

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

Municipal Corporation Phagwara

G.T. Road, Phagwara

GSTIN :

BALANCE SHEET

(At the end of 31-03-2024)

LIABILITIES (Rs.)		ASSETS (Rs.)	
Capital Account		Fixed Assets	
Reserves & Surplus	506171331.51	Accumulated Depreciation	-76156782.00
	50,61,71,331.51	4102002 Office Building	44,34,594.00
Current Liabilities		4103001 Garden & Parks	1,17,61,803.00
Deposits Received	1,90,24,506.00	4103008 Roads	181634845.00
Duties & Taxes	1,15,779.00	4103011 Public Lighting	1,08,56,358.00
Sundry Creditors	4,69,328.00	4104001 Plant & Machinery	5,71,590.00
3501003 Expenses Payable	8,276.00	4105008 Road Roller	24,391.00
3501101 Salary Unpaid	54,876.00	4105010 Tractor / Trolley	52,32,513.00
3502003 CPF Deduction	-83,857.00	4105011 Auto / Pedal Ricksha	6,04,784.00
3502021 Fire Cess	66,91,669.22	4105014 JCB Machine	53,38,475.00
3502022 Cancer Cess	19,38,677.91	4105015 Jetting Machine	10,66,800.00
3502024 ESI Employee	2,433.00	4105016 Loader	49,64,522.00
3502025 GPF Deduction	2,00,667.00	4106002 Air Cooler	6,09,553.00
3504101 Advance Collection o	1,21,923.00	4106003 Water Cooler	49,500.00
Advance Recieved from Distri	17,07,966.00	4106004 Refrigerators	14,200.00
Gpf Recovery Amt	6,413.00	4106006 Computers	21,72,634.00
	3,02,58,657.13	4106007 Printer	3,83,401.00
		4106023 Sigfom / Fogging Mac	12,50,671.00
		4106030 Scanner	9,544.00
		4106031 Generator	13,49,450.00
		4106033 CC Camera	7,29,374.00
		4106034 Other Equipments	44,950.00
		4106035 Submersible / Pump	11,55,558.00
		4106036 Electric Heater	46,060.00
		4107001 Cabinets	61,674.00
		4107002 Cupboards	4,36,130.00
		4107003 Chairs	29,44,355.00
		4107004 Fans	32,000.00
		4107005 Electrical Fittings	49,922.00
		4107006 Tables	1,89,665.00
			16,18,62,534.00
		Current Assets	
		Bank Accounts	210258613.31
		Cash-in-hand	4,97,839.00
		Sundry Debtors	55,39,000.00
		4501003 Cheque in Hand	2,46,170.00
		4601003 Wheat Loan	31,337.00
		4601004 Festival Advance Loa	2,03,000.00
		4608002 TDS Recievables	1,32,292.00
			21,69,08,251.31
		Investments	
		BANK FIXED DEPOSITS	157522811.07
			15,75,22,811.07
		Loss to be adjusted	1,36,392.26
Total	53,64,29,988.64	Total	53,64,29,988.64

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As per our separate report of even date attached.

N.K. GABA & Co.

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Deputy Controller (F & A)
MC Phagwara



(M. MOHIT GABA)

M. N. 503854

dated 13/01/2025

Municipal Corporation Phagwara

G.T. Road, Phagwara

GSTIN :

INCOME & EXPENSE ACCOUNT

(For the period ending 31-03-2024)

DEBIT (Rs.)	CREDIT (Rs.)
To Expenses (Indirect/Admn.)	By Income (Indirect)
2101001 Basic Pay 190819914.00	1100101 Property Tax 5,70,65,399.96
2101004 Ex-gratia 8,00,000.00	1100107 Penal Interest on Pr 32,28,677.88
2101006 Salary Paymnet of Sw 3,00,30,774.00	1100406 Road Cutting Charges 81,73,041.00
2101009 Arrear of Salary as 36,91,420.00	1108007 Cow Cess 22,27,849.00
2101010 Arrear of Salary as 30,000.00	1202001 Compensation in Lieu 215104090.00
2102002 House Rent Allowance -15,364.00	1301004 Markets 36,58,635.00
2102011 Leave Travel Concess 14,79,879.00	1301005 Marriage/Community H 1,52,500.00
2102021 Handicapped Allowanc 18,000.00	1308001 Advt./Holding on MC 33,95,634.00
2104001 Leave Encashment 77,01,215.00	1401101 Shops & Establiment 25,04,775.34
2104002 Death Cum Retirement 1,41,62,286.00	1402009 Other Fines 3,48,351.00
2105001 Medical Re-imburseme 43,30,435.00	1402016 Tehbazari Compositio 3,45,500.00
2106001 CPF Deduction (MC Sh 75,52,813.00	1404001 Building Permission 4,07,99,426.00
2106004 EPF Contribution (MC 58,885.00	1404009 Others 17,58,612.96
2106008 Uniform Expenses 7,33,046.00	1405014 Parking Fee 8,48,600.00
2106013 ESI Contribution (MC 3,768.00	1701001 Intt. on Fixed Depos 90,66,434.07
2201201 Telephone Office Exp 83,685.00	1711001 Intt. on Saving/Curr 66,05,344.33
2201204 Internet Exps 24,198.00	1804002 Recovery of Excess S 5,05,393.00
2202102 General Printing & S 1,71,555.00	1808003 Other Misc. Income 3,66,782.31
2202104 Form Purchase / Prin 6,726.00	1808006 Fire Tender/NOC Fee 4,10,994.47
2204003 Motor Vehicles (Insu 58,719.00	1808007 Fire Call Report Fee 9,000.00
2205001 Auditor Fee 11,74,879.00	4109003 Adhoc Rebates -21,89,473.00
2205202 Advocate Fee Expense 6,46,000.00	
2205204 Consultancy Charges 1,38,060.00	By Excess of Expenses over Income 1,36,392.26
2205207 Professional Charges 2,36,824.00	
2206001 Advertisement in New 1,70,806.00	
2208006 Other Office Misc. E 1,01,689.00	
2300101 Electricity Bill - S 2,59,21,676.00	
2300102 Electric Connection 2,45,580.00	
2300206 Petrol/Diesel Expens 1,15,13,141.00	
2303004 Pesticides 5,12,322.00	
2305002 Sewearge exps 1,00,00,000.00	
2305004 All Types of Roads & 13,89,528.00	
2305006 Street Lighting Syst 3,35,270.00	
2305102 Parks & Garden Maint 17,28,218.00	
2305110 Sulabh Toilet Expens 3,80,953.00	
2305202 Office Building 3,75,717.00	
2305302 Fire Fighter / Fire 14,156.00	
2305304 Solid Waste Vehicle 1,79,346.00	
2305305 Loader Exps 1,77,572.00	
2305316 Repair of Other Vehi 2,56,866.00	
2305317 Electrical Appliance 1,23,429.00	
2305318 General Office Equi 70,458.00	
2305319 Computer Repair Expe 40,623.00	
2305323 Repair of Air Cooler 44,646.00	
2305327 Multi Fog / Fogging 1,06,437.00	
2406003 Interest on PF 87,32,307.00	
2407002 Cheque Return Charge 36,254.54	

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 Deputy Controller (F & A)
 MC Phagwara





DEBIT (Rs.)		CREDIT (Rs.)
2501001 Election Expenses	1,07,771.00	
2502017 Unclaimed Dead Body	84,000.00	
2502019 Other Programme Expe	1,36,525.00	
2503002 Pollution Control Bo	15,00,000.00	
2715001 Other Misc. Exps	9,14,701.00	
2716003 Refund of Taxes - Pr	39,40,295.04	
Depreciation	2,14,43,956.00	
	35,45,21,959.58	
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



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

Municipal Corporation Phagwara

G.T. Road, Phagwara

Capital Account Annexure

	<u>3101001 Accumulated Reserve</u>	<u>3129001 General Provident Fund</u>	<u>3129002 Central Provident Fund</u>	<u>Total</u>
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


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	-18,49,487.26
Depreciation	2,76,65,871.00
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	2,58,16,383.74
ADJUSTMENTS FOR	
Receivables from Property Tax	79,04,000.00
Short Term Loans & Advances	-1,75,647.00
Sundry Creditors/ Other Short Term Provisions	<u>22,34,982.22</u>
	<u>99,63,335.22</u>
Cash Generated From Operations	3,57,79,718.96
Income Tax Expense for the period	0.00
NET CASH FROM OPERATING ACTIVITIES (A)	<u>3,57,79,718.96</u>
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	<u>-45,78,114.00</u>
NET CASH FROM FINANCING ACTIVITIES (B)	<u>7,08,12,565.00</u>
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	<u>-3,37,73,854.00</u>
NET CASH FROM INVESTING ACTIVITIES (C)	<u>-5,07,19,454.94</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	5,58,72,829.02
OPENING CASH AND CASH EQUIVALENTS	<u>21,24,82,444.85</u>
CLOSING CASH AND CASH EQUIVALENTS	<u><u>26,83,55,273.87</u></u>

For Phagwara Municipal Corporation

DCFA



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




(CA Mohit Gaba)
M.N.:503854
Partner

Municipal Corporation Pgw Grant Fund

GSTIN : .

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

LIABILITIES (Rs.)		ASSETS (Rs.)	
Capital Account		Fixed Assets	
Grant ,Contribution for Spec	178303550.04	Expenditure Against Grants T	6,25,15,274.00
Reserves & Surplus	-74,17,591.48		6,25,15,274.00
	17,08,85,958.56	Current Assets	
Current Liabilities		Bank Accounts	5,73,52,651.56
3401002 Security Deposits	7,74,808.00		5,73,52,651.56
3502016 TDS - Contractors (I	46,570.00	Investments	
3502017 TDS on GST - Contrac	46,570.00	BANK FIXED DEPOSITS	5,19,09,271.00
3502018 Labour Cess	23,290.00		5,19,09,271.00
	8,91,238.00		
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 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.)		
To Expenses (Indirect/Admn.)			By Income (Indirect)		
2723001 Depreciation on Road	62,21,915.00	62,21,915.00	1701003 Interest from Fixed	31,41,585.00	45,08,820.00
			1711001 Interest from Saving	13,67,235.00	
			By Excess of Expenses over Income		
					17,13,095.00
					17,13,095.00
Total		62,21,915.00		Total	62,21,915.00


 Deputy Controller
 MC Phagwara

*As per our separate report
 of even date attached.
 For N.K. GABA & Co.*



(CA. MONIT GABA)
 M.N. 503854.

date: 13/01/2025

Municipal Corporation Pgw Grant Fund

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	11,43,25,446.56 Cr
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	11,43,25,446.56 Cr



[Signature]
 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 & F)
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