

**NAGAR NIGAM VARANASI**

**BALANCE SHEET  
AS ON 31.03.2018**

**NAGAR NIGAM, VARANASI**  
**BALANCE SHEET AS ON 31.03.2018**

Code No.	Item / Head of Account	Schedule No.	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
1	2	3	4	4
	<b>LIABILITIES</b>			
	<b>Reserve &amp; Surplus</b>			
3-10	Municipal (General) Fund	B-1	3840117397.97	3633211827.15
3-11	Earmarked Funds	B-2	16209090.00	16209090.00
3-12	Reserves	B-3	863301610.00	729202678.00
	<b>Total Reserves &amp; Surplus</b>		<b>4719628097.97</b>	<b>4378623595.15</b>
3-20	<b>Grants, contribution for specific purposes</b>	<b>B-4</b>	<b>1987336600.74</b>	<b>1646481573.14</b>
	<b>Loans</b>			
3-30	Secured Loans	B-5	0.00	0.00
3-31	Unsecured Loans	B-6	0.00	0.00
	<b>Total Loans</b>		<b>0.00</b>	<b>0.00</b>
	<b>Current Liabilities and Provisions</b>			
3-40	Deposits Received	B-7	10840564.00	11028153.00
3-41	Deposit works	B-8	0.00	0.00
3-50	Other Liabilities (Sundry Creditors)	B-9	765560376.94	616239236.45
3-60	Provisions	B-10	0.00	0.00
	<b>Total Current Liabilities and Provisions</b>		<b>776400940.94</b>	<b>627267389.45</b>
	<b>TOTAL LIABILITIES</b>		<b>7483365639.65</b>	<b>6652372557.74</b>
	<b>Assets</b>			
	<b>Fixed Assets</b>			
4-10	Gross Block	B-11	4899194987.50	4669976766.50
4-11	Less: Accumulated Depreciation		520916643.71	431761030.32
	Net Block		4378278343.79	4238215736.18
4-12	Capital Work-in-progress		4476789.00	4476789.00
	<b>Total Fixed Assets</b>		<b>4382755132.79</b>	<b>4242692525.18</b>
	<b>Investments</b>			
4-20	Investment-General Fund	B-12	56698792.00	56698792.00
4-21	Investment-Other Funds	B-13	0.00	0.00
	<b>Total Investments</b>		<b>56698792.00</b>	<b>56698792.00</b>
	<b>Current Assets, Loans and Advances</b>			
4-30	Stock in Hand (Inventories)	B-14	8864473.96	7062936.06
4-31	Sundry Debtors (Receivables)			
	Gross amount outstanding	B-15	320927572.43	292917445.43
4-32	Less: Accumulated provision against and doubtful Receivables		0.00	0.00
	Net Amount Outstanding			
4-40	Prepaid Expenses	B-16	0.00	0.00
4-50	Cash and Bank Balances	B-17	2615949918.67	1988519094.27
4-60	Loans, advances and deposits	B-18	98169749.80	64481764.80
4-61	Less: Accumulated provision against Loans			
	Net Amount Outstanding		0.00	0.00
	<b>Total Current Assets, Loans and Advances</b>		<b>3043911714.86</b>	<b>2352981240.56</b>
4-70	<b>Other Assets</b>	B-19	0.00	0.00
4-80	<b>Miscellaneous Expenditure ( to the extent not written off )</b>	B-20	0.00	0.00
	<b>TOTAL ASSETS</b>		<b>7483365639.65</b>	<b>6652372557.74</b>

The Above Balance Sheet has been compiled and prepared by the management of Nagar Nigam, Varanasi with the assistance of FLC appointed for assisting in implementation of DEAS.

For Shiv Kumar Agrawal & Associates  
Chartered Accountants

Manish Srivastava

For and on behalf of Nagar Nigam, Varanasi

Chief Finance Officer

**NAGAR NIGAM, VARANASI**

**INCOME AND EXPENDITURE STATEMENT**  
**FOR THE PERIOD FROM 01.04.2017 TO 31.03.2018**

Code No.	Item / Head of Account	Sc. No.	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
1	2	3	4	4
	<b>INCOME</b>			
1-10	Tax Revenue	1-1	38,95,75,814.00	32,73,66,331.00
1-20	Assigned Revenue & Compensation	1-2	24,38,11,924.00	17,36,10,532.00
1-30	Rental Income from Municipal Properties	1-3	1,52,36,984.00	2,93,62,177.00
1-40	Fees & User Charges	1-4	7,90,83,237.50	6,84,37,985.00
1-50	Sale & Hire Charges	1-5	56,76,401.00	64,33,752.00
1-60	Revenue Grants, Contributions & Subsidies	1-6	2,04,09,94,413.74	2,15,59,76,874.52
1-70	Income from Investment	1-7	98,33,477.50	1,33,10,832.10
1-71	Interest Earned	1-8	17,05,716.00	19,79,662.45
1-80	Other Income	1-9	65,32,928.62	18,17,981.02
<b>A</b>	<b>TOTAL - INCOME</b>		<b>2,79,24,50,896.36</b>	<b>2,77,82,96,127.09</b>
	<b>EXPENDITURE</b>			
2-10	Establishment Expenses	1-10	1,58,54,26,759.93	1,45,37,77,671.00
2-20	Administrative Expenses	1-11	30,84,10,450.00	30,87,53,065.22
2-30	Operations & Maintenance	1-12	64,93,75,002.39	1,00,02,53,904.66
2-40	Interest & Finance Expenses	1-13	1,87,508.83	42,282.31
2-50	Programme Expenses	1-14	1,12,46,612.00	2,71,97,489.00
2-60	Revenue Grants, Contributions & Subsidies	1-15	-	-
2-70	Provisions & Write Off	1-16	-	-
2-71	Miscellaneous Expenses	1-17	-	-
2-72	Depreciation		8,91,55,613.39	7,54,67,981.23
<b>B</b>	<b>TOTAL - EXPENDITURE</b>		<b>2,64,38,01,946.54</b>	<b>2,86,54,92,393.42</b>
A-B	Gross surplus/ (deficit) of income over expenditure before Prior Period Items		14,86,48,949.82	(8,71,96,266.33)
2-80	Less: Prior Period Items (Net)	1-18	-	-
	Gross surplus/ (deficit) of income over expenditure after Prior Period Items		14,86,48,949.82	(8,71,96,266.33)
2-90	Less: Transfer to Reserve Funds		-	-
	<b>Net Balance being surplus / deficit carried over to Municipal Fund</b>		<b>14,86,48,949.82</b>	<b>(8,71,96,266.33)</b>

The Above Income & Expenditure has been compiled and prepared by the management of Nagar Nigam, Varanasi with the assistance of FLC appointed for assisting in implementation of DEAS.

For Shiv Kumar Agrawal & Associates  
Chartered Accountants

Manish Srivastava  
Partner

*Atand*  
Partner

For and on behalf of Nagar Nigam, Varanasi

Chief Financ Officer  
Nagar Nigam, Varanasi

Municipal Commissioner  
Nagar Nigam, Varanasi

## NOTES TO THE ACCOUNTS – NAGAR NIGAM VARANASI (NNV)

### **BACKGROUND**

This is the Balance Sheet ending as on 31<sup>st</sup> March 2018 of the Nagar Nigam Varanasi. After preparation of Balance Sheet as on 31<sup>st</sup> March 2017, the accounting entries for the financial year 2017-18 has been made on accrual basis. With the help of the accrual system of accounting the Balance Sheet and the Income & Expenditure Account of NNV is made as on 31.03.2018. This task required reliance to be placed on certain assumptions and information for the preparation of the said Balance Sheet and Income & Expenditure Account. Reliance was also placed on the various records, registers and data made available by various departments. The followings are the methodologies and assumptions adopted for the preparation of the Financial Statements of NNV.

### **GUIDING FACTOR**

The Draft U.P. Municipal Accounting Manual has been the Guiding Factor for the whole process of Accrual Based Double Entry Accounting System. Different Chapters are there in the Manual on different issues related to compilation of accounting entries and for preparation of financial statement. To the extent any discrepancy is noticed subsequently in coming years suitable rectification will be made as per the norms given in the U.P. Municipal Accounting Manual.

### **FIXED ASSETS**

Fixed Assets are stated at cost less depreciation. Additions to the fixed assets have been made on the basis of accounting entries made during the year.

In case of certain assets acquired by NNV, due to non-availability of cost of acquisition the cost of such assets are taken at an identification value of Re.1.

In case of assets wherein the economic life has been exhausted but are still in continuous use, has been valued at an identification value of Re.1/-.

All gifted assets and scrapped assets are valued at Re.1.

**Depreciation:** The Depreciation has been calculated on the basis of written down value method at the following rates:

<u>Particulars</u>	<u>Rate of Depreciation</u>
Buildings	5%
Roads & Bridges	5%
Sewerage and Drainage	5%
Furniture, Fixtures, Fittings and Electrical	10%
Office & Other Equipment	10%
Plant & Machinery	15%
Vehicles	15%
Public Lighting	15%
Waterways	15%
Other Fixed Assets	15%
Intangible Assets	25%



Depreciation has been provided at half of the rates given above in respect of those assets which have been purchased on or after 1<sup>st</sup> October 2017.

No Depreciation has been provided on assets which are valued at Rs.1.

#### CURRENT ASSETS

##### 1) Stock in Hand: -

- (a) Store/Material are treated as part of stock in hand.
- (b) Stores stock data have been taken on the basis of information furnished by concerned departments. Where the rate of stock are not made available by the concerned department, rate of stock as on 31.03.2018 has been considered the same as already taken as on 1.04.2017.
- (c) Stock Valuations have been done on the basis of information provided by the various departments of NNV.
- (d) Stores consumption have been booked on the basis of physical balance at the end of the Year

##### 2) Loans & Advances:-

- (i) Loans and advances include temporary advances given to various departments for routine expenses.
  - (ii) Following advances have been given for Works/Projects
- |                                 | Rs.         |
|---------------------------------|-------------|
| (a) Jalkal Department, Varanasi | 6,81,64,443 |
| (b) J.T.Construction            | 1,75,78,809 |
| (c) U.P.Jal Nigam, Chandigarh   | 3,00,000    |

##### 3) Sundry Debtors (Receivables): -

Arrears of receivables outstanding as on March 31, 2018 are based on information furnished by concerned Departments.

##### 4) Cash & Bank Balances: -

All Bank Accounts Balances are reconciled.

#### RESERVES

This includes the amount of various grants utilized up to 31.03.2018 for capital expenditures.

#### GRANTS, CONTRIBUTION FOR SPECIFIC PURPOSES

These include the amount of grant unutilized up to 31.03.2018 under the heads **Central Government**- 14<sup>th</sup> Finance Commission Grant, JICA Fund Grant, JNNURM Grant, Sansad Kota Nidhi, Shelter Home Nidhi, APJ Abdul Kalam, Atal Mission AMRUT Yojana, Hriday Yojana, Namami Gange Yojana, & Swachh Bharat Mission etc.

**State Government**- Grant Receipt From Purvanchal Vidhayak Kota Nidhi, Malin Basti Sudhar Yojana, State Finance Commission, Ganga Ghat Punruddhar Nidhi, Ganna Vikas Kendra Padav, Nagriya Jal Nikasi Yojana, Nagariya Sadak Sudhar Yojana, Nagariy Jhil/Talab/Pokhara Sanrakshan Yojana, Pashu Badhalay, Beniyabag, Pashu Badhalay Kamal Garaha, Pashu Sav Utsarjan Nidhi & Vadh Shala Grant etc. as per the information given by the various departments.



## OTHERS

- Since the Company Varanasi Smart City Limited has been incorporated and the Bank Account was opened in the name of Company and those has been shown in the Accounts of Nagar Nigam Varanasi. Now this Account has been transferred to Smart City Limited by passing the entry through Municipal Fund. The details of balance as on 31<sup>st</sup> March, 2018 in those Bank Accounts are as follows

Bank Name	Account No.	Amount
Punjab National Bank	0881	92,66,640
Punjab National Bank	6001	50,00,000

- Deposit with ESIC of Rs. 1,00,31,831/- has been recovered by ESIC Department is under Litigation.
- Total Amount of Security Deposit Paid to Contractors/Suppliers during the F.Y. 2017-18 amounting Rs.1604907/- has been transferred to Municipal Fund A/c as the Liabilities in this regard have not been reflected in the Balance Sheet.

## ESTIMATES & ASSUMPTIONS

A number of estimates and assumptions relating to the reporting of assets and liabilities were used to prepare these financial statements. Actual results could differ from those estimates, besides the ones explained above based on guidelines of U.P. Municipal Accounting Manual to the extent applicable.

## DISCLAIMER

By discharging its responsibilities of preparing the financial statements the management of Nagar Nigam, Varanasi has prepared the Financial Statements comprising Balance Sheet and Income & Expenditure Account under the guidance and assistance of FLC appointed for assisting in implementation of DEAS.

Although implementation of DEAS is at advanced stage, still the figures shown herein do not amount to any confirmation either from the Nagar Nigam Varanasi or from the FLC and is subject to approval of competent authority and audit.



**AUDITOR'S REPORT**

To,  
The Chief Finance Officer,  
Nagar Nigam  
Varanasi.

We have audited the Balance Sheet of **NAGAR NIGAM, Varanasi** as at 31<sup>st</sup> March 2018 and also the annexed Income & Expenditure Account for the year ended on that date. This Financial Statement is the responsibility of the concerned management of the Nagar Nigam, Varanasi. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted the audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan & perform the audit to obtain the reasonable assurance about whether the Financial Statement is free from material misstatements. An audit includes examining on a test basis, evidence supporting the amount & disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management as well as evaluating the overall Financial Statement presentation. We believe that our audit provides a reasonable basis for our opinion.

**We 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) The Balance Sheet & Income & Expenditure Account is in agreement with the books of accounts and other supporting documents produced before us.
- (C) In our opinion & to the best of our information and according to the explanations given to us, the said accounts read with the "**Notes of Accounts**" policies & subject to qualifications/observations mentioned in "**Annexure A**" annexed hereto, give the information required as per law, a true and fair view and are in conformity with the accounting principles generally accepted in India:-
  - (i) In so far as it relates to the Balance Sheet, the state of affairs of the scheme as at 31<sup>st</sup> March, 2018 ; and
  - (ii) In so far as it relates to the Income & Expenditure Account, excess of Income over Expenditure for the year ended on 31<sup>st</sup> March, 2018.

Place- Varanasi  
Date- 26.03.2019

For, D.K.Mittal & Co.  
Chartered Accountants

