



RSM & Associates

CHARTERED ACCOUNTANTS

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3571113519 / 3711723619

INDEPENDENT AUDITOR'S REPORT

To
The Executive Officer
Nagar Palika Kpatan,
Dist Bundi.

We have audited the accompanying financial statement of Nagar Palika K.Patan, which comprise the Balance sheet at March 31, 2020, and Income & Expenditure Account and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management'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 Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan 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 amount and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessment, 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 circumstance, 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 estimate made by management, as well as evaluating the overall presentation of the financial statements. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



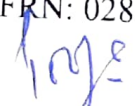
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the Rajasthan Municipal accounts manual:

- a) In case of the balance sheet, of the state of affairs of the company as at march 31,2019
- b) In the case of income & expenditure account ,of the surplus/deficit for the year ended on that date; and
- c) In the case of the cash flow statement, of the cash flow for the year ended on that date.

We further report that:

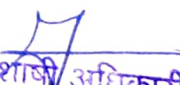
- a) We have sought and obtained all the information and explanation which to the best our knowledge and belief were necessary for the purpose of our audit;
- b) In our opinion, proper books of accounts as required by law have been kept by the ULB so far as appears from our examination of those books
- c) The balance sheet ,Income & Expenditure account, and cash flow statement dealt with by this report are in agreement with the books of accounts
- d) In our opinion, the balance sheet, Income & expenditure Account, and cash flow statement comply with the Rajasthan Municipal accounts Manual.

For RSM & Associates
CHARTERED ACCOUNTANTS
FRN: 02813S


CA. POOJA GOYAL
PARTNER
M. NO.521230
Place: Jaipur
UDIN



COMMISSIONER


अधिशोषी अधिकारी
नगर पालिका, जयपुर
EXECUTIVE OFFICER


ACCOUNTS OFFICER

S.NO.	PARTICULARS	REMARK
1.	Whether all sums due to and received by the municipality have been brought to account and have been properly classified	Yes all the amount due or received by the municipality during the year has been brought into accounts
2	Whether all grants sanctioned or received by the municipality during the year have been accounted properly and where are deduction is made out of such grant towards any dues of the municipality whether such deduction have been properly accounted.	Yes the entire grant received during the year has been accounted properly
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 purpose for which they were created.	Yes all earmarked funds have been created as per the rules. Earmarked funds have been utilized for the purpose for which they were created.
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 accounts	Fixed assets register is not properly maintained. Physical verification of the fixed assets is not carried out at the reasonable intervals
5	Whether in case of leasehold property given by the municipality, whether lease rentals are collected regularly by the municipality and that the lease agreement are renewed after their expiry	Lease rentals are not collected regularly.
6	Whether physical verification has been conducted by the municipality at reasonable intervals in respect of stores; whether the procedure of physical verification of stores	Municipality physically verify at reasonable intervals in respect of stores.




	followed by the municipality are reasonable and adequate if not state the inadequacies in such procedures; whether any material discrepancies in such procedures; whether any material discrepancies have been noticed on physical verification of store as compared to stores records, and if so, whether the same have been properly dealt with in the books of accounts;	
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;	Municipality has not given any loan to any party during the year under consideration
8	Whether advances given to municipality employees and interest thereon are being regularly recovered;	Yes advance given to the employees are recovered regularly along with the interest thereon
9	Whether there exist an adequate internal control procedure for the purchase of store; fixed assets and services	Yes adequate internal control system is followed for the purchase related to store, fixed assets and services.
10	Whether there exists an adequate internal control procedure for the contracting of work and project, periodic inspections and measurements, quality checks and payments there for,	Yes adequate internal control procedure are followed for the contracting of work and project, periodic inspections and measurements, quality checks and payments thereof
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 amount not deposited	Yes municipality is regular in depositing statutory dues payable to government



12	Whether any personal expenses have been charged to the municipality's accounts; if so, the details thereof,	No, personal expenses has not been charged to the municipality's account
13	Whether the books and register specified under the Rajasthan Municipality 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	Yes all the required books of accounts as specified under Rajasthan Municipality Accounts manual and other applicable acts are maintained. Bank reconciliation statements for all the banks are properly prepared
14	Whether the year-end and reconciliation procedure have been carried out;	Yes all the yearend & reconciliation procedure all followed

For RSM & Associates
 CHARTERED ACCOUNTANTS
 FRN: 02813S


 CA. POOJA GOYAL
 PARTNER
 M. NO.521230
 Place: Jaipur
 UDIN



COMMISSIONER


 अधिशाषी अधिकारी
 EXECUTIVE OFFICER


 ACCOUNTS OFFICER

NAGAR PALIKA, K. PATAN
BUNDI, DISTT. BUNDI(RAJ.)
BALANCE SHEET AS ON 31/03/2020

2019-20

2018-19

LIABILITIES	SCHEDULE	2019-20	2018-19
		CURRENT YEAR (AMOUNT IN RS.)	PREVIOUS YEAR (AMOUNT IN RS.)
RESERVES & SURPLUS			
Municipal (general) Fund	1	-34703024	38571895
earmarked funds	2	0	0
Reserves & surplus	3	76941260	76941260
Total Reserve & Surplus (A)		42238236	115513155
GRANT/ CONTRIBUTION FOR SPECIFIC PURPOSE (B)	4	293432820	216068820
LOANS			
Secured loans	5	0	0
Unsecured loans	6	0	0
Total loans (C)		0	0
CURRENT LIABILITIES & PROVISIONS			
Sundry Deposits	7	17077829	21991314
Sundry Creditors	8	181289	181288
Statutory Liabilities	9	1974600	539946
Provisions	10	0	0
Other Liabilities	11	10525792	18244203
Total Current Liabilities and Provisions (D)		29759510	40956751
TOTAL LIABILITIES (A+B+C+D)		365430567	372538726

ASSETS	SCHEDULE	2019-20	2018-19
		CURRENT YEAR (AMOUNT IN RS.)	PREVIOUS YEAR (AMOUNT IN RS.)
FIXED ASSETS			
Gross Block	12	390243263	307942425
Depreciation Fund	13	-129576975	-93826534
NET BLOCK		260666288	214115891
Capital Work in Progress	14	0	0
Total Fixed Assets (A)		260666288	214115891
INVESTMENTS			
General Fund Investment	15	35295366	15663702
Specific Fund Investment	16	4575000	0
Total Investments (B)		39870366	15663702
CURRENT ASSETS, LOAN & ADVANCES			
Inventories	17	0	0
Sundry Debtors / Receivables	18	0	0
Cash & Bank balances	19	61344832	139126772
Loans, Advances & Deposits	20	3549081	3632361
Total Current Assets, Loan & Advances		64893913	142759133
Difference in Opening Balance		0	0
TOTAL ASSETS (A+B+C)		365430566.79	372538726

For RSM & ASSOCIATES
CHARTERED ACCOUNTANTS
 FRN:- 02813S

अधिसूचना अधिकारी
 Executive Officer
 नगर पालिका, क० पाटन

CA Pooja Goyal
 PARTNER
 M. No.521230
 Place: Jaipur
 Date: 01/03/2021
 UDIN



कनिष्ठ अधिकारी
 Accounts Officer
 नगर पालिका, क० पाटन

**NAGAR PALIKA, K. PATAN
BUNDI, DIST. BUNDI(RAJ.)**

INCOME & EXPENDITURE A/C FOR THE YEAR ENDING 31/03/2020

PARTICULARS	SCHEDULE	CURRENT YEAR	PREVIOUS YEAR
		(AMOUNT IN RS.)	(AMOUNT IN RS.)
INCOME			
Income from Taxes	21	2634101	733312
Less: prior period adjustment	22	28226000	20759000
Revenue from Municipal Properties	23	722256	1159250
Less: prior period adjustment	24	1830256	470087
Surplus from Municipal Charge	25	20300	170800
Revenue from Corporation Sub	26	0	1132961
Income from Corporation	27	7501707	15964958
Miscellaneous Income	28	1114450	786405
TOTAL INCOME		39049070	41176773
EXPENDITURE			
Establishment Expenses	29	44914449	39211392
General Administrative Exp	30	9641647	17900853
Operational & Maintenance Exp	31	11320290	13719496
Miscellaneous Exp	32	2857610	1300
Interest & Financial Exp	33	449	32721
Festival Expenses	34	7839103	5574901
Depreciation during the year	35	38750441	30774078
TOTAL EXPENDITURE		112323988	107214741
Surplus/Deficit before adjustment of Prior Period		-73274919	-66037968
Item and Depreciation		0	0
Less: Prior Period item		0	0
Less: Prior Period Adjustment of depreciation		0	0
NET SURPLUS/DEFICIT		-73274919	-66037968

For RSM & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:- 028135

CA Pooja Goyal
PARTNER
M. No.521230
Place: Jaipur
Date: 01/03/2021
UDIN

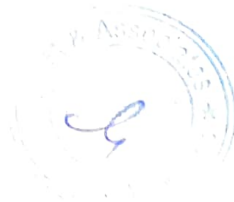


[Signature]
Executive Officer

[Signature]
Accounts Officer

NAGAR PALIKA, K. PATAN
FINANCIAL YEAR 2019-20
SCHEDULES OF BALANCE SHEET

		2019-20	2018-19			
		CURRENT YEAR	PREVIOUS YEAR			
		(AMOUNT IN RS.)	(AMOUNT IN RS.)			
Schedule - 1						
MUNICIPAL (GENERAL) FUND						
Opening balance		38571895.00	104609863.00			
Add: additions during the year		0	0.00			
Less: deductions during the year		-73274919	-66037968.00			
Add: excess of income over expenditure		0	0.00			
Less: excess of exp over income		0	0.00			
TOTAL		-34703023.59	38571895.00			
Schedule -2						
Farmarked Fund						
General Provident Fund		0				
Gratuity Fund		0				
TOTAL		0	0			
Schedule -3						
Reserve & Surplus						
Revaluation Reserve		0	0			
Opening Balance		76941260	59650574			
Add: Addition during the year		0	17290686			
Less: Withdraw During the year		0	0			
Total		76941260	76941260			
Schedule -4						
GRANTS & CONTRIBUTIONS FOR SPECIFIC PURPOSE						
Particulars	Opening balance	Additions	Expenditure		Loan Repayment	Closing Balance as on 31.03.2020
			Revenue Expenditure	Capital Expenditure		
Grant from State Finance Commission	106593599	9149000				115742599
BPL Residential Yojana	1190000					1190000
Spectral Grant for 14th financial Commission	134057092	52477000				176534092
Grant Under Rain Basera	1992500					1992500
M.P. M.L.A Fund	2462500					2462500
CM Saree Kambal Yojana	41341					41341
SJSRY	1865891	450000				2315891
Grant under Jan Sahabhagita Yojana	75000					75000
Swatch Bharat Mission Grant	-34785072	7219000				-27566072
Grant for Jan Nirbandh Yojana	1230642					1230642
Others Grant	7803030					7803030
Grant Under Mukhyamantri Yojana	3542297	8069000				11611297
Total of Grants & Contributions (A+B+C+D)	216068820	77364000	0	0	0	293432820
Schedule -5						
SECURED LOANS						
Secured Loans from RUIDP						0
						0
Schedule -6						
UNSECURED LOANS						
						0
						0
TOTAL						0



Schedule -7**SUNDRY DEPOSITS**

Security & Amanat Payable

	17077829	21991314
TOTAL	17077829	21991314

Schedule -8**SUNDRY CREDITORS**

Sundry Creditors

	181289	181288
TOTAL	181289	181288

Schedule -9**STATUTORY & OTHER LIABILITIES**

Income Tax (FDS) Payable

GST

Deduction for service Tax

Cess Payable

Commercial Tax Payable

	707065	471905
	353811.38	
	9667	9667
	845683	
	58374	58374
TOTAL	1974600.38	539946

Schedule -10**PROVISIONS**

Audit Fees Payable

Other Payable

TOTAL	0	0
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Schedule -11**OTHER LIABILITIES**

Pension Fund payable

Employee Gratuity Payable

Deduction for Gratuity

Deduction for CPF

Deduction for PF Loan

Deduction for Other

Deduction for Labour Tax

Royalty Payable

New Pension Payable

Patarkar Kalyan Kosh

Liabilities to Employees

	0	4113176
	513860	513860
	1371945	3551838
	1137532	1903779
	677482	677482
	1716912	1710912
	81096	81096
	2185728	676680
	2408426	
	13258	
	419553	5015380
	10525792	18244203

	CURRENT YEAR	PREVIOUS YEAR
	(AMOUNT IN RS.)	(AMOUNT IN RS.)

Schedule -12**GROSS BLOCK****Immovable Assets**

Land

Building

Infrastructure Assets

Roads & Bridge

Sewerage & Drainage

Other Fixed Assets

Movable Fixed Assets

Furniture & Fixtures

Office equipment

Plant & Machinery

TOTAL	390243263	307942425
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Schedule -13

DEPRECIATION FUND

Opening balance
Add Depreciation Provided During the year
Less Depreciation for the Previous year

	91826534	43072659
	55750441	46774078
TOTAL	-129576975	-93826534

Schedule -14

CAPITAL WORK IN PROGRESS

TOTAL	0	0
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Schedule -15

GENERAL FUND INVESTMENT

PD Account With Interest (8338)
Non-interest Bearing PD A/c (8448)

	529536627	15663702
TOTAL	529536627	15663702

Schedule -16

SPECIFIC FUND INVESTMENT

CPF Loan
Lease

	1060000	
	3515000	
TOTAL	4575000	0

Schedule -17

INVENTORIES

	0	0
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Schedule -18

SUNDRY DEBTORS/ RECEIVABLE

TOTAL	0	0
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Schedule -19

CASH & Bank Balances

Cash-in-Hand
Balances in Saving & Current accs
Balance in Nationalised Banks
Balance in schedule Bank
Balance with Nationalised Banks(Specific Fund)

	109891	50919
	18234941	119101829
	43000000	19974024
TOTAL	61344832	139126772

Schedule - 20

LOANS, ADVANCES & DEPOSITS

Loans to Staff (PF Loan)
Advance to Staff
Other Advances
Other Advances to Suppliers

	3392361	3392361
	2671961	35000
	30000	105000
	100000	100000
	3549080.61	3632361



NAGAR PALIKA, K. PATAN
FINANCIAL YEAR 2019-20
SCHEDULES OF INCOME & EXPENDITURE A/C

	CURRENT YEAR (AMOUNT IN RS.)	PREVIOUS YEAR (AMOUNT IN RS.)
Schedule-21		
INCOME FROM TAXES		
House & Urban Development Tax	2532901	733312
Karshi Bhumi Shulk	101200	
Cleaning tax	0	0
TOTAL	2634101	733312
Schedule-22		
ASSIGNED COMPENSATION		
Entertainment tax compenstation	0	0
Oetroi Compensation	25226000	20759000
TOTAL	25226000	20759000
Schedule-23		
RENTAL INCOME FROM MUNICIPAL PROP.		
Rental Income from Munnicipal properties	591962	1004657
Rent from Lease Fund		152193
Vehicle Rent	123414	
Tehbajari Income	6880	2400
TOTAL	722256	1159250
Schedule-24		
FEES AND USER CHARGES		
Advertisement Charges	16887	0
Application Fee	163760	0
Registration Charges	79499.00	87175.00
Licence Fees	0	95500
Permission Fees	1212276	1750
Certification & Duplicate Fees	23929	48812
Development Fees	0	0
Regulation Fees	0	47412
Fine & Penelties	4300	23700
Election Receipts	50409	0
Lease Income	63272	0
Name Change Fees	82868	0
Noc Fees	9869	0
Tansfer Fees	33034	0
Waste Management	90153	0
Misc Fees	0	165738
	0	0
TOTAL	1830256.00	470087



	CURRENT YEAR (AMOUNT IN RS.)	CURRENT YEAR (AMOUNT IN RS.)
Schedule-25		
<u>SALE & TRANSPORTATION CHARGE</u>		
Sale of Products	0	0
Sale of Forms & Formates	20300	170800
TOTAL	20300	170800
Schedule-26		
<u>REVENUE GRANT SUBSIDIES</u>		
Amount Transfer from Grants	0	1132961
TOTAL	0	1132961
Schedule-27		
<u>INCOME FROM CORP./ ASSET</u>		
Interest on Investments	351987	13554503
Interest on SB A/c	7149719.55	2404278
Interest Other		6177
TOTAL	7501706.55	15964958
Schedule-28		
<u>MISCELLANEOUS INCOME</u>		
Audit Recovery	0	81311
Festival Income	1114450	571585
Other income		133509
TOTAL	1114450	786405
Schedule-29		
<u>ESTABLISHMENT EXPENSES</u>		
Corporator Allowance	518300	641608
Dearness Allowance	85122	
Salary & Other Payment	43855283	38494634
Travelling Allowance	380294	0
Uniform allowance	75450	75150
TOTAL	44914449	39211392
Schedule-30		
<u>GENERAL ADMINISTRATION EXPENSES</u>		
Rent , Rates & Taxes		3000
Accounting Charges	71980	
Budget Prepration Expenses	10000	
Electricity Expenses	1118442	5094803
Water Expenses	609115	307988
communication Expenses	27317	30215
Books and Newspaper	14073	22244
Printing & Stationary	104068	454744
Travelling & Conveyance		1366625
Insurance Expenses	150700	0
Legal Fees	109035	41480
Auditing Charges	4000	21110
Commercial & Other Fees		3950395
Other Administrative Expenses		2695185
Membership & Contribution		2051000
Professional Fees	325425	
SBM Maintainance	5658087	
Advertisement Expenses	1439405	1862064
TOTAL	9641647	17900853



Schedule - 31

Operational & Maintenance Expenses

Fuel & Energy	1530219	4569
Bulk Purchase		816823
Repair & Maintenance (Infra. Assets)	5618598	1226064
Repair & Maintenance (Public Facilities)		100382
Repair & Maintenance (Buildings)		1707207
Repair & Maintenance (Other)	1393718	7030937
Repair & Maintenance (Vehicle)		1220071
Operational Expenses (Garbage)	164000	1613443
Anudhan	2613755	
NULM		
TOTAL	11320290	13719496

Schedule - 32

MISCELLANEOUS EXPENCES

Corona Fund Relief	79000	
Flood Relief Exp.	493934	
Other Misc Exp.	2284675.56	1300
TOTAL	2857610	1300



<u>Schedule - 33</u>		
<u>Interest & Financial Expenses</u>		
Other Interest		0
Bank Charges	448.58	32721
TOTAL	449	32721
<u>Schedule - 34</u>		
<u>Festival Expenses</u>		
Festival Exp. Office	7578278	5456908
Election Exp.	260825	
Festival Exp. Other		117993
TOTAL	7839103	5574901
<u>Schedule - 35</u>		
<u>Depriciation</u>		
Building	3349334	3593163
Roads & Bridge	19047377	19918843
Plant & Machinery	1267639	1267639
Furniture & Fixtures	1655032	1621356
Office Equipment	1006877.4	56196
Mal Jal Naliya	4863473	
Other Fixed Assets	4560708.6	4316881
TOTAL	35750441	30774078

For RSM & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN:- 02813S

Executive Officer
 नगर पालिका, क० पाटन


CA Pooja Goyal
PARTNER
M. No.521230
Place: Jaipur
Date: 01/03/2021
UDIN



Accounts Officer
 नगर पालिका, क० पाटन

MUNICIPAL BOARD Kesorai Patan
NOTES ON ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES
FORMING PART OF AUDIT REPORT AND FINANCIAL STATEMENT
FOR THE YEAR ENDED ON 31.03.2020-

A. Accounting polices

1. Basic of Accounting:

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

2. Recognition of Revenue:

Property and other taxes are recognized in the period in which they are received

- Revenue in respect of trade license fees is determined in the year in which they are received.
- Assigned revenue like entertainment tax, Advertisement Tax, duty /Surcharge on transfer on Immovable property are accounted during the year only upon actual receipt.
- Other incomes, which are of an uncertain nature for which the amount is not ascertainable or where demand is not raised in regular course of operations, is recognized on actual receipt.

3. Recognition of expenditure:

- All revenue expenditures are treated as expenditures in the period in which they are paid.
- In case of works, expenditures are considered in the year in which the payment has been made.



- Post- Retirement benefits are booked on payment basis i.e. when they are due for payment.
- Provision is taken only for Audit fees and Accounting Fees only.

Fixed Assets:

1. Fixed Assets

i. Recognition:

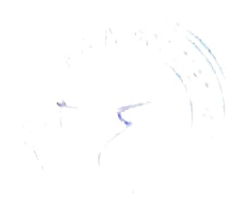
All fixed assets are carried at cost less accumulated depreciation. The cost of fixed assets include cost incurred/ money spent in acquiring or installing or constructing the fixed assets, interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets and other incidental and indirect expenses incurred up to date.

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. GRANT:

- a. General Grants, which are of revenue nature, are recognized as income on annual receipts.
- 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 assets 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 receipts and transferred to capital contribution.



2. Notes to Accounts:

1. Bank balances has been taken and accepted as per books.
2. Balance in grant accounts according to the utilization certificate.
3. Balance in personal accounts (Debit/credit), Sundry debtors and creditors are subject to
4. No sinking fund has been created for replacement of assets as prescribed in Rajasthan Municipal Accounts Manual Chapter-18.
5. Balances of TDS, Labour cess, service tax, GST are subject to confirmation.
6. Earnest Money deposit and Security deposit are subject to confirmation.
7. Overall we prepare balance sheet according to data provided by the Municipal.

For RSM & Associates
CHARTERED ACCOUNTANTS
FRN: 02813S


CA. POOJA GOYAL
PARTNER
M. NO.521230
Place: Jaipur
UDIN



COMMISSIONER


अधिसारी अधिकारी
नगर पालिका, कोठ. प्रकल्प
EXECUTIVE OFFICER


ACCOUNTS OFFICER