

BALANCE SHEET
OF
Phagwara Municipal Corporation
Phagwara

2023-2024

COMPILED BY
N.K.GABA & CO.
CHARTERED ACCOUNTANTS
42 SHAHEED BHAGAT SINGH NAGAR
HOSHIARPUR ROAD, PHAGWARA
Web: www.nkgaba.com
Mob: 9872473334-9417314030





ACCOUNTANT'S REPORT ON COMPILATION OF UNAUDITED FINANCIAL STATEMENTS

To
The Commissioner
Phagwara Municipal Corporation
Phagwara

On the basis of the Accounting Records and other information and explanations provided to us by the Management, we have compiled the Unaudited Balance Sheet of Phagwara Municipal Corporation (Municipal Fund and Grant Fund) as at 31st March 2024 and the related Income & Expenditure Statement for the period then ended.

The Management of the Phagwara Municipal Corporation is responsible for:

- Completeness and Accuracy of the underlying data and complete disclosure of all material and relevant information to the Accountant.
- Maintaining Adequate Accounting and other records and internal controls and selecting and applying appropriate Accounting Policies.
- Preparation and Presentation of Financial Statements in accordance with the applicable laws and regulations, if any.
- Establishing controls to safeguard the Assets of the entity and preventing and detecting frauds or other irregularities.
- Establishing controls for ensuring that the activities of the entity are carried out in accordance with the applicable laws and regulations and preventing and detecting any non-compliance.

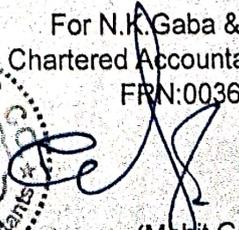
We performed this compilation engagement in accordance with Standard on Related Services 4410 (Revised), Compilation Engagements.

We have applied our expertise in accounting and financial reporting to assist the management in the preparation and presentation of these financial statements in accordance with the Punjab Municipal Accounting Manual (PMAM) with necessary localization of chart of accounts and budget codes using M-seva accounting software approved by the Punjab Government.

Since a compilation engagement is not an assurance engagement, we are not required to verify the accuracy or completeness of the information provided to us to compile these financial statements. Accordingly, we do not express an audit opinion or a review conclusion on whether these financial statements are prepared in accordance with accounting principles generally accepted in India.

Place: PHAGWARA
Date: 13-01-2025

For N.K. Gaba & Co.
Chartered Accountants,
FRN:003684N



(Mohit Gaba)
Mem No.:503854
Partner



UDIN: 25503854BMKRLU6996

INCOME & EXPENSE ACCOUNT
(For the period ending 31-03-2024)

DEBIT (Rs.)	CREDIT (Rs.)
Expenses (Indirect/Admn.)	By Income (Indirect)
101001 Basic Pay 190819914.00	1100101 Property Tax 5,70,65,399.96
101004 Ex-gratia 8,00,000.00	1100107 Penal Interest on Pr 32,28,677.88
101006 Salary Paymnet of SW 3,00,30,774.00	1100406 Road Cutting Charges 81,73,041.00
101009 Arrear of Salary as 36,91,420.00	1108007 Cow Cess 22,27,849.00
101010 Arrear of Salary as 30,000.00	1202001 Compensation in Lieu 215104090.00
102002 House Rent Allowance -15,364.00	1301004 Markets 36,58,635.00
102011 Leave Travel Concess 14,79,879.00	1301005 Marriage/Community H 1,52,500.00
102021 Handicapped Allowanc 18,000.00	1308001 Advt./Holding on MC 33,95,634.00
104001 Leave Encashment 77,01,215.00	1401101 Shops & Establishment 25,04,775.34
104002 Death Cum Retirement 1,41,62,286.00	1402009 Other Fines 3,48,351.00
105001 Medical Re-imburseme 43,30,435.00	1402016 Tehbazari Compositio 3,45,500.00
106001 CPF Deduction (MC Sh 75,52,813.00	1404001 Building Permission 4,07,99,426.00
106004 EPF Contribution (MC 58,885.00	1404009 Others 17,58,612.96
106008 Uniform Expenses 7,33,046.00	1405014 Parking Fee 8,48,600.00
106013 ESI Contribution (MC 3,768.00	1701001 Intt. on Fixed Depos 90,66,434.07
201201 Telephone Office Exp 83,685.00	1711001 Intt. on Saving/Curr 66,05,344.33
201204 Internet Exps 24,198.00	1804002 Recovery of Excess S 5,05,393.00
202102 General Printing & S 1,71,555.00	1808003 Other Misc. Income 3,66,782.31
202104 Form Purchase / Prin 6,726.00	1808006 Fire Tender/NOC Fee 4,10,994.47
204003 Motor Vehicles (Insu 58,719.00	1808007 Fire Call Report Fee 9,000.00
205001 Auditor Fee 11,74,879.00	4109003 Adhoc Rebates -21,89,473.00
205202 Advocate Fee Expense 6,46,000.00	
205204 Consultancy Charges 1,38,060.00	By Excess of Expenses over Income
205207 Professional Charges 2,36,824.00	
206001 Advertisement in New 1,70,806.00	
206006 Other Office Misc. E 1,01,689.00	
300101 Electricity Bill - S 2,59,21,676.00	
300102 Electric Connection 2,45,580.00	
300206 Petrol/Diesel Expens 1,15,13,141.00	
303004 Pesticides 5,12,322.00	
305002 Sewearge exps 1,00,00,000.00	
305004 All Types of Roads & 13,89,528.00	
305006 Street Lighting Syst 3,35,270.00	
305102 Parks & Garden Maint 17,28,218.00	
305110 Sulabh Toilet Expens 3,80,953.00	
305202 Office Building 3,75,717.00	
305302 Fire Fighter / Fire 14,156.00	
305304 Solid Waste Vehicle 1,79,346.00	
305405 Loader Exps 1,77,572.00	
305316 Repair of Other Vehi 2,56,866.00	
305317 Electrical Appliance 1,23,429.00	
305318 General Office Equi 70,458.00	
305319 Computer Repair Expe 40,623.00	
305323 Repair of Air Cooler 44,646.00	
305327 Multi Fog / Fogging 1,06,437.00	
306003 Interest on PF 87,32,307.00	
307002 Cheque Return Charge 36,254.54	
	35,43,85,567.32
	1,36,392.26

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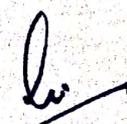
ds
Deputy Controllor (F & A)
MC Phagwara



1001 Election Expenses	1,07,771.00	
2017 Unclaimed Dead Body	84,000.00	
2019 Other Programme Expe	1,36,525.00	
3002 Pollution Control Bo	15,00,000.00	
5001 Other Misc. Exps	9,14,701.00	
5003 Refund of Taxes - Pr	39,40,295.04	
preciation	2,14,43,956.00	
Total		35,45,21,959.58

Total 35,45,21,959.58

As per our separate report
of even date attached


Deputy Controller (F & A)
MC Phagwara


For N.K. GABA

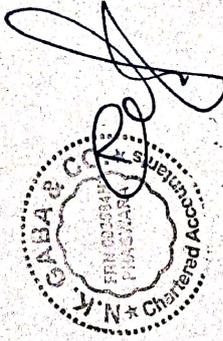
(CA. MOHIT GABA)
M. N. 503854
date: 13/01/2025

Municipal Corporation Phagwara

G.T. Road, Phagwara

Capital Account Annexure

	3101001 Accumulated Reserve	3129001 General Provident Fund	3129002 Central Provident Fund	Total
Opening Balance	34,32,42,738.51 Cr	2,86,85,817.00 Cr	11,53,42,232.00 Cr	48,72,70,787.51 Cr
Closing Balance	34,32,42,738.51 Cr	2,86,85,817.00 Cr	11,53,42,232.00 Cr	48,72,70,787.51 Cr



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Deputy Controller (F & A)
MC Phagwara

PHAGWARA MUNICIPAL CORPORATION
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2024

(Amount in ₹)

As at 31st March 2024

A. NET INCOME AS PER INCOME & EXPENDITURE ACCOUNT

Depreciation -18,49,487.26

OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES 2,76,65,871.00

ADJUSTMENTS FOR 2,58,16,383.74

Receivables from Property Tax

Short Term Loans & Advances 79,04,000.00

Sundry Creditors/ Other Short Term Provisions -1,75,647.00

22,34,982.22 99,63,335.22

Cash Generated From Operations

Income Tax Expense for the period 3,57,79,718.96

0.00

NET CASH FROM OPERATING ACTIVITIES (A)

3,57,79,718.96

B. CASH FROM FINANCING ACTIVITIES

Grants received 5,83,06,059.00

Increase in Provident Fund Reserve 1,70,84,620.00

Decrease in Deposits Received -45,78,114.00

NET CASH FROM FINANCING ACTIVITIES (B)

7,08,12,565.00

C. CASH FROM INVESTING ACTIVITIES

Purchase of Fixed Assets -98,75,580.00

Increase in Investments -1,88,53,493.07

Capital Work in Progress 1,00,00,000.00

Adjustments in Accumulated Reserve 17,83,472.13

Assets Purchase Against Grant Received -3,37,73,854.00

NET CASH FROM INVESTING ACTIVITIES (C)

-5,07,19,454.94

NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C) 5,58,72,829.02

OPENING CASH AND CASH EQUIVALENTS 21,24,82,444.85

CLOSING CASH AND CASH EQUIVALENTS 26,83,55,273.87

For Phagwara Municipal Corporation

DCFA

[Signature]
Deputy Controller (F & A)
MC Phagwara

Phagwara, 13th January 2025

Chartered Accountant's Report
 As per our separate report of even date

For N.K. Gaba & Co.
 Chartered Accountants
 FRN:003684N



[Signature]
 (CA) Mohit Gaba
 M.N.:503854
 Partner

GSTIN
BALANCE SHEET
 (At the end of 31-03-2024)

LIABILITIES (Rs.)		ASSETS (Rs.)	
Account		Fixed Assets	
Contribution for Spec	178303550.04	Expenditure Against Grants T	6,25,15,274.00
as & Surplus	-74,17,591.48		6,25,15,274.00
	17,08,85,958.56	Current Assets	
Liabilities		Bank Accounts	
2 Security Deposits	7,74,808.00		5,73,52,651.56
6 TDS - Contractors (I	46,570.00		5,73,52,651.56
7 TDS on GST - Contrac	46,570.00	Investments	
8 Labour Cess	23,290.00	BANK FIXED DEPOSITS	5,19,09,271.00
	8,91,238.00		5,19,09,271.00
Total	17,17,77,196.56	Total	17,17,77,196.56

[Signature]
 Deputy Controller (F & A)
 MC Phagwara

As per our own separate
 report of even date attached



[Signature]
 For M.N.K. GABA & CO.

(CA. MOHIT GABA)
 M.N. 503854
 date : 13/01/2025

Municipal Corporation Pgw Grant Fund

GSTIN : *

INCOME & EXPENSE ACCOUNT

(For the period ending 31-03-2024)

DEBIT (Rs.)		CREDIT (Rs.)	
Expenses (Indirect/Admn.)			
01 Depreciation on Road	62,21,915.00		
	62,21,915.00	By Income (Indirect)	
		1701003 Interest from Fixed	31,41,585.00
		1711001 Interest from Saving	13,67,235.00
			45,08,820.00
		By Excess of Expenses over Income	17,13,095.00
Total	62,21,915.00	Total	62,21,915.00

[Signature]
 Deputy Controller
 MC Phagwara

*As per our separate report
 of even date attached.
 for M.K. GABA & Co.*



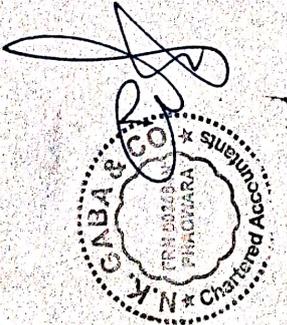
*(CA. MOHIT GABA)
 M.N. 53854.*

date : 13/01/2025

Capital Account Annexure

	3101001	Accu	3201000	Grant	3201001	Grant	3202001	Grant	3202002	Grant	3202003	Grant	Total
Opening Balance	54,10,318.48	Dr	8,04,75,162.00	Cr	47,64,021.04	Cr	39,66,643.00	Cr	3,05,29,939.00	Cr	0.00	0.00	11,43,25,446.56
Closing Balance	54,10,318.48	Dr	8,04,75,162.00	Cr	47,64,021.04	Cr	39,66,643.00	Cr	3,05,29,939.00	Cr	0.00	0.00	11,43,25,446.56


 Deputy Controller (F & A)
 MC Phagwara



Phagwara Municipal Corporation, Phagwara

Significant Accounting Policies for the year ended 31st March 2024

1. Basis of Preparation of Financial Statements

The financial statements of Phagwara Municipal Corporation have been prepared in accordance with the Punjab Municipal Accounting Manual (PMAM) issued under the Punjab Municipal Corporation Act 1976, incorporating necessary localization of the chart of accounts and budget codes as applicable to the Corporation. The statements have been prepared on the **accrual basis of accounting**, following the **double entry system**, and under the historical cost convention unless otherwise stated.

2. Going Concern

The financial statements have been prepared on a **going concern basis**, assuming that the Corporation will continue to operate in the foreseeable future to discharge its functions and meet its statutory obligations.

3. Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income, and expenditure during the reporting period. Actual results could differ from those estimates. The estimates are reviewed on an ongoing basis, and revisions are recognized in the period in which they are made.

4. Revenue Recognition

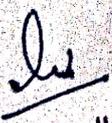
Revenue is recognized on an **accrual basis**, except where otherwise stated. Major sources of revenue include:

- Property tax and other municipal taxes recognized on accrual basis to the extent of bills raised.
- User charges and fees recognized as income when services are rendered or the right to receive arises.
- Grants and contributions from the Government are recognized when there is reasonable assurance that the conditions attached to them are fulfilled.
- Interest income is recognized on a time proportion basis.

5. Fixed Assets

Fixed Assets are recorded at their **historical cost of acquisition or construction**, inclusive of all incidental expenses and taxes directly attributable to bringing the asset to its working condition for intended use.

Assets acquired through **grants or donations** are recognized at their fair value on the date of acquisition.


Deputy Controller (F & A)
MC Phagwara

6. Depreciation

Depreciation on fixed assets has been provided on the basis of the rates prescribed in the Punjab Municipal Accounting Manual (PMAM). The method and useful life of assets have been applied consistently as per the Manual, and not in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

7. Employee Benefits

- **Short-term employee benefits** such as salaries, wages, and allowances are recognized as expenses in the period in which the related service is rendered.
- **Retirement benefits** such as provident fund, gratuity, and pension are accounted for in accordance with applicable rules and schemes notified by the Government.

8. Grants, Contributions, and Donor Funds

Grants received for specific purposes are treated as **liabilities** until utilized for the purpose for which they were received. Grants utilized for acquisition of fixed assets are treated as **capital receipts** and adjusted against the cost of the related asset.

For Phagwara Municipal Corporation



Auth Signatory

Deputy Controller (F & A)
MC Phagwara