

INDEPENDENT AUDITOR'S REPORT

The Commissioner,
Municipal Corporation Abohar
(Punjab)

We have audited the accompanying financial statements of Abohar Municipal Corporation (Punjab), which comprise the Balance Sheet as at March 31, 2025, the Income, and Expenditure Account for the year the ended, and a summary of significant accounting policies and other explanatory information and notes to accounts.

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 of the ULB in accordance with the Punjab 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 judgement, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and subject to notes to account & significant policies, the financial statements give a true and fair view in conformity with the Punjab Municipal Accounts Manual:

- a) in the case of the Balance Sheet, of the state of affairs of the ULB as at March 31, 2025
- b) in the case of the Income and Expenditure Account, of the Deficit for the year ended 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, dealt with by this Report are in agreement with the books of account;
- d) in our opinion, the Balance Sheet, Income and Expenditure Account, comply with the Punjab Municipal Accounts Manual;

A statement on additional matters is given in the annexure.

For SK SINGAL & COMPANY
Chartered Accountants
Firm Regn. 001643N

Priyanka Singh
CA. Priyanka
Partner, M No. 450316



Place : Abohar
Date : 13.03.2026

Additional Matters to be reported by the financial statement auditor:

1. In our opinion and according to records examined by us all sums due to and received by the municipal Corporation have been brought to account and have been appropriately classified;
2. In our opinion and according to the information and explanations given to us, Municipal Corporation is not maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
3. In our opinion and according to the information and explanations given to us, no proper record of store is maintained by the Municipal Corporation.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Municipal Corporation with regards to the purchase of stores, fixed assets and services.
5. In our opinion and according to the information and explanations given to us, there is an adequate internal control procedure for the contracting of works and projects, periodic inspections and measurements, quality checks and payment there for.
6. According to the records of the Municipal Corporation and information and explanations given to us, the Municipal Corporation has not been regular in depositing undisputed statutory dues including Labour cess, Royalty any other statutory dues with the appropriate authorities during the year.
7. In our opinion and according to the information and explanations given to us, no personal expenses have been charged to the Municipal Corporation's accounts.
8. In our opinion and according to the information and explanations given to us, the books and registers specified under the Punjab Municipal Accounts Manual and other applicable acts and rules have been properly maintained. Bank Reconciliation statements are Not prepared for all bank accounts of the Municipal Corporation.
9. In our opinion and according to the information, explanations given to us and to the best of our knowledge, the year end and reconciliation procedures have been carried out by the Municipal Corporation.

For SK SINGAL & COMPANY
Chartered Accountants
Firm Regn. 001643N

Priyanka Garg
CA. Priyanka Garg
Partner, M No. 450316



Place : Abohar
Date : 13.03.2026

UDIN : 26450316SFMI MH6487

**MUNICIPAL CORPORATION ABOHAR
BALANCE SHEET AS ON 31-03-2025**

LIABILITIES	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
<u>RESERVE & SURPLUS :-</u>			
Municipal Fund	1	3,860,824,674.36	3,847,278,095.52
Capital Reserve	2	0.00	616,352.84
Total Reserve & Surplus (A)		3,860,824,674.36	3,847,894,448.36
<u>UNSPENT GRANT / CONTRIBUTION FOR SPECIFIC PURPOSE (B) :-</u>			
	3	125,264,780.60	137,623,443.60
<u>LOANS :-</u>			
Unsecured Loans	4	21,482,000.00	21,482,000.00
Total Loans ©		21,482,000.00	21,482,000.00
<u>CURRENT LIABILITIES & PROVISIONS :-</u>			
Deposits Received	5	16,087,530.00	34,885,366.00
Statutory Liabilities	6	19,698,229.00	20,251,383.00
Other Liabilities & Provisions	7	201,043,544.00	224,784,577.00
Total Current Liabilities and Provisions (D)		236,829,303.00	279,921,326.00
TOTAL LIABILITIES (A+B+C+D)		4,244,400,757.96	4,286,921,217.96

ASSETS

ASSETS	SCHEDULE	Current Year (AMOUNT IN RS.)	Current Year (AMOUNT IN RS.)
<u>FIXED ASSETS :-</u>			
Gross Block	8	4,616,469,532.26	4,592,850,619.26
Depreciation Fund	9	823,736,454.20	659,928,141.20
Net Block		3,792,733,078.06	3,932,922,478.06
Total Fixed Assets (A)		3,792,733,078.06	3,932,922,478.06
<u>INVESTMENTS :-</u>			
General Fund Investments		0.00	0.00
Total Investments (B)		0.00	0.00
<u>CURRENT ASSETS, LOAN & ADVANCES :-</u>			
Sundry Debtors / Receivables	10	134,870,060.00	92,754,660.00
Cash & Bank Balances	11	198,083,118.90	171,873,465.90
Loans, Advances & Deposits	12	118,714,501.00	89,370,614.00
Total Current Assets, Loans & Advances (C)		451,667,679.90	353,998,739.90
TOTAL ASSETS (A+B+C)		4,244,400,757.96	4,286,921,217.96

NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES

Notes referred to above and notes attached there to form an integral part of Balance Sheet

This is the Balance Sheet referred to in our Report of even date.

FOR SK Singal & COMPANY

Chartered Accountants

For and on behalf of Municipality Board

Priyanka Garg

(CA. Priyanka Garg)

Partner

Membership No. 450316

Firm Reg. No.: 001643N



Commissioner

Account Officer

Place : Abohar

Date :

13.03.2026

MUNICIPAL CORPORATION ABOHAR
INCOME & EXPENDITURE FOR THE YEAR ENDED 31-03-2025

PARTICULARS	SCHEDULE	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
INCOME :-			
Tax Revenue	13	215,810,951.00	176,593,482.00
Assigned Revenues & Compensations	14	-	-
Rental Income From Municipal Properties	15	7,121,272.00	5,891,426.00
Fees and User Charges	16	81,727,069.00	82,187,126.00
Revenue Grants, Contribution and Subsidies	17	54,368,315.00	21,748,180.00
Interest Earned	18	13,469,412.00	6,337,925.00
Miscellaneous Income	19	2,120,249.00	612,640.00
Sale & Hire Charges	20	50,247,526.00	48,568,717.00
Total Income		424,864,794.00	341,939,496.00
EXPENDITURE :-			
Establishment Expenses	21	203,933,444.00	137,915,548.87
Administrative Expenses	22	4,949,134.00	17,053,929.00
Operations and maintenance	23	76,841,198.00	54,738,807.00
Miscellaneous Expenses	24	157,232.00	527,968.00
Programme EXPENSE	25	-	415,114.00
Depreciation During The Year	26	163,808,313.00	160,080,253.00
Total Expenditure		449,689,321.00	370,731,619.87
Surplus / Deficit before adjustment of prior period items and D		(24,824,527.00)	(28,792,123.87)
Less : Prior Period Items			
Less : Prior Period Adjustment of Depreciation			
NET SURPLUS / DEFICIT		(24,824,527.00)	(28,792,123.87)

NOTES TO ACCOUNTS & SIGNIFICANT ACCOUNTING POLICIES

Notes referred to above and notes attached there to form an integral part of Income and Expenditure
This is the Income & Expenditure Statement referred to in our Report of even date

FOR SK Singal & COMPANY

Chartered Accountants

Priyanka Garg

(CA. Priyanka Garg)

Partner

Membership No. 450316

Firm Reg. No.: 001643N



For and on behalf of Municipality Board

Commissioner

Account Officer

Place : Abohar

Date :

13.03.2026

MUNICIPAL CORPORATION ABOHAR
As On 31.03.2025

	Current Year	Previous Year
	(AMOUNT IN RS.)	(AMOUNT IN RS.)
SCHEDULE - 1		
MUNICIPAL (GENERAL) FUND :-	3,860,824,674.36	3,847,278,095.52
Opening Balance	3,847,278,095.52	4,080,562,019.12
Add :- Addition during the year		
Less :- Deduction during the year	11,277,948.16	204,491,799.73
Less :- Excess of Expenditure over Income	(24,824,527.00)	
Add : Excess Of Income Over Expenditure		(28,792,123.87)
 SCHEDULE - 2		
CAPITAL RESERVE	-	616,352.84
Opening Balance	616,352.84	29,408,476.71
Add :- Addition During the Year		
Less :- Withdrawal during the Year	616,352.84	28,792,123.87
 SCHEDULE - 3		
UNSPENT GRANTS	125,264,780.60	137,623,443.60
15th Finance Commission Grant	60,727,688.00	43,414,560.00
Grant - BDA	24,412.00	24,412.00
Grant - UD 11		(190,637.00)
Grant For MDF	180,103.00	180,103.00
Grant M.P Fund	5,147.00	5,147.00
Grant NULM	140,000.00	140,000.00
Grant PMIDC	10,138,010.60	10,138,010.60
Grant Swatch Bharat Mission	10,760,582.00	10,760,582.00
Grant United Fund	168.00	168.00
IEC Grant	600,000.00	600000
PM 14 Special Package of Border Area Funds	19,008,007.00	19,008,007.00
Punjab Nirman Grant	5,656,388.00	38,227,092.00
Sports Complex Development Grant	13,598,631.00	13,598,631.00
UPIP 2 Grant	4,135,826.00	1,711,103.00
UPIP 3 Grant	289,818.00	6,265.00
 SCHEDULE 4		
UNSECURED LOANS :-	21,482,000.00	21,482,000.00
OPENING	21,482,000.00	21,482,000.00
 SCHEDULE-5		
DEPOSITS RECEIVED	16,087,530.00	34,885,366.00
Security Received	9,359,278.00	27,767,164.00
Tender earnest money received	6,728,252.00	7,118,202.00
 SCHEDULE-6		
STATUTORY LIABILITIES	19,698,229.00	20,251,383.00
Labour Cess	19,543,209.00	20,095,443.00
TDS Contractor	22,678.00	19,148.00
GST	132,342.00	136792



SCHEDULE-7		
Other Liability & Provisions	201,043,544.00	224,784,577.00
Electricity Bill	196,910,879.00	220,558,188.00
Audit Fees	1,797,014.00	1,890,850.00
Sundry Creditors	1,399,434.00	1,399,322.00
Food Grain Advance Loan	936,217.00	936,217.00
SCHEDULE-8		
GROSS BLOCK	4,616,469,532.26	4,592,850,619.26
SCHEDULE-9		
DEPRECIATION FUND :-	823,736,454.20	659,928,141.20
As Per Schedule 28	823,736,454.20	659,928,141.20
SCHEDULE-10		
SUNDRY DEBTORS / RECEIVABLES	134,870,060.00	92,754,660.00
Water Tax & Sewerage Tax Receivables	80,617,893.00	59,745,654.00
Property Tax Arrears	54,252,167.00	33,009,006.00
SCHEDULE-11		
CASH & BANK BALANCES :-	198,083,118.90	171,873,465.90
Cash & Bank Balance	198,083,118.90	171,873,465.90
SCHEDULE-12		
LOANS, ADVANCES & DEPOSITS:-	118,714,501.00	89,370,614.00
Festival Advance Loan	4,205,161.00	2,591,661.00
Rent Receivable	16,025,115.00	16,025,115.00
Safai Sewak Welfare Society	88,432,615.00	60,702,228.00
Building Fees Receivable	10,051,610.00	10051610



MUNICIPAL CORPORATION ABOHAR
As On 31.03.2025

	Current Year (AMOUNT IN RS.)	Previous Year (AMOUNT IN RS.)
SCHEDULE-13	215,810,951.00	176,593,482.00
TAX REVENUE	29,240.00	678,662.00
House Tax	543,247.00	723,466.00
Cancer Cess	7,618,091.00	15,002,256.00
Exise Duty	47,100,000.00	41,000,000.00
Property Tax	1,048,885.00	1,108,406.00
Fire Cess		1,571,745.00
Cow Cess	129,471,488.00	91,508,947.00
Vatt	30,000,000.00	25,000,000.00
Water & SEWERAGE TAX		
SCHEDULE-14		
ASSIGNED REVENUE & COMPENSATION	-	-
Compensations in Lieu of Taxes / duties	-	-
SCHEDULE-15		
RENTAL INCOME FROM MUNICIPLE PROPERTIES :-	7,121,272.00	5,891,426.00
Other Rents	771,193.00	54,440.00
Markets	6,350,079.00	5,836,986.00
SCHEDULE- 16		
FEES AND USER CHARGES	81,727,069.00	82,187,126.00
Advertisement Income	-	1,049,499.00
Fees for Certificate Or extract of Record	2,370.00	3,000.00
Licensing Fees	390,480.00	507,445.00
Penalties and Fines	2,772,593.00	1,552,258.00
Building Permission Fees	19,400,872.00	35,138,650.00
Bus stand fees	6,982,390.00	1,246,960.00
NOC Fees	2,254,145.00	1,617,460.00
Change of Land Use	-	8,944,541.00
Library Fees	-	192,200.00
Resignation Fees	-	38,670.00
Right to Information	1,956.00	4,520.00
Road Cutting	162,149.00	1,212,010.00
Sewerage Rent	18,119,855.00	19,945,746.00
Unauthorized Plot and Colony	31,640,259.00	10,734,167.00
SCHEDULE-17		
Revenue Grants, Contribution and Subsidies	54,368,315.00	21,748,180.00
15th FINANCE COMMISSION GRANT	54,368,315.00	21,748,180.00



SCHEDULE-18		
INTEREST EARNED	13,469,412.00	6,337,925.00
Other Interest	13,469,412.00	6,337,925.00
SCHEDULE-19		
Miscellaneous Income	2,120,249.00	612,640.00
Other Income	2,055,087.00	417,640.00
Other Recoveries	65,162.00	195,000.00
SCHEDULE-20		
SALES AND HIRE CHARGES :-	50,247,526.00	48,568,717.00
Sale of Land	40,201,416.00	38,057,146.00
Sale of dairy project	10,046,110.00	10,511,571.00
SCHEDULE-21		
ESTABLISHMENT EXP :-	203,933,444.00	137,915,548.87
Benefits and Allowance	2,221,525.00	4,369,070.00
Elected Council Members Related Establishment	4,999,461.00	5,508,543.00
Employee Welfare	2,397,371.00	7,865,314.00
Other terminal and Retirement Benefits	27,875,187.00	19,505,692.00
Pension		500,000.00
Re- Imbursements	2,407,488.00	1,447,565.00
Salaries and Wages	164,032,412.00	98,719,364.87
SCHEDULE-22		
ADMINISTRATIVE EXPENSES	4,949,134.00	17,053,929.00
Advertisement and Publicity	322,356.00	326,497.00
Audit & other Professional fees	2,143,114.00	1,673,580.00
Books & Periodicals Membership Subscriptions	266,517.00	1,049,598.00
Communication Expenses	148,743.00	125,428.00
Insurance	61,604.00	148,247.00
Other Administration Expense	1,778,044.00	13,598,314.00
Printing and Stationary	33,356.00	132,265.00
Rent Rates and Taxes Paid	195,400.00	-



SCHEDULE-23

OPERATIONS & MAINTENANCE

	76,841,198.00	54,738,807.00
Bulk Purchases	138,795.00	
Consumption of Stores	4,913,164.00	1,818,190.00
Fuel	8,034,273.00	10,070,619.00
Hire Charges	1,203,033.00	598,907.00
Power	44,758,470.00	3,783,704.00
Repair & Maintenance - Building	1,200,000.00	4,499,200.00
Repair & Maintenance - Infrastructure Assets	1,343,585.00	3,200,767.00
Repair & Maintenance - Others	8,677,264.00	22,574,482.00
Repair & Maintenance - Service	4,767,184.00	3,313,294.00
Repair & Maintenance - Vechile Plants & Machinery	1,805,430.00	4,879,644.00

SCHEDULE-24

MISCELLANEOUS EXPENSES

	157,232.00	527,968.00
Othe Misc. Expense	156,035.00	527,968.00
Bank charges	1,197.00	

SCHEDULE-25

Programme EXPENSE

	-	415,114.00
Own Programme		37,540.00
Share in Programme of Others		377,574.00



MUNICIPAL COUNCIL ABOHAR
Notes Forming Integral Part of the Balance Sheet as at 31st March, 2025

SCHEDULE-26

DEPRECIATION CHART FOR THE YEAR ENDED 31.03.2025

Sr. No	Particulars	Rate	Gross Block				Depreciation				WDV as on 31.03.2025	
			Value at the beginning	Addition During the Year Part I	Addition during the Year Part II	Gross Block	Value at the beginning	Depreciation on Part I & Net Block	Depreciation on Part II	Total Depreciation during the year		Value at the end
			1,399,034.835	-	-	1,399,034.835	-	-	-	-	-	1,399,034.835
1	Land	0.00%	1,399,034.835	-	-	1,399,034.835	-	-	-	-	-	923,920.459
2	Building	2.25%	1,091,128.738	3,613.625	-	1,094,742.363	146,190,200.88	24,631.703	-	24,631.703	170,821.904	649,669.239
3	Roads	10.00%	1,041,925.921	15,460.177	3,272.044	1,060,658.142	305,086.691	105,738.610	163.602	105,902.212	410,988.903	23,592.331
4	Infrastructure Assets	18.00%	31,381.392	-	-	31,381.393	49,325.072	5,648.651	-	5,648.651	54,973.723	827,751.684
5	Park & Playground	2.25%	988,713.935	-	-	988,713.936	138,716.187	22,246.064	-	22,246.064	160,962.252	3,984.868
6	Street Light Post	6.00%	7,390.628	-	-	7,390.629	2,962.322	443.438	-	443.438	3,405.761	1,271.522
7	Plant And Machinery	6.00%	1,563,357.39	187,552.00	9,975.00	1,760,884	384,008.22	105,055	299	105,354	489,362	980.142
8	Vehicle	18.00%	1,303,736.54	-	-	1,303,737	2,049,205.24	234,673	-	234,673	2,283,878	1,365.257
9	Tractor Trolley	18.00%	2,194,470.00	-	-	2,194,470	434,208.00	395,005	-	395,005	829,213	116.085
10	Jetting Machine	18.00%	1,556,187.00	-	-	1,556,187	1,159,988.00	280,114	-	280,114	1,440,102	461,800
11	Office & Other Equipment	9.00%	430,241.46	146,700.00	7,250.00	584,191	70,140.17	51,925	326	52,251	122,391	328.421
12	Furniture & Fixtures	3.60%	381,930.16	16,900.00	17,290.00	416,120	73,029.70	14,358	311	14,669	87,699	1,042.113
13	Computer	9.00%	1,573,228.13	-	-	1,573,228	389,524.19	141,591	-	141,591	531,115	13,756
14	Scanners	9.00%	26,332.00	-	-	26,332	10,206.00	2,370	-	2,370	12,576	93,017
15	Printers	9.00%	141,048.00	-	-	141,048	35,337.00	12,694	-	12,694	48,031	13,059
16	Press/Printing Machinery	9.00%	23,005.00	-	-	23,005	7,876.00	2,070	-	2,070	9,946	2,792.346
17	Tipplers	18.00%	14,724,111.00	-	-	14,724,111	9,281,425.00	2,650,340	-	2,650,340	11,931,765	1,630,865
18	Jcb Machine	6.00%	2,369,524.00	-	-	2,369,524	596,488.00	142,171	-	142,171	738,659	11,887
19	Water Tanker	18.00%	436,885.00	-	-	436,885	370,133.00	78,639	-	78,639	448,772	41,098
20	Apple Macbook	9.00%	78,669.00	-	-	78,669	30,491.00	7,080	-	7,080	37,571	64,823
21	Invertor	9.00%	82,964.00	-	-	82,964	10,674.00	7,467	-	7,467	18,141	824,017
22	Autopedal Rickshaw	18.00%	2,222,133	887,400.00	-	3,109,533	1,725,800	559,716	-	559,716	2,285,516	2,898,172
23	Water Works Machinery	6.00%	4,167,346	-	-	4,167,346	1,019,133	250,041	-	250,041	1,269,174	3,792,733.078
	TOTAL		4,592,850,619.26	20,312,354	3,306,559	4,616,469,532	659,928,141.20	163,643,775	164,538	163,808,313	823,736,454	3,792,733.078



MUNICIPAL CORPORATION ABOHAR

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2025

PARTICULARS	YEAR ENDED 31.03.2025
A. CASH FLOW FROM OPERATING ACTIVITIES:	(24,824,527)
Surplus/ (Deficit) Before Tax	163,808,313
ADJUSTMENTS FOR:	-
Depreciation & Amortised Cost	50,247,526
Interest on FDR	88,736,260
Other Income - Income from Corporation Assets & Investments	-
Operating Profit before Working Capital Changes	-
Adjustments For Movement In Working Capital:	-
Decrease/(Increase) In Current Assets	(42,115,400)
(a) Sundry Debtors/ Receivables	(29,343,887)
(b) Short-Term Loans & Advances	-
(Decrease)/Increase In Current Liabites	-
(a) Trade Payables	(553,154)
(b) Statutory Liabilities	(23,741,033)
(c) Short-Term Provisions	(18,797,836)
(d) Sundry Deposits	(25,815,050)
Cash Flow before Taxation	-
Less: Current Tax Expense(Net)	-
Tax Expense for Prior Years	(25,815,050)
NET CASH FROM/(USED) IN OPERATING ACTIVITIES (A)	-
B. CASH FLOW FROM INVESTING ACTIVITIES:	(17,005,795)
(Purchase)/Addition To Fixed Assets	50,247,526
Income on Investment- Income from Corporation Assets & Investments	(12,358,663)
Increase /(Decrease) - Specific Fund Investments	-
NET CASH FROM/(USED) IN INVESTING ACTIVITIES (B)	20,883,068
C. CASH FLOW FROM FINANCING ACTIVITIES:	-
Earmarked Fund	43,500,298
Municipal (General) Fund	(12,358,663)
Grant /Contribution For Specific Purpose	-
(Decrease)/Increase In Long Term Borrowings	-
Financial Cost-Interest & Financial Charges Paid	-
NET CASH FROM/(USED) IN FINANCING ACTIVITIES (C)	31,141,635



MUNICIPAL CORPORATION ABOHAR

PARTICULARS	YEAR ENDED 31.03.2025
NET INCREASE/ DECREASE IN CASH & CASH EQUIVALENTS (A)+(B)+ (C)	26 209 653
OPENING CASH & CASH EQUIVALENTS	171 873 466
CLOSING CASH & CASH EQUIVALENTS	198 083 119
COMPONENTS OF CLOSING CASH & CASH EQUIVALENTS :	
Cash In Hand	-
Balances With Scheduled Banks	
- In Saving & Current A/c	198 083 119



Municipal Corporation (Punjab)

**NOTES FORMING PART OF AUDIT REPORT & FINANCIAL STATEMENT
FOR THE YEAR ENDED ON 31.03.2025**

Accounting policies

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

Recognition of Revenue

- a) Property and other taxes are recognized in the period in which they become due and demands are ascertainable.
- b) Revenue in respect of Contract/License Fees is accrued in the year to which it pertains and when Demands are raised.
- c) Assigned revenues like Octroi, Duty / Surcharge on transfer of Immovable properties, Tender Fee, Development fee, etc. are accounted during the year only upon actual receipt.
- d) Lease Rental and interest on lease rental are accounted during the year on actual receipt basis.
- e) Interest received on Bank Deposit is accounted as actual receipts during the year.
- 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.

Recognition of Expenditure

- a) Expenses on Salaries are account on April to March and bonus and other allowances are recognised as and when they are due for payment.
- b) All other major revenue expenditures are treated as expenditures in the period in which they are incurred.
- c) In case of works, expenditures are accrued as soon as the work has been measured are becomes due for payment.
- d) Provision for expenses are made at the year-end for all bills received up to & cut off date.
- e) Provision for pensions is not made at Municipal Corporation level.
- f) Bank charges are accounted on cash basis.



Fixed Assets

i. 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 acquisition or construction 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/- would be expensed / charged to income & Expenditure Account in the year of purchase.

ii. Depreciation

- a) Depreciation is provided on WDV method using the rates prescribed in Local Self Government Chandigarh.

iii. Revaluation of Fixed Assets

The Municipal Corporation has not made any Revaluation of Fixed Assets during the year as there was no such need for revaluation.

Inventories : Inventory is NIL as at the end of financial year.

Grants

Whenever the Abohar Municipal Corporation receives grants, they come in two types - one of revenue nature and the other of capital nature. Whenever expenditure is incurred, if it is of revenue nature, the amount should be credited to the Income & Expenditure Account, reflecting the expense incurred. On the other hand, if the expenditure is of capital nature, it should be transferred to the General Fund/Municipal Fund. However, it is observed that the Abohar Municipal Corporation is transferring both types of expenses, whether revenue or capital in nature, to the General Fund/Municipal Fund.

Statutory deductions

Statutory deduction from claimants (Salary, Works, Supplier etc.) which includes Sales tax (VAT), provident fund contribution etc., are to be recognized as liability in the same period in which the corresponding claim is recognized as expense.

Notes on Accounts and other disclosures :

- a). Previous period figures have been recast / restated to confirm to the classification of the current period. Negative figures shown in brackets. Figures are rounded off to the nearest rupee.
- b). In the opinion of the Management of Municipal Corporation and to the best of their knowledge and belief, the value on realisation of loans, advances and current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance sheet.



- c). There are no fixed assets purchased out of borrowed money. So, there is no question of Borrowing Cost.
- d). Fixed assets, inventories & Stationeries item are valued, certified and physically verified by management. Initial recognition of fixed assets is taken as certified by the Municipal Corporation and subject to verification. No physical verification of fixed assets and inventories is conducted by us.
- e). All outstanding of third parties balances are subject to confirmation.
- f). Necessary adjustment for writing off of accounts receivable is not made. Further no provisions are made against outstanding receivables during the year.
- g). The entries in the cash book for bank transactions under General Ledger in Double Entry Accrual Accounting are compared with the entries on the bank statements and no differences are noted.
- h). Contingent liability, Judgment and Claims: No estimate of the liability for unsettled claims has been reported by the Municipal Corporation.
- i). Security Deposit and EMD: Party wise detail of security deposits / EMD is not available subject to verification.
- j). Sale proceeds of land are treated as income under "Income from Corp Assets/Investment" in absence of cost of the respective assets.
- k). Bank Reconciliation statements are not prepared for all bank accounts of the Municipal Corporation.

For SK SINGAL & COMPANY

Chartered Accountants

Firm Regn. 001643N

Priyanka

CA

CA. Priyanka Garg
Partner, M No 450316



Commissioner

Account Officer

Place : Abohar

Date : 13.03.2026

UDIN :- 264503165FMIMH6487