

**AUDIT REPORT
OF
ROURKELA MUNICIPAL CORPORATION**

For the period 01.04.2016 to 31.03.2017



AUDITED BY:
JBMT & Associates
Chartered Accountant
L/138, Baramunda Housing Colony
Bhubaneswar,
Pin -751003

J. Lenka, FCA M. Jhunjhunwala, FCA
T. R. Pani, FCA Dusmanta Sahoo, FCA
B. D. Ojha, FCA Sanjay Kumar Swain, FCA
J. K. Behera, FCA Somanath Kundu, FCA
A. M. Patro, FCA R. K. Kar, FCA



JBMT & ASSOCIATES
CHARTERED ACCOUNTANTS

L-138, BARAMUNDA HOUSING BOARD COLONY,
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INDEPENDENT AUDITOR'S REPORT

Ref.

Date

To
The Commissioner
Rourkela Municipal Corporation

Report on the Financial Statement

We have audited the accompanying financial statement of **Rourkela Municipal Corporation** ("Corporation"), which comprise the balance sheet as at 31st March 2017, the statement of Income & Expenditure and the Receipt & Payment account, and a summary of significant accounting policies and explanatory information.

Management's Responsibility for the financial statement

The Corporation's management is responsible for the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and receipt & payment statement of the corporation in accordance with the accounting principles generally accepted in India, including the rules as specified in OMAR, 2012 ("rules"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the rule for safeguarding the assets of the corporation 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 based on our audit. We have taken into account the provisions of the Rule, the accounting and auditing standards and matters that are required to be included in the audit report under the provisions of the Rules made there under.


Deputy Commissioner
Rourkela Municipal Corporation



We conducted our audit in accordance with the standards on auditing specified by Institute of Chartered Accountants of India ("ICAI"), 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 statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the corporation'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, but not for the purpose of expressing an opinion on whether the corporation has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Corporation 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 standard financial statements.

Observations

1. *The corporation has not updated fixed asset register; hence we are unable to comment on the existence usability and physical condition of such fixed assets and. Further it was explained to us no physical verification of fixed assets and inventories amounting to 66.53 crore and .41 crore respectively has been carried out during the year.*
2. *Capital Work in progress of Rs 1.46 crores is rolling over from last year the details of the same has not been furnished before us.*
3. *Un reconciled cash in hand of Rs 16, 795 is carried forward since last year account.*
4. *The corporation has charged more depreciation during the financial year 2016-17, due to which depreciation amount is over-stated. Management is advised to reconcile the same. Details of depreciation are given in annexure-1.*
5. *During the financial year 2016-17 the Corporation has paid Rs. 580163 as TDS on income from fixed deposits made in different banks. Whereas the same income is exempt u/s 10(20) of Income tax Act.*


Deputy Commissioner
Rourkela Municipal Corporation



6. While going through the TDS returns we observed there is a delay in filling quarterly TDS return during the financial year 2016-17.
7. As per the section 70 of the Finance Act, 1994 every assessee who is registered for service tax is required to file service tax return on a half yearly basis. But RMC has not filled any Service tax return under the period of audit.
8. RMC has not passed any entry for provision against sundry debtors. Proper ageing of the receivables is not available. As per the OMAR 2012 provision has to be made against the outstanding sundry debtors.
9. During scrutiny of party ledgers we observed that during the FY 2014-15 due for Rs 855506 is booked against Contractor Manas Kumar Nayak but payment is wrongly booked against contractor Girish Samal.
10. We further noticed that advance paid to Manmathku Nayak for engagement of labour during the FY 2014-15 is not adjusted till the date of audit. During the FY 2014-15 Amount of Rs 90057 have been wrongly charged to Mannmath Ku Nayak instead of charging it to Contractor Bibhuti Bhusana Naik.
11. Reconciliation and confirmation for the following ledger balances are required

	<u>Amount</u>
Loans and advances to Employees - Miscellaneous Advances	Rs.703888
Loans and advances to Employees - Medical Advance	Rs. 716840
Scheme Expenses	Rs 10750

Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the 'Observations' paragraph the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Corporation as at 31st March 2017 and its income & expenditure and its receipt & payment for the year ended on that date.

Place: Rourkela
Date: 26th March, 2018



For JBMT & Associates.
Chartered Accountants
Firm Registration No - 320232E

[Signature]
CA Dushmanta Sahoo
Partner
Membership No -067399

[Signature]

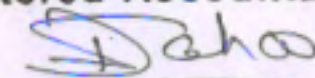
Deputy Commissioner
Rourkela Municipal Corporation

Balance Sheet

As On March 31, 2017

Figures in Rupees

Fund Codes	Account Codes	Particulars	Schedule No.	Amount	Amount	Amount
1	2	3	4	5	6	7
		SOURCES OF FUNDS				
		Reserves and Surplus				
	3100000	Municipal (General) Fund	B-1	374,077,636		
	3110000	Earmarked Funds	B-2	0		
	3120000	Reserves	B-3	630,052,586	1,004,130,223	
	3200000	Grants, Contributions for Specific Purpose	B-4		974,532,262	
		Loans				
	3300000	Secured loans	B-5	0		
	3310000	Unsecured loans	B-6	0	0	
		TOTAL OF SOURCES OF FUNDS				1,978,662,484
		APPLICATION OF FUNDS				
		Fixed Assets including Statues & Heritage Assets	B-11			
	4100000	Gross Block		3,998,941,715		
	4110000	Less: Accumulated Depreciation		-3,333,564,555		
		Net Block		665,377,159		
	4120000	Capital work in progress		14,685,019	680,062,178	
		Investments				
	4200000	Investment General Fund	B-12	85,252,001		
	4210000	Investment Other Funds	B-13	0	85,252,001	
		Current assets, loans & advances				
	4300000	Stock in hand (Inventories)	B-14	4,136,044		
		Sundry Debtors (Receivables)	B-15			
	4310000	Gross amount outstanding		29,189,540		
	4320000	Less: Accumulated provision against bad and doubtful receivables		0		
	4400000	Prepaid expenses	B-16	0		
	4500000	Cash and Bank Balances	B-17	1,338,815,551		
	4600000	Loans, advances and deposits	B-18	16,637,029		
		Total of Current Assets (A)		1,388,778,164		
		Current Liabilities and Provisions				
	3400000	Deposits received	B-7	112,680,320		
	3410000	Deposit Works	B-8	0		
	3500000	Other liabilities (Sundry Creditors)	B-9	62,749,539		
	3600000	Provisions	B-10	0		
		Total of Current Liabilities (B)		175,429,859		
		Working Capital (Current Assets less Current liabilities i.e. A-B)			1,213,348,305	
	4700000	Other Assets	B-19		0	
	4800000	Miscellaneous Expenditure (to the extent not written off)	B-20		0	
		Capital Deficit			0	
		TOTAL OF APPLICATION OF FUNDS				1,978,662,484
		Notes to the Balance Sheet				

For JBMT & ASSOCIATES
Chartered AccountantsCA. DUSMANTA SAHOO
PartnerDeputy Commissioner
Rourkela Municipal Corporation

Name Of The ULB: Rourkela Municipal Corporation

Income Expenditure Statement

for the period from 01/Apr/2016 to 31/Mar/2017

Fund Code	Account Code	Item/Head of Code	Schedule No	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4	5	6
		INCOME			
	1100000	Tax Revenue	IE1	61,161,795	25,958,520
	1200000	Assigned Revenues and Compensations	IE2	232,929,000	175,323,000
	1300000	Rental Income from Municipal Properties	IE3	17,508,754	17,158,417
	1400000	Fees and User Charges	IE4	50,020,287	14,899,779
	1500000	Sale and Hire Charges	IE5	3,679,171	4,056,065
	1600000	Revenue Grants, Contribution and Subsidies	IE6	38,445,103	9,575,631
	1700000	Income from Investments	IE7	0	8,488,630
	1710000	Interest Earned	IE8	70,830,246	40,537,187
	1800000	Other Income	IE9	2,750,353	5,908,679
	A	Total-INCOME		477,324,709	301,905,908
		EXPENDITURE			
	2100000	Establishment Expenses	IE-10	285,950,816	239,849,903
	2200000	Administrative Expenses	IE-11	8,944,116	7,858,662
	2300000	Operations and Maintenance	IE-12	115,729,818	73,258,282
	2400000	Interest and Finance Charges	IE-13	15,000	14,499
	2500000	Programme Expenses	IE-14	3,187,117	1,527,348
	2600000	Revenue Grants, Contribution and Subsidies	IE-15	0	16,681,546
	2700000	Provisions and Write off	IE-16	0	0
	2710000	Miscellaneous Expenses	IE-17	4,606,355	3,637,151
	2720000	Depreciation		383,877,920	96,292,627

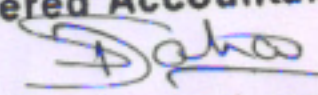
For JBMT & ASSOCIATES
Chartered Accountants

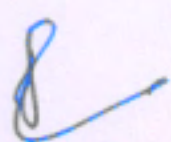
CA. DUSMANTA SAHOO
Partner

Deputy Commissioner
Rourkela Municipal Corporation

B	Total-EXPENDITURE		802,311,142	439,120,016
C=A-B	Gross surplus/ (deficit) of income over expenditure before Prior Period Items		-324,986,433	-137,214,108
D	Add/Less: Prior period Items (Net)	IE-18	0	0
E=C +/- D	Gross surplus/ (deficit) of income over expenditure after Prior Period Items		-324,986,433	-137,214,108
F	Less: Transfer to Reserve Funds		0	0
G=E-F	Net balance being surplus/ deficit carried over to Municipal Fund		-324,986,433	-137,214,108

For JBMT & ASSOCIATES
Chartered Accountants


CA. DUSMANTA SAHOO
Partner


Deputy Commissioner
Rourkela Municipal Corporation

Name of the ULB: Rourkela Municipal Corporation

Schedule B-1: Municipal (General) Fund:

As On Date: 31/Mar/2017

Account Code	Particulars	Water Supply, Sverage ,and Drainage	Road Development and Maintanance	Bustee Services	Commercial Projects	General Account
	Fund Codes					
3100000	Opening Balance as per the last account (Rs.)					412,611,979
	Additions during the year(Rs.)					0
3109001	Surplus for the year					946,072,400
3100000	Transfers					946,072,400
	Total (Rs.)					
	Deductions during the year (Rs.)					
3109001	Deficit for the year					324,986,433
3100000	Transfers					659,620,310
	Total (Rs.)					984,606,743
	Balance at the end of the current year(Rs.)					374,077,636

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation
 Schedule B-2: Earmarked Funds (Special Funds/Sinking Fund/Trust or Agency Fund)
 As On Date: 31/Mar/2017

Particulars	Special Fund 1	Special Fund 2	Special Fund 3	Special Fund 4	Special Fund 5	Pension Fund	General Provident Fund
Account Code							
(a) Opening balance	--	--	--	--	--	--	--
(b) Additions to the Special Fund	--	--	--	--	--	--	--
• Transfer from Municipal Fund	--	--	--	--	--	--	--
• Interest/Dividend earned on Special Fund	--	--	--	--	--	--	--
Investments	--	--	--	--	--	--	--
• Profit on disposal of Special Fund Investments	--	--	--	--	--	--	--
• Appreciation in Value of Special Fund Investments	--	--	--	--	--	--	--
• Other addition (Specify nature)	--	--	--	--	--	--	--
Total (b)	--	--	--	--	--	--	--
Total (a + b)	--	--	--	--	--	--	--
(c) Payments out of funds	--	--	--	--	--	--	--
(i) Capital expenditure on:	--	--	--	--	--	--	--
• Fixed Asset	--	--	--	--	--	--	--
• Others	--	--	--	--	--	--	--
(ii) Revenue Expenditure on:	--	--	--	--	--	--	--
• Salary, Wages and allowances etc	--	--	--	--	--	--	--
• Rent Other administrative charges	--	--	--	--	--	--	--
(iii) Other:	--	--	--	--	--	--	--
• Loss on disposal of Special Fund Investments	--	--	--	--	--	--	--

Deputy Commissioner
 Rourkela Municipal Corporation



Name of the ULB : Rourkela Municipal Corporation

Schedule B-3: Reserves

As On Date : 31/Mar/2017

Account Code	Particulars	Opening balance (Rs.)	Additions during the year (Rs.)	Total (Rs.)	Deductions during the year (Rs.)	Balance at the end of the current year (Rs.)
1	2	3	4	5(3+4)	6	7(5-6)
3121000	Capital Contribution	509,628,064	120,424,522	630,052,586	0	630,052,586
		0	0	0	0	0
3121100	Capital Reserve	0	0	0	0	0
3122000	Borrowing Redemption Reserve	0	0	0	0	0
3123000	Special Funds (Utilised)	0	0	0	0	0
3124000	Statutory Reserve	0	0	0	0	0
3125000	General Reserve	0	0	0	0	0
3126000	Revaluation Reserve	509,628,064	120,424,522	630,052,586	0	630,052,586

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation
Schedule B-4: Grants & Contribution for Specific Purposes
As On Date: 31/Mar/2017

Particulars	Grants from Central Government (Rs.)	Grants from State Government (Rs.)	Grants from Other Government Agencies (Rs.)	Grants from Financial Institutions (Rs.)	Grants from Welfare Bodies (Rs.)	Grants from International Organizations (Rs.)	Others (Rs.)
Account Code	3201000	3202000	3203000	3204000	3205000	3206000	3208000
(a) Opening balance	194,269,216	545,510,426	9,034,027	0	0	0	287,953,938
(b) Additions to the Grants *	250,042,784	1,914,703,500	1,000,000	0	0	0	27,757,604
• Grant received during the year							
• Interest/Dividend earned on Grant Investments							
• Profit on disposal of Special Fund Investments							
• Appreciation in Value of Grant Investments							
• Other addition (Specify nature)							
Total(b)	250,042,784	1,914,703,500	1,000,000	0	0	0	27,757,604
Total (a + b)	444,312,000	2,460,213,926	10,034,027	0	0	0	315,711,542
(c) Payments out of funds	152,401,202	1,801,815,537	1,345,952	0	0	0	300,176,542
• Capital expenditure on Fixed Assets							
• Capital Expenditure on Other							
• Revenue Expenditure on							
o Salary, Wages, allowances etc.							
o Rent							
• Other:							
o Loss on disposal of Grant Investments							
o Diminution in Value of Grant Investments							
o Grants Refunded							
• Other administrative charges							
Total (c)	152,401,202	1,801,815,537	1,345,952	0	0	0	300,176,542
Net balance at the year end -(a + b) - (c)	291,910,798	658,398,389	10,034,027	0	0	0	15,535,000

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B 5: Secured Loans

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
3301000	Loans from Central Government	0	0
3302000	Loans from State Government	0	0
3303000	Loans from Govt. bodies & Associations	0	0
3304000	Loans from international agencies	0	0
3305000	Loans from banks & other financial institutions	0	0
3306000	Other Term Loans	0	0
3307000	Bonds & debentures	0	0
3308000	Other Loans	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation
Schedule B 6: Unsecured Loans

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
3311000	Loans from Central Government	0	0
3312000	Loans from State Government	0	0
3313000	Loans from Govt. bodies & Associations	0	0
3314000	Loans from international agencies	0	0
3315000	Loans from banks & other financial institutions	0	0
3316000	Other Term Loans	0	0
3317000	Bonds & debentures	0	0
3318000	Other Loans	0	0
	Total Un-Secured Loans	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-7: Deposits Received

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
3401000	From Contractors	112,680,320	88,850,393
3402000	From Revenues	0	0
3403000	From Staff	0	0
3408000	From Others	112,680,320	88,850,393
	Total deposits received		

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-8: Deposits Works

As On Date : 31/Mar/2017

Account Code	Particulars	Opening balance as the beginning of the year Amount (Rs.)	Additions during the current year Amount (Rs.)	Utilization / expenditure Amount (Rs.)	Balance outstanding at the end of the current year Amount (Rs.)
1	2	3	4	5	6
3411000	Civil Works	0	0	0	0
3412000	Electrical works	0	0	0	0
3418000	Others	0	0	0	0
	Total of Deposit Works	0	0	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B 9: Other Liabilities (Sundry Creditors)

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
3501000	Creditors	-542,519	-542,519
3501100	Employee Liabilities	59,584,121	33,465,211
3501200	Interest Accrued and Due	0	0
3502000	Recoveries Payable	3,707,937	-2,061,319
3503000	Government Dues Payable	0	0
3504000	Refunds Payable	0	0
3504100	Advance Collection of Revenues	0	0
3508000	Others	0	0
3509000	Sale Proceeds	0	0
	Total Other liabilities (Sundry Creditors)	62,749,539	34,984,011

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-10: Provisions

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
3601000	Provision for Expenses	0	0
3602000	Provision for Interest	0	0
3603000	Provision for Other Assets	0	0
	Total Provisions	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB : Rourkela Municipal Corporation
Schedule B 11: Fixed Assets
As on Date : 31/Mar/2017

Account Code	Particulars	Gross Block				Accumulated Depreciation				Net Block	
		Opening Balance (Rs.)	Additions during the period(Rs.)	Deductions during the period(Rs.)	Cost at the end of the year (Rs.)	Opening Balance (Rs.)	Additions during the period (Rs.)	Deductions during the period(Rs.)	Total at the end of the year (Rs.)	At the end of current year (Rs.)	At the end of previous year (Rs.)
1	2	3	4	5	6	7	8	9	10	11	12
4101000	Land	110,118,554	8,284,119	0	118402673	0	0	0	0	118,402,673	110,118,554
4102000	Buildings	190,881,626	50,947,203	0	241828829	70,503,569	22617786	0	93,121,355	148,707,474	120,378,057
	Infrastructure										
4103000	Roads and Bridges	2,610,676,298	64,303,743	0	267498004	2,130,663,426	266481973	0	2,397,145,399	277,834,642	480,012,872
4103100	Sewerage and drainage	750,108,246	15,453,363	0	765561629	687,928,645	75975006	0	763,903,651	1,657,978	62,179,601
4103200	Water ways	7,270,173	339,909	0	7610082	987,585	187985	0	1,175,570	6,434,512	6,282,588
4103300	Public Lighting	103,404,637	3,686,061	0	107090698	34,908,178	10668982	0	45,577,160	61,513,538	68,496,459
	Other Assets										
4104000	Plants & Machinery	6,143,455	0	0	6143455	2,270,084	614346	0	2,884,430	3,259,025	3,873,371
4105000	Vehicles	33,508,210	805,719	0	34313929	16,133,887	3391107	0	19,524,994	14,788,935	17,374,323
4106000	Office & other equipment	4,726,717	1,049,730	0	5776447	1,852,302	269765	0	2,122,067	3,654,380	2,874,415
4107000	Furniture, fixtures, fittings and electrical	23,520,586	1,515,820	0	25036406	3,250,879	2454967	0	5,705,846	19,330,560	20,269,707
4108000	Other fixed assets	8,052,560	4,144,966	0	12197526	1,188,082	1216003	0	2,404,085	9,793,441	6,864,478
4109000	Assets under Disposal	0	0	0	0	0	0	0	0	0	0
	Total	3848411062	150530653	0	3998941715	2949686637	383877920	0	3333564557	665377158	898724425

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-12: Investments - General Funds

As On Date: 31/Mar/2017

Account Code	Particulars	With Whom Invested	Face Value (Rs.)	Current Year Carrying Cost (Rs.)	Previous Year Carrying Cost (Rs.)
1	2	3	4	5	6
4201000	Central Government Securities			0	0
4202000	State Government Securities			0	0
4203000	Debentures and Bonds			0	0
4204000	Preference Shares			0	0
4205000	Equity Shares			0	0
4206000	Units of Mutual Funds			0	0
4208000	Other Investments			85,252,001	85,252,001
4209000	Provisions			0	0
	Total of Investments General Funds			85,252,001	85,252,001

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-13: Investments - Other Funds

As On Date: 31/Mar/2017

Account Code	Particulars	With Whom Invested	Face Value (Rs.)	Current Year Carrying Cost (Rs.)	Previous Year Carrying Cost (Rs.)
1	2	3	4	5	6
4211000	Central Government Securities			0	0
4212000	State Government Securities			0	0
4213000	Debentures and Bonds			0	0
4214000	Preference Shares			0	0
4215000	Equity Shares			0	0
4216000	Units of Mutual Funds			0	0
4218000	Other Investments			0	0
4219000	Provisions			0	0
	Total of Investments General Funds			0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-14: Stock In Hand (Inventories)

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
4301000	Stores Loose	4,136,044	4,136,044
4302000	Tools Others	0	0
4308000	Other Stores	0	0
	Total Stock In Hand	4,136,044	4,136,044

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-16: Prepaid Expenses

As On Date: 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
4401000	Establishment	0	0
4402000	Administrative	0	0
4403000	Operations and Maintenance	0	0
	Total Prepaid expenses	0	0

Deputy Commissioner
Rourkela Municipal Corporation



NAME OF THE ULB : Rourkela Municipal Corporation

Schedule B-17: Cash and Bank Balances

As on Date : 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
4501000	Cash	16,795	16,795
	Balance with Bank - Municipal Funds		
4502001	Nationalised Bank	434,099,755	150,977,160
4502002	Other Scheduled Bank	264,029,312	260,684,125
4502003	Co-operative Bank	0	0
4502004	Post Office Account	0	0
	Sub-total :	698,129,067	421,661,285
	Balance with Bank - Special Funds		
4504001	Nationalised Bank	204,585,708	458,425,159
4504002	Other Scheduled Bank	45,431,773	45,431,773
4504003	Co-operative Bank	9,190,213	8,147,104
4504004	Post Office Account	82,374	64,461
	Sub-total :	259,290,068	512,068,498
	Balance with Bank - Grant Funds		
4506001	Nationalised Bank	345,297,014	76,524,296
4506002	Other Scheduled Bank	36,082,606	31,795,928
4506003	Co-operative Bank	0	0
4506004	Post Office Account	0	0
	Sub-total :	381,379,620	108,320,224
	Total Cash and Bank balances	1,338,815,551	1,042,066,802

Deputy Commissioner

Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-18: Loans, advances, and deposits

As on Date : 31/Mar/2017

Account Code	Particulars	Opening Balance at the Beginning of the Year (Rs.)	Paid during the Current Year (Rs.)	Recovered during the Current Year (Rs.)	Balance outstanding at the end of the Year (Rs.)
1	2	3	4	5	6
4601000	Consolidated Loans and advances to Employees	14,060,028	3,567,000	1,556,400	16,070,628
4602000	Consolidated Employee Provident Fund Loans	0	0	0	0
4603000	Consolidated Loans to Others	0	2,600	0	2,600
4604000	Consolidated Advance to Suppliers and Contractors	0	30,000	0	30,000
4605000	Consolidated Advance to Others	0	7,000	0	7,000
4606000	Consolidated Deposits with external Agencies	0	516,051	0	516,051
4608000	Consolidated Other current Assets	10,750	0	0	10,750
	Sub Total	14,070,778	4,122,651	1,556,400	16,637,029

Deputy Commissioner
Rourkela Municipal Corporation



4610000	Less: Accumulated Provisions against Loans, Advances and deposits [Schedule B-18 (a)]	0	0	0	0
	Total Loans, advances, and deposits	14,070,778	4,122,651	1,556,400	16,637,029

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-19: Other Assests

As On Date : 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
4701000	Deposit Works	0	0
4703000	Other Asset Control Accounts	0	0
4704000	Clearing Accounts	0	0
	Total Other Assests	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule B-20: Miscellaneous Expenditure (to the extent not written off)

As On Date : 31/Mar/2017

Account Codes	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
4801000	Loan Issue Expenses	0	0
4802000	Deferred Discount on Issue of loans	0	0
4803000	Others	0	0
	Total Miscellaneous expenditure	0	0

Deputy Commissioner
Rourkela Municipal Corporation



NAME OF THE ULB : Rourkela Municipal Corporation

Schedule IE 1: Tax Revenue

for the period from 01/Apr/2016 to 31/Mar/2017

ACCOUNT CODE	PARTICULARS	CURRENT YEAR AMOUNT(Rs.)	PREVIOUS YEAR AMOUNT(Rs.)
1	2	3	4
1100100	Property Tax	32,396,989	7,653,248
1100200	Water Tax	291,406	1,636,398
1100300	Sewerage/Drainage Tax	5,778,552	1,931,700
1100400	Conservancy/Latrine Tax	0	0
1100500	Lighting Tax	9,425,251	7,653,248
1100600	Education Tax	0	0
1100700	Vehicle Tax	0	0
1100800	Tax on Animals	5,520	0
1100900	Electricity Tax	0	0
1101000	Professional Tax	0	0
1101100	Advertisement Tax	12,531,806	6,876,287
1101200	Pilgrimage Tax	0	0
1101300	Export Tax	0	0
1105100	Octroi and Toll	0	0
1108000	Others Taxes	732,271	207,639
A	Sub - Total	61,161,795	25,958,520

Deputy Commissioner

Rourkela Municipal Corporation



	Less: Tax Remissions and Refund [Schedule IE - 1 (a)]	0	0
B		0	0
A-B	Total tax revenue	61,161,795	25,958,520

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule IE 2: Assigned Revenues and Compensation:

for the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
1	2	3	4
1201000	Taxes and Duties collected by other Governments.	0	0
1202000	Compensation in lieu of Taxes and Duties	232,929,000	175,323,000
1203000	Compensations in lieu of Concessions	0	0
	Total assigned revenues and compensation	232,929,000	175,323,000

Deputy Commissioner
Rourkela Municipal Corporation



NAME OF THE ULB : Rourkela Municipal Corporation

Schedule IE 3: Rental income from Municipal

for the period from 01/Apr/2016 to 31/Mar/2017

ACCOUNT CODE	PARTICULARS	CURRENT YEAR AMOUNT(Rs.)	PREVIOUS YEAR AMOUNT(Rs.)
1	2	3	4
1301000	Rent from Civic Amenities	17,505,654	17,151,477
1302000	Rent from Office Buildings	0	840
1303000	Rent from Guest Houses	3,100	0
1304000	Rent from lease of lands	0	0
1308000	Other rents	0	6,100
A	Sub - Total	17,508,754	17,158,417
	Less: Rent Remission and Refunds	0	0
B	Sub - Total	0	0
A-B	Total Rental Income from Municipal Properties	17,508,754	17,158,417

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB:

Rourkela Municipal Corporation

Schedule IE 4: Fees and User Charges Income headwise

for the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount (Rs.)	Previous Year Amount (Rs.)
1	2	3	4
1401000	Empanelment and Registration Charges	0	625
1401100	Licensing Fees	771,892	1,124,657
1401200	Fees for Grant of Permit	0	0
1401300	Fees for Certificate or Extract	0	0
1401400	Development Charges	0	0
1401500	Regularization Fees	0	0
1402000	Penalties and Fines	288,550	353,500
1404000	Other Fees	42,517,974	3,580,785
1405000	User Charges	3,441,111	2,175,500
1406000	Entry Fees	0	0
1407000	Service / Administrative Charges	3,000,760	7,444,712
1408000	Other Charges	0	220,000

Deputy Commissioner
Rourkela Municipal Corporation



A	Sub - Total	50,020,287	14,899,779
	Less: Fees and User Charges Remissions and Refunds	0	0
B	Sub - Total	0	0
A-B	Total income from Fees & User Charges	50,020,287	14,899,779

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule IE 5: Sale and Hire Charges

for the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
1501000	Sale of Products	0	0
1501100	Sale of Forms and Publications	2,763,380	3,535,835
1501200	Sale of stores and scrap	908,951	494,490
1503000	Sale of Others	0	0
1504000	Hire Charges for Vehicles	0	0
1504100	Hire Charges on Equipments	6,840	25,740
	Total Income from Sale and Hire charges - income head-wise.	3,679,171	4,056,065

Deputy Commissioner
Rourkela Municipal Corporation



Name Of The ULB: **ROURKELA MUNICIPAL CORPORATION**

Schedule IE-6: Revenue Grants, Contributions and Subsidies:

For the Period from **01/Apr/2016** to **31/Mar/2017**

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
1601000	Revenue Grant	38,445,103	9,575,631
1602000	Re-imbursement of expenses	0	0
1603000	Contribution towards schemes	0	0
	Total Revenue Grants, Contributions and Subsidies	38,445,103	9,575,631

Deputy Commissioner
Rourkela Municipal Corporation



Name Of The ULB: ROURKELA MUNICIPAL CORPORATION

Schedule IE 7: Income from Investments General Fund

For the Period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
1701000	Interest on Investments	0	8,488,630
1702000	Dividend	0	0
1703000	Income from projects taken upon commercial basis	0	0
1704000	Profit in Sale of Investments	0	0
1708000	Others	0	0
	Total Income from Investments	0	8,488,630

Deputy Commissioner
Rourkela Municipal Corporation



Name Of The ULB: ROURKELA MUNICIPAL CORPORATION

Schedule IE 8: Interest Earned

For the Period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
1711000	Interest from Bank Accounts	70,830,246	40,537,187
1712000	Interest on Loans and advances to Employees.	0	0
1713000	Interest on loans to others	0	0
1718000	Other Interest	0	0
	Total - Interest Earned	70,830,246	40,537,187

Deputy Commissioner
Rourkela Municipal Corporation



Name Of The ULB: **ROURKELA MUNICIPAL CORPORATION**

Schedule IE 9: Other Income

For the Period from **01/Apr/2016** to **31/Mar/2017**

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
1801000	Deposits Forfeited	0	0
1801100	Lapsed Deposits	0	0
1802000	Insurance Claim Recovery	0	0
1803000	Profit on Disposal of Fixed asses	0	0
1804000	Recovery from Employees	143,678	0
1805000	Unclaimed Refund/ Liabilities	0	0
1806000	Excess Provisions written back	0	0
1808000	Miscellaneous Income	2,606,675	5,908,679
	Total Other Income	2,750,353	5,908,679

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule IE 10: Establishment Expenses

For the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
2101000	Salaries, Wages and Bonus	260,124,365	178,586,089
2102000	Benefits and Allowances	3,833,387	2,642,147
2103000	Pension	17,553,779	50,295,800
2104000	Other Terminal and Retirement Benefits	4,439,285	8,325,867
	Total Establishment Expenses	285,950,816	239,849,903

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB:

Rourkela Municipal Corporation

Schedule IE 11: Administrative Expenses

For the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
2201000	Rent, Rates and Taxes		
2201100	Office maintenance	973,934	402,435
2201200	Communication Expenses	362,461	698,869
2202000	Books and Periodicals	743,059	175,930
2202100	Printing and Stationery	4,687	10,645
2203000	Travelling and Conveyance	1,473,476	1,342,362
2204000	Insurance	2,748,038	706,787
2205000	Audit Fees	230,380	397,565
2205100	Legal Expenses	0	0
2205200	Professional and other Fees	241,620	164,700
2206000	Advertisement and Publicity	337,266	2,514,800
2206100	Membership and subscriptions	1,829,195	1,444,569
2208000	Other Administrative Expenses	0	0
	Total administrative expenses	8,944,116	7,858,662

Deputy Commissioner

Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation
Schedule IE 12: Operations & Maintenance

For the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
2301000	Power and Fuel	60,426,187	37,362,171
2302000	Bulk Purchases	197,763	0
2303000	Consumption of Stores	6,788,265	4,693,079
2304000	Hire Charges	0	197,461
2305000	Repairs and maintenance Infrastructure Assets	18,103,211	6,067,471
2305100	Repairs and maintenance Civic Amenities	3,957,982	1,561,892
2305200	Repairs and maintenance Buildings	11,104,184	2,077,026
2305300	Repairs and maintenance Vehicles	1,484,795	697,564
2305900	Repairs and Maintenance - Others	3,794,931	2,098,426
2308000	Other operating and maintenance expenses	9,872,500	18,503,192
	Total Operations and Maintenance	115,729,818	73,258,282

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: **ROURKELA MUNICIPAL CORPORATION**

Schedule IE 13: Interest and Finance Charges

For the Period from **01/Apr/2016** to **31/Mar/2017**

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
2401000	Interest on Loans from Central Government	0	0
2402000	Interest on Loans from State Government	0	0
2403000	Interest on Loans from Government Bodies and Associations	0	0
2404000	Interest on Loans from International Agencies.	0	0
2405000	Interest on Loans from Banks & Other Financial Institutions.	0	0
2406000	Other Interest	0	0
2407000	Bank Charges	0	14,499
2408000	Other Finance Expenses	15,000	0
	Total Interest and Finance Charges	15,000	14,499

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: ROURKELA MUNICIPAL CORPORATION

Schedule IE14: Programme Expenses

For the Period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
2501000	Election Expenses	318,000	0
2502000	Own Programmes	1,604,614	1,503,026
2503000	Share in Programmes of others	1,264,503	24,320
	Total Programme Expenses	3,187,117	1,527,346

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: ROURKELA MUNICIPAL CORPORATION

Schedule IE15: Revenue Grants, Contributions and Subsidies

For the Period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
2601000	Grants	0	0
2602000	Contributions	0	0
2603000	Subsidies	0	16,681,546
	Total Revenue Grants, Contributions	0	16,681,546

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: ROURKELA MUNICIPAL CORPORATION

Schedule IE16:Provisions and Write off

For the Period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
2701000	Provisions for doubtful receivables	0	0
2702000	Provision for other Assets	0	0
2703000	Revenues written off	0	0
2704000	Assets written off	0	0
2705000	Miscellaneous Expense written off	0	0
2709000	Consolidated Tax Remission & Refunds	0	0
2709100	Consolidated Fees Remission and Refund	0	0
	Total Provisions and Write off	0	0

Deputy Commissioner
Rourkela Municipal Corporation



Name of the ULB: Rourkela Municipal Corporation

Schedule IE17: Miscellaneous Expenses

For the period from 01/Apr/2016 to 31/Mar/2017

Account Code	Particulars	Current Year Amount(Rs.)	Previous Year Amount(Rs.)
1	2	3	4
2711000	Loss on disposal of Assets	0	0
2712000	Loss on disposal of Investments	0	0
2718000	Other Miscellaneous Expenses	4,606,355	3,637,151
	Total Miscellaneous expenses	4,606,355	3,637,151



Deputy Commissioner
Rourkela Municipal Corporation

Name of the ULB: **ROURKELA MUNICIPAL CORPORATION**

Schedule IE18: Prior Period Items (Net)

For the Period from **01/Apr/2016** to **31/Mar/2017**

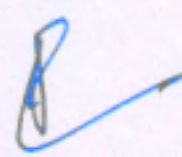
Account Code	Particulars	Current Year Amount(Rs)	Previous Year Amount(Rs)
1	2	3	4
1851000	Taxes, Other - Revenues	0	0
1852000	Recovery of revenues written off	0	0
1853000	Other income	0	0
	Sub - Total Income (a)	0	0
	Expenses		
2855000	Bank Charges	0	0
2856000	Other Finance Expenses	0	0
2858000	Other Expenses	0	0
	Sub Total Income (b)	0	0
	Total Prior Period (Net) (a-b)	0	0

Deputy Commissioner
Rourkela Municipal Corporation,



Annexure-1

Account Code	Particulars	Actual Depreciation for the F.Y. 2016-17	Depreciation charged during the year	Difference
4101000	Land	-	-	-
4102000	Buildings	113,08,893	226,17,786	113,08,893
4103000	Roads and Buildings	2664,81,973	2664,81,973	-0
4103100	Swelage and Drainage	759,75,006	759,75,006	0
4103200	Water Ways	1,87,985	1,87,985	-0
4103300	Public Lighting	106,68,982	106,68,982	-
4104000	Plants and Machinery	6,14,346	6,14,346	1
4105000	Vehicles	33,91,107	33,91,107	0
4106000	Office and Other Equipment	5,98,913	2,69,765	-3,29,148
4107000	Furniture, fixtures, fittings and electrical appliances	12,27,484	24,54,967	12,27,483
4108000	Other fixed assets	12,16,003	12,16,003	0
4109000	Assets under Disposal	-	-	-
	Total	3716,70,691	3838,77,920	122,07,229


 Deputy Commissioner
 Rourkela Municipal Corporation



SEHEDULE 21A- SIGNIFICANT ACCOUNTING POLICIES

Schedule 21A: Significant Accounting Policies for Preparation of the Balance Sheet as at 31st March 2017

1.1. Common Principles

- 1.1.1 The financial statements prepared by the Rourkela Municipal Corporation under the double entry accrual accounting system for the financial year 1st April 2016 to 31st March 2017
- 1.1.2 All assets, which are under the ownership and permissive possession of the Rourkela Municipal Corporation, are accounted. Similarly, all liabilities payable on 31st March 2017 are considered in the Balance Sheet.
- 1.1.3. Assets constructed/purchases by some other agency/government and handed over to the Rourkela Municipal Corporation have been accounted based on ownership of the asset. If the ownership remains with the other agency, then it is not recognized as an asset in the books of the Rourkela Municipal Corporation. If there has been a transfer of ownership without any consideration, then the asset has been valued at Rs.1/- and recognized in the Balance Sheet.
- 1.1.4. Revenue heads have been recognized only when there are measurable and there is reasonable certainty of collection. If the levy of any income or user charge is in dispute and any legal case is pending against it, it has not been taken as the income receivable of the Rourkela Municipal Corporation. The details of such court cases and the amount, if measurable, have been disclosed in the "Notes to Accounts" under the head contingent liabilities.
- 1.1.5. Revaluation of assets has not been considered at the time of preparing the Balance Sheet.
- 1.1.6. All figures are in Indian Rupees

1.2 Basic Assumptions

- 1.2.1 In view of the uncertainty attached to future events, profits or gains are not anticipated but recognized only when realized though not necessarily in cash. Provision is made for known liabilities and losses even though the amount cannot be determined with certainty and represents only a best estimate in light of available information.

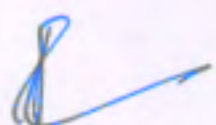

Deputy Commissioner
Rourkela Municipal Corporation



- 1.2.2 Financial statements should disclose all materials items, i.e. items, the knowledge of which might influence the decisions of the users of the financial statements.
- 1.2.3 In order to meet the objectives set by the Government of India, financial statement of RMC is prepared on the accrual basis of accrual based accounting following double entry principles of accounting.
- 1.2.4 The financial statements is prepared on the assumption that an urban local body is a going entity and will continue in its service operation for the foreseeable future.
- 1.2.5 In order to achieve comparability of the financial statements of the Rourkela Municipal Corporation through time, the accounting principles as set here would be followed consistently form one period to another; change in accounting principles only in certain exceptional circumstances should be disclosed separately.

1.3 Property and Other Taxes.

- 1.3.1 Revenue in respect of Property and Other Taxes is recognized in the period in which it becomes due and demand is ascertainable.
- 1.3.2 In case of new or changes in assessments, it can be accrued in the month in which the demand is served.
- 1.3.3 Interest element and penalties, if any, in demand is reckoned only on receipt.
- 1.3.4 Revenue in respect of notice fee, warrant fee and other fees charged is recognized when the bills for the same are served
- 1.3.5 Revenue in respect of Property Transfer Charges' is recognized on actual receipt.
- 1.3.6 In respect of the demand outstanding beyond two (2) years, provision shall be made to the extent of income of the Rourkela Municipal Corporation recognized on an accrual basis, based on the following provisioning norms.
- Outstanding for more than two (2) year but not exceeding three (3) years
 - Outstanding for more than three (3) years but not exceeding four (4) years: 50% (additional 25%).
 - Outstanding for more than four (4) years but not exceeding five (5) years 75% (additional 25%).
 - Outstanding for more than five (5) years: 100% (additional 25%).


Deputy Commissioner
Rourkela Municipal Corporation



1.4. Cess

1.4.1 Revenue in respect of collection of 'cess income' with returns is recognized on actual receipt.

1.5. Water Supply

1.5.1. Revenue in respect of 'water tax, is recognized in the period in which they become due, i.e., when the bills are raised.

1.5.2. Revenue in respect of 'water tanker charges, road damage recovery charges, and penalties' is recognized on actual receipt.

1.6 Other Revenues

1.6.1. Principles for revenue recognition from sale of goods

Sale of scrap arising from the disposal of stores materials would be considered in the accounts on cash basis, i.e., on the basis of actual receipt.

1.7. Rentals, Fees and Other Sources of Income

1.7.1. Non-renewable (one time) licenses are those, which are issued to citizens for the privilege of engaging in a regulated and non-repetitive activity. Revenue from such licenses should be recognized on cash basis.

1.7.2. The 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 of the R M C, is recognized on actual receipt.

1.7.3 Interest element and penalties is recognized only on receipt.

1.7.4 Any subsequent collection or recovery of receivables of rental, fees and other incomes', which were already written off, is recognized as a prior period Income.

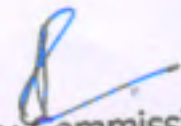
1.8 Public Works

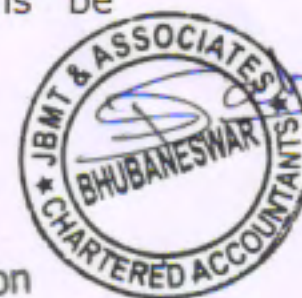
1.8.1 The earnest money deposit and security deposit' received, if forfeited, shall be recognized as income when the right for claiming refund of deposit has expired.

1.8.2 Deposits received under deposit works is treated as a liability till such time as the projects for which the money is received is completed. Upon completion of the projects, the cost incurred against it is reduced from the liability.

1.9 Stores

1.9.1 Expenditure in respect of material, equipment, etc , procured is be recognized on accrual basis.


Deputy Commissioner
Rourkela Municipal Corporation



1.9.2 The stock lying at the period-end is valued at cost following the first in - first out (FIFO) method of valuation.

1.10 Employee-Related Transactions

1.10.1 Expenses on salaries and other allowances is recognized as and when they are due for payment (i.e., at the month end).

1.10.2 Statutory deductions from salaries including those for income tax, profession tax, provident fund contribution, etc., is recognized as liability in the same period in which the corresponding salary is recognized as expense.

1.10.3. Bonus, ex-gratia, other allowances and reimbursements to employees is recognized as an expense as and when they are due for payment.

1.13 Grants

1.11.1 General grants, which are of a revenue nature, is recognized as income on actual receipt.

1.11.2 Grants towards revenue expenditure, received prior to the incurrence of the expenditure, is treated as a liability till such time that the expenditure is incurred.

1.11.3 Grants received or receivable in respect of specific revenue expenditure is recognized as income in the accounting period in which the corresponding revenue expenditure is charged to the 'Income and Expenditure Account',

1.11.4 Grants received towards capital expenditure is treated as a liability till such time that the fixed asset is constructed or acquired. On construction/acquisition of a fixed asset out of the grants so received, the extent of liability corresponding to the value of the asset so constructed/acquired shall stand reduced and the amount is treated as a capital receipt and is transferred from the respective 'specific grant account to the 'capital contribution'.

1.11.5 Capital grants received as a nodal agency or as implementing agency for an intended purpose, which does not result in creation of assets with ownership rights for the Rourkela Municipal Corporation, is treated as a liability till such time it is used for the intended purpose, Upon utilization for the intended purpose, the extent of liability shall stand reduced with the value of such utilization and no further treatment, as a capital receipt, is required.

1.12 Borrowings or Loans Received



Deputy Commissioner
Rourkela Municipal Corporation



1.12.1 Interest expenditure on loans is recognized on accrual basis.

1.12.2 Interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets is capitalized.

1.13 Special Funds

1.13.1 Special funds are treated as a liability on their creation.

1.13.2 Income on investments made from special funds is recognized and credited to the 'special fund', whenever accrued. Profit/loss, if any, arising on disposal of investments made from the 'special fund' is recognized and credited/debited to 'special fund account'.

1.14 Fixed Assets

1.14.1 All fixed assets is carried at cost less accumulated depreciation.

1.14.2 The cost of fixed assets include cost incurred/money spent in acquiring or installing or construction a fixed asset, interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets and other incidental and indirect expenses incurred up to that month.

1.14.3 Any fixed asset, which has been acquired free of cost or in respect of which no payment has been made, is recorded at nominal value of Rs.1/-.

1.14.4 The method of allocating depreciation over the useful life of the asset would be the straight line method where the historical cost or any other value of the asset is divided by the useful life of the asset to arrive at an equated annual depreciation to be charged on the asset every year (an illustrative list on the life of assets in annexed herewith).

1.14.5 Depreciation is provided at full rates for assets, which are deposed on or after October 1 of the accounting year. Depreciation is provided at half the rates for assets, which are disposed before October 1 of the accounting year.

1.14.14 Depreciation would be provided on all fixed assets except on those which are non-depreciable (like land, water body) and those, which are complete and yet not put to use (i.e. those, which are capital work in progress and those, which are abandoned before completion).



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1.15. Useful Life of Assets- An illustrative List

1.15.1 The following is the useful life of assets for adopting the straight-line method of depreciation in Rourkela Municipal Corporation:

Assets	Useful Life
Land	perpetual
Land with Structure	20/30 years
Landfill Sites- Dumping Ground	20 years (for structure)
Building • Cls I Structure • Cls II Structure	30 years 20 years
Water Supply System • Pipelines • Pumps and Motors • Water Reservoir • Drainage and Sewerage Network	10 years 10 years 40 years 10 years
Roads Network • Mastic • Concrete • Bitumen • Others • Road over Bridges (ROB) • Road Under Bridges (RUB)	10 Years
Subways, Causeways, Culvert	10 Years
Office Equipment	10 Years
Plant and Machinery	10 years
Computers	3 years
Street Lighting System	10 years
Furniture • Office • School and Hospitals • Park • Road	20 years 10 years 10 years 10 years
Heavy Vehicle	10 years
Light Vehicles	10 years
Earth Moving Vehicle	10 years

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SCHEDULE 21B – NOTES TO ACCOUNTS

2.1 General:

The account has been prepared using e-municipality system. The provisions of the Odisha Municipal Accounts Rules, 2012 have been followed while preparing the accounts except the coding structure provided in Rule 115.

2.2 Fixed Assets:

The accumulated depreciation is provided on assets under the straight-line basis using the estimated life of each asset as provided under the significant accounting principles for preparing the Balance Sheet as at 31st March 2017.

2.3 Investment:

The custody and details of investments are with the accountant of the Rourkela Municipal Corporation. The investments are in the nature of fixed deposits held with scheduled and nationalized banks. The investments are recorded at face value and, include the accrued interest on the fixed deposits until 31st March 2017. All the investments are in the nature of long-term investments. The investments as at 31st March 2017 show the figure of investments of Rourkela Municipal Corporation and by the Municipal Hospital.

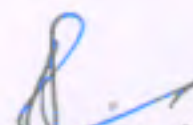
2.4 Stores/Stock in Hand:

2.4.1 Closing stock has been accounted for during the year 2016-17. The closing stock figure appearing in Balance sheet is as per stock valuation statement produced by stores division.

2.5 Sundry Debtor (Receivables):

Receivables include dues from assesses liable to pay holding tax, light tax, Latrine tax, stallholders liable to pay market rent, and traders liable to pay trade license fees. Details of receivables are available with the respective section of the Rourkela Municipal Corporation responsible for the management of the revenue head, e.g., holding tax Section maintains information regarding holding tax, light tax, and Latrine tax. The dues shown in the Balance Sheet are the balance due as at 31st March 2017. Provision for irrecoverable dues has been created as per the norms set out in the significant accounting principles for preparation of the Balance sheet as at 31st March 2017.

2.5.1 The figures shown in books of accounts in Rourkela Municipal Corporation are the figures of closing balances after taking into consideration the opening


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balance figure as at 1st April 2016, making entry for demand, collections of the whole year. The balance after the above is the closing balance standing in books of accounts.

2.6 Cash and Bank Balance:

The balances shown in the Balance Sheet as at 31st March 2017 include cash and bank balances held at the Rourkela Municipal Corporation. The custodial responsibility of the cash and bank balances concerning the Rourkela Municipal Corporation headquarters lies with the Accountant. Rourkela Municipal Corporation also maintains a Public Ledger (PL) Account with the Government Treasury.

- Bank balances held at Rourkela Municipal Corporation are segregated between balances held against Municipal Fund, Earmarked Funds, MPLAD Funds and Public Ledger Account (Treasury).

2.7 Loans and Advance:

Loans and advances include loans and advances to employees contractors/suppliers, and deposits with utility agencies. The details of employee loans are available with the advance section and the establishment section of the Rourkela Municipal Corporation. All loans to employees are unsecured.

2.8 Grant and Contribution for Specific Purposes:

Grants and contributions received by Rourkela Municipal Corporation from any authority for revenue maintenance and not utilized as at 31st March 2017 are shown under this head. The Balance sheet as at 31st March 2017 carries disclosures concerning the nature of the grant received by the Rourkela Municipal Corporation.

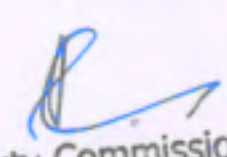
- 2.9** The Capital Expenditures incurred against Special Funds and Grants for specific purposes has been capitalized as per the availability of utilization certificates.

2.10 Secured Loans:

Rourkela Municipal Corporation does not have any outstanding secured loan as at 31st March 2017.

2.11 Deposits Received:

This head covers all deposits received from contractors, which comprises earnest money deposits, initial security deposits, security deposits, and additional performance security. Security deposits received from market


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stallholders are also included under this head. All the deposits are refundable, as and when demands are raised on the Rourkela Municipal Corporation. All deposits are non-interest bearing. Details of deposits are available with the Municipal Engineering Section (concerning deposits from contractors) and Market Section (concerning deposits from stallholders).

2.12 Deposit Works:

Deposit works represents the amount received from outside parties specifically for the construction of works. The un-utilized balance amounts of the deposit works received from Members of Parliament under the MPLADS for specific works, as at 31st March 2017 are shown under this head.

2.13 Other Liabilities:

All short-term liabilities are covered under this head. This head covers dues to government, contractors, employees, service providers and to others.

2.14 Municipal Fund:

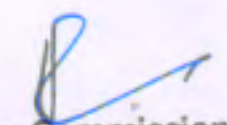
The Municipal fund in the Balance sheet as at 1st April 2012 was determined as the balancing figure of all assets and liabilities on that date. From this figure the deficit or surplus of the subsequent year is subtracted or added to arrive at the figure of Municipal Fund as at 31st March 2017. In the case of Rourkela Municipal Corporation, the total net worth shows a positive balance representing accumulated surplus over the past period. Any subsequent changes to any value of assets and liabilities, which may arise upon further verifications and scrutiny, will be adjusted with a corresponding adjustment to the Municipal Fund.

2.15 Contingent Liabilities:

Contingent liability arises mainly due to pending cases in court or legal forum against Rourkela Municipal Corporation. Upon the finalization of pending cases against Rourkela Municipal Corporation, the contingent liabilities in respect of them may accrue to the Rourkela Municipal Corporation. However due to the non-availability of documents pertaining to various cases pending at different legal forums, no specific contingent liability could be ascertained

2.16 In accordance with the Rule 100 (4) of the Odisha Municipal Accounts Rules 2012 all amounts in the Financial Statements rounded off to the nearest rupee; an amount of fifty paisa or more rounded off to the next higher rupee, while an amount below fifty paisa rounded off to the immediately lower rupee.

2.17 The previous year figures are re grouped and re casted to make it comparable with the current year figure.


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