

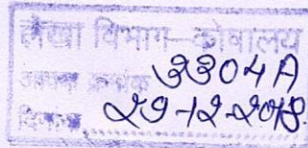


RAMA K GUPTA & CO.
Chartered Accountants

STATUTORY AUDIT REPORT

INDORE MUNICIPAL CORPORATION

FINANCIAL YEAR : 2017-18



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“JAI MATA DI”

RAMA K GUPTA & CO.

Chartered Accountants

(Formally known as Lulla Gupta & Co.)



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INDEPENDENT AUDITOR'S OPINION

To,

The Municipal Commissioner,

Indore Municipal Corporation,

Indore

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying standalone financial statements of **INDORE MUNICIPAL CORPORATION, INDORE**, which comprise the Balance Sheet as at March 31, 2018 and the Statement of Income & Expenditure Account and the Cash Flow Statement and the Statement for the year then ended, and a summary of significant accounting policies.

MANAGEMENT'S RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The authorities of the corporation are responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows of the corporation in accordance with the accounting principles generally accepted by the corporation.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 prepared under accrual based accounting system of the corporation based on National Municipal Accounting Manual (NMAN).

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under double entry system of accounting under NMAN. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the financial statements.

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 NMAN in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- (a) In the case of the Balance Sheet, of the state of affairs (financial position) of the company as at March 31, 2018;
- (b) In the case of the Statement of Income & Expenditure, of the deficit of the corporation for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

We report the following observations and discrepancies which we are giving in

“ANNEXED REPORT” to be read every time with this Statutory Audit Report.
Subject to above : we report that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion proper books of account as required by law have been kept and maintained by the Corporation so far as appears from our examination of such books and subject to the observations made below.

c) The Balance Sheet, the Statement of Income and Expenditure, and Cash Flow Statement dealt with by this Report are in agreement with the books of account

We further report that:

(a) We have obtained all the information and explanations knowledge and belief were necessary for the purposes of our audit.

(b) In our opinion, proper books of account as required by law have been kept by the corporation so far as it appears from our examination;

(c) The Balance Sheet, the Statement of Income & Expenditure dealt with by this Report are in agreement with the books of account

(d) With respect to Fixed Assets of the corporation Balance stated in Balance sheet are subject to physical verification, revaluation and impairment if any. In absence of mentioned information we are unable to quantify the financial effect if any..

(e) In case of Bank reconciliation, the balances lying in the reconciliation statement are aged more than one year. All the bank account balances are subject to bank reconciliations attached with the report.

(f) The audit has been undertaken according to the details provided and explanations given on all the financial and non financial matters and the detailed point during audit has been pointed in annexed report.

(g) In our opinion and to the best of our information and according to the explanations given to us



i. The Corporation has disclosed the impact of pending litigations on its financial position in its financial statements.

ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts.

For RAMA K GUPTA & CO.

Chartered Accountants



CA ANKUR GUPTA

(Partner)

M. N. 429684

Date: **04/11/2018**

Place: **Indore**

INDORE MUNICIPAL CORPORATION

BALANCE SHEET

(AS AT 31 MARCH 2018)



(Amount in Rupees)

Particulars		Schedule No.	Current Year	Previous Year
A	SOURCES OF FUNDS			
A1	Reserves and Surplus			
	Municipal (General) Fund	B-1	16,02,72,52,282	13,29,16,27,015
	Earmarked Funds	B-2	44,61,78,688	38,93,64,554
	Reserves	B-3	15,73,48,71,383	13,77,08,04,159
	Total Reserves and Surplus		32,20,83,02,353	27,45,17,95,727
A2	Grants, Contributions for Specific Purpose	B-4	3,70,22,08,891	4,24,02,96,914
A3	Loans			
	Secured Loan	B-5	22,00,35,568	14,07,85,355
	Unsecured Loans	B-6	2,62,74,63,352	2,95,07,83,457
	Total Loans		2,84,74,98,920	3,09,15,68,812
	TOTAL OF SOURCES OF FUNDS [A1-A3]		38,75,80,10,163	34,78,36,61,453
B	APPLICATION OF FUNDS			
B1	Fixed Assets			
	(including Statues and Heritage Assets)			
	Gross Block	B-11	33,34,85,28,681	28,97,82,67,196
	Less: Accumulated Depreciation		15,39,86,88,524	13,46,12,92,689
	Net Block		17,94,98,40,157	15,51,69,74,507
	Capital Work-in-Progress		9,68,19,67,016	8,87,23,39,829
			27,63,18,07,173	24,38,93,14,336
B2	Investments			
	Investment - General Fund	B-12	71,13,04,287	71,13,04,287
	Investment - Other Fund	B-13	22,13,26,391	32,54,85,838
	Total Investments		93,26,30,678	1,03,67,90,125
B3	Current Assets, Loans & Advances :			
	Stock in Hand (Inventories)	B-14	4,77,86,915	10,97,32,160
	Sundry Debtors (Receivables) :	B-15		
	Gross Amount Outstanding		13,61,55,19,263	12,46,86,72,444
	Less: Accumulated Provision against bad and doubtful receivables		7,21,53,25,408	6,40,01,93,855
	Prepaid Expenses	B-16	1,53,17,536	74,57,639
	Cash and Bank Balances	B-17	3,48,30,07,761	2,97,50,02,815
	Loans, Advances and Deposits	B-18	4,60,70,95,721	4,53,75,54,711
	Total Current Assets		14,55,34,01,789	12,45,53,84,376
B4	Current Liabilities and Provisions			
	Deposits Received	B-7	1,15,10,49,885	94,66,11,157
	Deposit Works	B-8	11,20,00,410	40,94,61,154
	Other Liabilities (Sundry Creditors)	B-9	3,03,45,20,260	1,70,81,97,235
	Provisions	B-10	7,46,95,514	4,76,82,458
B5	Total Current Liabilities		4,37,22,66,069	3,11,19,52,004
	Net Current Assets (B3-B4)		10,18,11,35,720	9,34,34,32,372
C	Other Assets	B-19	1,24,36,592	1,41,24,620
D	Miscellaneous Expenditure (to the extent not written off)	B-20	-	-
	TOTAL OF APPLICATION OF FUNDS [B1+B2+B5+C+D]		38,75,80,10,163	34,78,36,61,453

Notes to the Balance Sheet and Significant Accounting Policies

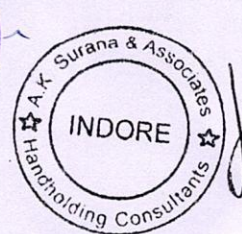
Note: The Schedules referred to above are an integral part of the Balance Sheet.

Commissioner

Indore Municipal Corporation
Place : Indore

Additional Commissioner - Finance
Indore Municipal Corporation

A. K. Surana & Associates
Handholding Consultants



INDORE MUNICIPAL CORPORATION

INCOME AND EXPENDITURE STATEMENT

(FOR THE PERIOD FROM 1 APRIL, 2017 TO 31ST MARCH, 2018)



(Amount in Rs.)

	Item / Head of Account	Schedule No	Amount For the year 2017-18 (Rs.)	Amount For the year 2016-17 (Rs.)
A	INCOME			
	Tax Revenue	IE-1	4,54,98,65,331	4,43,24,04,773
	Assigned Revenues & Compensation	IE-2	6,39,11,89,534	5,38,74,22,012
	Rental Income from Municipal Properties	IE-3	4,92,40,464	3,97,96,493
	Fees & User Charges	IE-4	1,69,41,22,083	86,21,38,944
	Sales & Hire Charges	IE-5	3,75,79,614	3,01,65,787
	Revenue Grants, Contributions & Subsidies	IE-6	1,79,23,97,203	1,46,54,81,897
	Income from Investments	IE-7	2,03,22,467	4,86,21,705
	Interest Earned	IE-8	7,47,08,727	5,33,06,161
	Other Income	IE-9	55,51,03,353	50,82,27,716
	Total - INCOME		15,16,45,28,775	12,82,75,65,488
B	EXPENDITURE			
	Establishment Expenses	IE-10	3,10,93,70,279	2,86,96,69,488
	Administrative Expenses	IE-11	57,02,94,180	42,67,91,779
	Operations & Maintenance	IE-12	4,39,19,69,314	3,05,68,57,414
	Interest & Finance Expenses	IE-13	32,02,58,453	36,37,20,917
	Programme Expenses	IE-14	5,15,04,468	2,58,11,175
	Revenue Grants, Contributions & Subsidies	IE-15	49,05,01,723	20,41,82,407
	Provisions & Write off	IE-16	60,04,33,559	1,12,78,76,683
	Miscellaneous Expenses	IE-17	5,51,53,565	1,99,09,877
	Depreciation		1,93,73,95,835	1,70,53,40,554
	Total - EXPENDITURE		11,52,68,81,377	9,80,01,60,293
C	Gross Surplus / (Deficit) of Income over Expenditure before Prior Period Items (A-B)		3,63,76,47,398	3,02,74,05,195
D	Add/Less: Prior Period Items (Net)	IE-18	-	-
E	Gross Surplus / (Deficit) of Income over Expenditure after Prior Period Items (C-D)		3,63,76,47,398	3,02,74,05,195
F	Less: Transfer to Reserve Funds		72,57,19,711	61,08,70,495
H	Net Balance being Surplus / (deficit) carried over to Municipal Fund (E-F-G)		2,91,19,27,687	2,41,65,34,700

Commissioner
Indore Municipal Corporation

Additional Commissioner - Finance
Indore Municipal Corporation



A. K. Surana & Associates
Handholding Consultants

Place Indore
Date

