246,476 00
Repairs & Maintenance- Building	188,042 00	-
Repairs & Maintenance- Vehicles	860,674 00	-
Other operating & maintenance exp	105,930 00	-
Annpurna Rasoi Yojna	253,000 00	-
CMAR	20,000 00	-
Covid Help	38,000 00	-
R U D F Deduction 271-30-07	92,070 00	-
TOTAL	21,935,811 96	17,578,979 00




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**अधिकाशी अधिकाशी
नगरपालिका मण्डल, शिवगंज**

Schedule forming part of Income and Expenditure Account of Municipal Board, SHEOGANJ
For the Year Ending 31 March 2021

PARTICULARS	2020-21	2019-20
	(Amount in Rs.)	(Amount in Rs.)
Schedule - 26		
DECREASE IN STORES(INCREASE IN STORES)		
Opening Stock		1,170,200.00
Less - Closing Stock		1,170,200.00
Total	-	-
Schedule - 27		
PUBLIC WORKS		
Maintenance of Roads and Gutters	895,275.00	10,781,834.00
Water Repairing 230-80-08	2,916,453.00	
Total	3,811,728.00	10,781,834.00
Schedule - 28		
MISCELLENOUS EXPENSES		
Own Programmes		
Other Misc. Exp	1,723,029.10	4,736,586.00
Cooda Kachara Exp. 230-80-02	9,338,946.00	-
Total	11,061,975.10	4,736,586.00




अधिशायी अधिकारी
नगरपालिका मण्डल, शिदगंज

SCHEDULE 29

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS 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, audit fees and salary and allowances. 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.

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

Expenditure

- a. Expenses on Salaries, bonus and other allowances are recognized as and when they are due
- 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

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.

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

Closing Stock of Stores has not been determined by the municipality and hence not considered in the accounts. Hence the stock is NIL.

7. Grants

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

b. Grants, which are re-imbusement 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 is recognised as and when it is due.

9. Investments



- a. All investments are initially recognize 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 01 April 2019

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.

NOTES TO ACCOUNT

- 1) The value of fixed assets acquired after 1st April, 2020 and till 31st March, 2021 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 opening Depreciation Fund as on 1st April, 2020. Thereafter, the value of depreciation on assets are calculated on Written down value method as per rates specified in Income Tax Act, 1961 as suggested in Rajasthan Municipal Accounting Manual and added to opening Depreciation Fund to arrive at Depreciation Fund as at the year end.
- 2) 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. Contingent Liabilities, if any, arising out of these cases has not been estimated by the municipal council.
- 3) All expenses except salary and allowances, accounting charges, contractual monthly payments and audit fee are accounted for on cash basis. Similarly, all incomes except interest on deposits in savings and fixed deposit 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.
- 4) Balance of the Deposits received from contractors/suppliers is on the basis of receipts issued against deposit and deduction made from payments to them and are subject to confirmation
- 5) Balance of Loan against Provident Fund given to employees are subject to their confirmation.
- 6) Balances of Debtors, Creditors and other parties are subject to confirmation
- 7) 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. Grant Balances are considered and/or adjusted on the basis of information provided by DLB.
- 8) Earmarked Funds have been created by the Municipality for Gratuity and Provident Fund. These Funds have only been utilized for the purposes for which they were created to some extent.



- 9) Differences if any found on reconciliation of unreconciled balances and /or otherwise in future will be adjusted in books at that time.
- 10) Previous years' figures have been regrouped/ rearranged wherever considered necessary.
- 11) Balances of Debtors, Creditors and other parties are subject to confirmation. The balances of the Deposits received from contractors/suppliers is on the basis of receipts issued against deposit and deduction made from payments to them.
- 12) 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.
- 13) The Financial are prepared on the basis of Cash Books maintained by ULB and Information provided by Municipal Board.
- 14) There is some "GRANT" Balance are Negative.
- 15) "Loans and Advance Balance" are taken as per information provided by ULB.
- 16) There is Balance mismatch account maintained for shown Difference in various Bank accounts which maintained in General Cash Book.

Signatories to Schedule 1 to 29
For PSGV & CO
Chartered Accountants




CA Mohit Singh
Partner
Membership No.: 421281
UDIN: 22421281BFDCIS8878
Firm Registration No. 0023126C
Place: Jaipur
Date: 08.12.2022


अधिसाधी अधिकारी
फिनान्सियल कन्ट्रोल, सिविल सेवा

**Annexure forming part of Balance Sheet of Municipal Board Of Sheoganj
As on 31 March 2021**

Fixed Assets	Gross Block			Depreciation Block			Net Block		
	Opening Bal. As On 01.04.2020	Addition During The Year	Deduction During The Year	Total As On 31.3.2021	Accum. Bal. As On 01.04.2020	Addition During The Year		Deduction During The Year	Total As On 31.3.2021
Immovable Assets									
Land	248,054,401	297,000	-	248,351,401	-	-	-	-	248,351,401
Parks & Garden A/c	-	-	-	-	-	-	-	-	-
Office Building	63,457,005	2,560,717	-	66,017,722	12,853,448	5,316,427	-	18,169,875	47,847,847
Markets A/c	-	-	-	-	-	-	-	-	-
Shops A/c	-	-	-	-	-	-	-	-	-
Residential Building	-	-	-	-	-	-	-	-	-
Infrastructure Assets									
Roads & Bridges	184,601,965	4,786,021	-	189,387,986	50,027,133	13,936,085	-	63,963,218	125,424,768
Sewerage & Drainage	18,860,592	3,233,160	-	22,093,752	4,958,976	1,713,478	-	6,572,454	15,421,298
Water ways	1,269,108	60,848	-	1,329,956	326,911	100,305	-	427,216	902,741
Public Lighting	6,578,591	6,148,031	-	12,726,622	1,760,657	1,096,597	-	2,837,254	9,869,369
Others	1,678,926	396,882	-	2,075,808	420,686	165,512	-	586,198	1,489,610
Movable Assets									
Plant & Machinery	2,056,190	198,916	-	2,255,106	793,433	219,251	-	1,012,684	1,242,422
Vehicles	2,144,916	-	-	2,144,916	827,669	197,587	-	1,025,256	1,119,660
Furniture & Fixture	6,099,400	2,140,869	-	8,440,269	1,184,535	725,573	-	1,910,108	6,530,161
Office Equipment	686,593	55,900	-	742,493	435,525	30,697	-	466,222	276,271
Computers	-	-	-	-	-	-	-	-	-
Total	535,487,687	20,150,994	-	555,638,681	73,588,973	23,501,512	-	97,090,485	458,475,546




अधिसायी अधिकारी
नगरपालिका मण्डल, शिवगंज

MUNICIPAL BOARD, SHEOGANJ

01.12.22

To

M/S PSGV & CO

Chartered Accountants

66 GF Ravi path, Surya Nagar, Taro ki koot

Tonk Road Jaipur

Sub: Representation for the purpose of audit for the financial year 2020-21

Dear Sir,

This representation letter is provided in connection with your audit of the financial statement of Municipal Board, Sheoganj, (Rajasthan) for the year ended on 31st March 2021 for the purpose of expressing the opinion as to whether the financial statements give a true and fair view of the financial position as on 31.3.2021 and of the results of operations of the year the ended. We acknowledge our responsibility for preparation of financial statements in accordance with the requirements of Rajasthan Municipal Accounting Manual and recognized accounting policies and practices, including the Accounting Standards issued by the Institute of Chartered Accountants of India.

We confirm to the best of our knowledge and belief, the following representations;

Accounting Policies

1. The Accounting policies which are material or critical in determining the results of operations for the year or financial positions are set out in the financial statements are consistent with those adopted in the financial statements for the previous year. The financial statements are prepared on cash basis except salary and allowances, accounting charges and audit fee, which are brought to accounts on accrual basis and have been generally appropriately classified.

List of books of accounts maintained

2. The council has maintained Cash Book, Bank Book, Ledger, Subsidiary books in Computer System with manual cash books also.

Fixed Assets

3. Management of Nagar Parishad has not carried out physical verification of fixed assets during the year ended 31st March 2021
4. The net book values at which fixed assets are stated in the balance sheet are arrived at;
 - (a) After taking in to account all capital expenditure on additions there to, but no expenditure properly chargeable to revenue.
 - (b) After eliminating the cost and accumulated depreciation relating to items sold, discarded, demolished or destroyed.

MUNICIPAL BOARD, SHEOGANJ

- (c) After providing adequate depreciation as per Income Tax Act, 1961 on fixed assets during the period as suggested in Rajasthan Municipal Accounting Manual

Inventories

5. Closing Stock of Stores has not been determined by the Nagar Parishad and hence not considered in the accounts. The whole account of purchases has been charged to profit and loss account.

Loan, Advances & Deposits

6. The balance of loans, advances & deposits as specified in Schedule to financial statements are subject to reconciliation and /or adjustment on submission of bills and/or confirmation by respective parties. Confirmation of balances as at the year-end has not been obtained. The balance of Advance to Contractor, staff and Govt Department as per manual records maintained.

Loans, (Cr)

7. The balances confirmation certificates in respect of loans liability as appeared in schedule 5 to financial statements has not been obtained. Interest on account of these loans, if any has been provided to the extent of deduction from grant by the government and other available evidence such as bank statements. The possibility of earlier period interest charged during current period and the current period interest not considered cannot be overruled but this in our opinion shall not materially impact the financial statement.

Sundry Deposits, Employees, Statutory and other Liabilities

8. The balances of sundry deposit, employees, statutory and other liabilities are subject to reconciliation and/or confirmation of balances as at the year-end has not been obtained.

Liabilities

9. 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. Contingent - Liabilities, if any, arising out of these cases has not been estimated.
10. Liabilities on account of late / non deposit of statutory deduction viz TDS, Vat, GST, royalty , cess etc. and deduction from employees pay-outs viz. pension, provident fund, employees state insurance, gratuity, bank loan etc is not ascertainable and hence not considered. Contingent Liabilities, if any, arising out of these cases has not been estimated

Profit and Loss Account

11. except as disclosed in the financial statements, the results for the year were not materially affected by:
- (a) Transactions of a nature not usually undertaken by the Nagar parishad
 - (b) Circumstances of an exceptional or non-recurring nature.
 - (c) Charges or credits relating to prior years.
 - (d) Changes in accounting policies

MUNICIPAL BOARD, SHEOGANJ

(e) Any type of Personal Expenditure

11. There have been no irregularities involving management or employees who have a significant role in the system of internal control that could have a material effect on the financial statements.

13. The financial statements are free of material misstatements, including omissions. We have following disclosure:

- i) Balances outstanding in Balance mismatch and cheque return account is not traceable.
- ii) Balance of MISA showing excess utilization of Rs 1,65,581/- not mark/setoff against any fund
- iii) IHSDP amounting Rs 47 Lacs in Loans and Advance belong to deduction from SFC fund grant.
- iv) Other Advance to staff and others under Loans and advance head are actual.
- v) Revenue expense Rs 2,67,33,785/- shown under indirect income is account for properly by booking corresponding expenses.
- vi) Bank statement for few account were not available and BRS duly authenticate and prepared as on 31.3.21.

14. The allocation between capital and revenue has generally been correctly done and that no items of capital nature have been debited to Profit & Loss account and vice versa to the best of our knowledge. But the possibility of this cannot be overruled. However, this will not in our opinion materially affect the financial statement.

15. No personal expenses have been charged to revenue accounts

16. Bank statement for few account were not available since they closed during the year.

17. The Nagar Parishad has generally not paid any amount in cash other than by crossed Cheques /DD over Rs. 10,000/- except as per details below The Cash balance as on 31.3.2021 has been physically verified by the management at Rs. Nil/-

18. No fraud has been committed during the year.

अधिसाषी अधिकारी
For MUNICIPAL BOARD SHEOGANJ
Commissioner

Seal