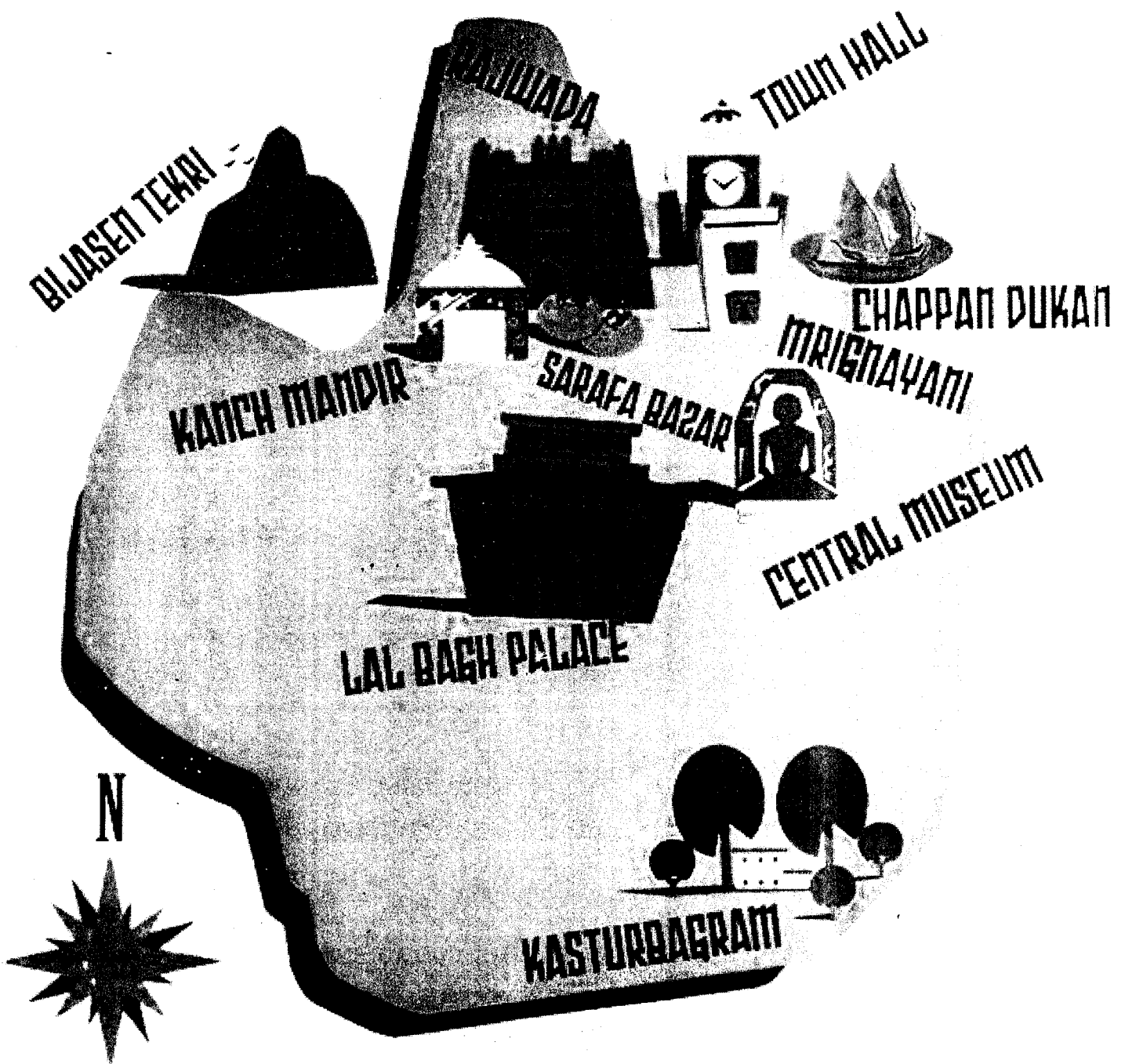




INDORE MUNICIPAL CORPORATION

ANNUAL FINANCIAL STATEMENTS FINANCIAL YEAR 2020-21



INDORE MUNICIPAL CORPORATION

BALANCE SHEET

AS AT 31ST MARCH, 2021

INDORE MUNICIPAL CORPORATION

BALANCE SHEET

(AS AT 31 MARCH 2021)



(Amount in Rupees)

	Particulars	Schedule No.		Current Year	Previous Year
A	SOURCES OF FUNDS				
A1	Reserves and Surplus				
	Municipal (General) Fund	B-1	21,76,25,43,489		19,23,35,32,465
	Earmarked Funds	B-2	45,07,88,289		47,64,76,286
	Reserves	B-3	23,94,83,31,462		21,81,11,49,231
	Total Reserves and Surplus			46,16,16,61,239	41,52,11,57,983
A2	Grants, Contributions for Specific Purpose	B-4		7,27,26,70,463	6,13,50,54,791
A3	Loans				
	Secured Loan	B-5	6,47,46,39,044		3,53,19,50,505
	Unsecured Loans	B-6	98,27,276		98,27,276
	Total Loans			6,48,44,64,320	3,54,17,77,781
	TOTAL OF SOURCES OF FUNDS [A1-A3]			59,91,88,00,022	51,19,79,90,555
B	APPLICATION OF FUNDS				
B1	Fixed Assets				
	(including Statues and Heritage Assets)				
	Gross Block	B-11	42,05,78,06,904		39,82,71,29,591
	Less: Accumulated Depreciation		22,60,73,07,171		20,10,61,04,565
	Net Block			19,45,04,99,733	19,72,10,25,026
	Capital Work-in-Progress			17,10,33,08,595	15,15,85,81,799
				36,55,38,08,328	34,87,96,06,824
B2	Investments				
	Investment - General Fund	B-12		1,88,85,25,842	1,63,15,60,601
	Investment - Other Fund	B-13		72,66,49,110	69,20,54,265
	Total Investments			2,61,51,74,952	2,32,36,14,866
B3	Current Assets, Loans & Advances :				
	Stock in Hand (Inventories)	B-14		7,43,64,69,827	5,28,66,24,797
	Sundry Debtors (Receivables) :	B-15			
	Gross Amount Outstanding		20,90,51,84,608		19,11,66,60,109
	Less: Accumulated Provision against bad and doubtful receivables		9,05,49,92,434	11,85,01,92,175	9,05,49,92,434
	Prepaid Expenses	B-16		54,08,476	97,18,507
	Cash and Bank Balances	B-17		4,73,81,34,440	2,34,68,77,809
	Loans, Advances and Deposits	B-18		4,62,90,18,806	4,56,03,35,380
	Total Current Assets			28,65,92,23,724	22,26,52,24,169
B4	Current Liabilities and Provisions				
	Deposits Received	B-7		2,15,33,36,309	1,72,21,37,295
	Deposit Works	B-8		20,05,74,352	15,37,94,349
	Other Liabilities (Sundry Creditors)	B-9		5,49,05,62,508	6,34,21,26,672
	Provisions	B-10		7,88,77,303	7,37,19,659
B5	Total Current Liabilities			7,92,33,51,572	8,29,17,77,976
	Net Current Assets (B3-B4)			20,73,58,72,151	13,97,34,46,193
C	Other Assets	B-19		1,39,44,591	2,13,22,671
D	Miscellaneous Expenditure (to the extent not written off)	B-20		-	-
	TOTAL OF APPLICATION OF FUNDS [B1+B2+B3+B4+B5+C+D]			59,91,88,00,022	51,19,79,90,555

Notes to the Balance Sheet and Significant Accounting Policies

B-21

Note: The Schedules referred to above are an integral part of the Balance Sheet.

As per Our Report Attached of Even Date

For GIDK & Associates

Chartered Accountants

FIRN 002159C

(CA) Anand Jain

Partner

M. No. 427705



Commissioner
Indore Municipal Corporation

Additional Commissioner - Finance
Indore Municipal Corporation

Place : Indore



INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-1: Municipal (General) Fund

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3101000	Municipal (General) Fund Account		
	Balance as per last Balance Sheet	19,23,35,32,465	17,75,14,93,513
	Additions during the year		
	- Surplus for the year	2,65,53,66,487	2,58,79,76,218
	- Transfers	-	-
	(As per Annexure 1)		
	TOTAL	21,88,88,98,952	20,33,94,69,731
	Deductions during the year		
	- Deficit for the year	-	-
	- Transfers IMC Share to Grant Fund	12,63,55,464	1,08,40,72,857
	- Transfers	-	2,18,64,409
	(As per Annexure 1)		
	TOTAL	12,63,55,464	1,10,59,37,266
	Balance at the end of the year	21,76,25,43,489	19,23,35,32,465



INDORE MUNICIPAL CORPORATION

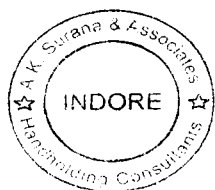
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-2: Earmarked Fund (Special Funds / Sinking Fund / Trust or Agency Fund)

(Amount in Rupees)

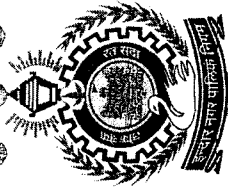
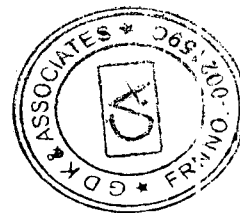
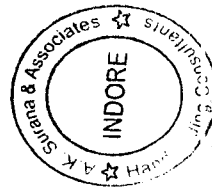
Particulars	General Provident Fund (G.P.F.)	Pension Fund	Family Benefit Fund (F.B.F)	TOTAL
(a) Opening Balance	40,90,02,333	6,86,82,760	-12,08,807	47,64,76,286
(b) Additions to Fund				
• Contribution from Employees during the year	7,80,83,971	1,78,66,316	64,44,572	10,23,94,859
• Contribution from Employer during the year				-
• Interests on GPF Contribution	2,51,33,163			2,51,33,163
Total (b)	10,32,17,134	1,78,66,316	64,44,572	12,75,28,022
(c) Payment out of funds				
• Payment made to Employees during the year	10,58,68,259	4,02,48,875	70,98,835	15,32,16,019
• Revenue Expenditure:				
- Bank Charges & Interest	-	-	-	-
- Administrative Charges	-	-	-	-
Total (c)	10,58,68,259	4,02,48,875	70,98,835	15,32,16,019
Net Balance of Special Funds (a)	40,63,51,208	4,63,00,201	-18,63,120	45,07,88,289



INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**

Schedule B-3: Reserves

Account Code	Particulars	Opening Balance (Rs.)	Additions during the year (Rs.)	Total (Rs.)	Deductions during the year (Rs.)	As on 31st March 2021
1	2	3	4	5 (3+4)	6	7 (5-6)
3121000	Capital Contribution	6,17,83,81,762	15,80,01,933	6,33,63,83,695	56,83,81,655	5,76,80,02,040
3121100	Capital Reserve					
	Capital Work in Progress:					
	CWIP against Grant Funds	7,51,36,43,545	1,80,16,70,636	9,31,53,14,181		9,31,53,14,181
	CWIP of Project UDAY	2,27,32,96,535		2,27,32,96,535		2,27,32,96,535
	Total Capital Reserve	9,78,69,40,080	1,80,16,70,636	11,58,86,10,716	-	11,58,86,10,716
3122000	Borrowing Redemption Reserve					
3123000	Special Fund (Utilised)					
3124000	Statutory Reserve					
3125000	General Reserve	5,84,58,27,390	74,58,91,317	6,59,17,18,706	-	6,59,17,18,706
3126000	Revaluation Reserve					
3120000	Total Reserve Funds	21,81,11,49,231	2,70,55,63,885	24,51,67,13,117	56,83,81,655	23,94,83,31,462



INDORE MUNICIPAL CORPORATION

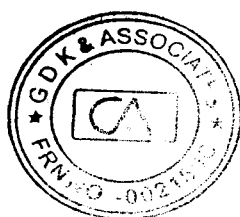
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-4: Grants & Contribution for Specific Purposes

(Amount in Rupees)

Particulars	Grants from Central Government	Grants from State Government	Grants from Others	Total (As On 31.03.2021)
Account Code	3201000	3202000	3206003	
(a) Opening Balance	2,92,49,60,499	3,15,28,24,028	5,72,70,2,64	6,13,50,54,791
(b) Additions to the Grants				
o Grant received during the year	2,21,50,00,000	1,15,95,88,797	2,22,10,035	3,39,67,99,732
o Grant Transfer from State during the year	2,86,211	-	-	2,86,211
o IMC Contribution for Project out of Municipal Fund	5,10,00,000	7,53,55,463	-	12,63,55,464
o Interest / Dividend earned on Grant Investments	3,82,81,127	69,17,377	-	4,51,98,504
o Other Income	31,62,192	-	-	31,62,192
o Transfer from Capital Reserve	-	-	-	-
o Transfer from Other Grants	-	-	-	-
Total (b)	2,30,77,29,530	1,24,18,61,637	2,22,10,935	3,57,18,02,103
Total (a + b)	5,23,26,90,030	4,39,46,85,665	7,94,81,199	9,70,68,56,894
(c) Payments Out of funds				
o Capital expenditure on Fixed Assets	1,73,01,63,733	21,49,88,613	1,45,20,223	1,95,96,72,569
o Capital expenditure on Other	-	-	-	-
o Revenue Expenditure	5,190	30,79,24,779	6,563	30,79,36,931
o Grants Refunded / Adjustment of PY	-	16,47,18,488	-	16,47,18,488
o Transferred to Central Grant / Other Grant	72,232	2,86,211	15,00,000	18,58,443
o Other administrative charges	-	-	-	-
Total (C)	1,73,02,41,154	68,79,18,091	1,60,27,136	2,43,41,86,431
Net Balance at the year end (a+b) - (c)	3,50,24,48,876	3,70,67,67,574	6,34,54,013	7,27,26,70,463



INDORE MUNICIPAL CORPORATION

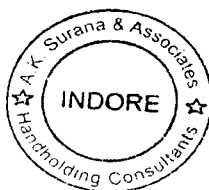
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-5: Secured Loans

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3301000	Loans From Central Government		
3302000	Loans From State Government		
3303000	Loans From Government Bodies Associations		
3304000	Loans From International Agencies		
	Loan from ADB-Project Uday	1,48,65,37,774	1,70,09,05,646
3305000	Loan From Banks & Others Financial Institutions		
	State Bank of India	3,23,48,62,298	-38,25,513
	NSKFDC	11,79,33,012	12,21,07,000
	HUDCO	23,63,05,960	31,37,63,372
3306000	Other Term Loans		
3307000	Bonds & Debentures	1,39,90,00,000	1,39,90,00,000
3308000	Other Loans		
3300000	Total Secured Loans	6,47,46,39,044	3,53,19,50,505



INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-6: Unsecured Loans

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3311000	Loans From Central Government		
	Loan from Ministry of Defence	98,27,276	98,27,276
3312000	Loans From State Government		
3313000	Loans From Government Bodies Associations		
3314000	Loans From International Agencies		
3315000	Loan From Banks & Others Financial Institutions	-	-
3316000	Other Term Loan		
3317000	Bonds and Debentures		
3318000	Other Loans		
3310000	Total Unsecured Loans	98,27,276	98,27,276



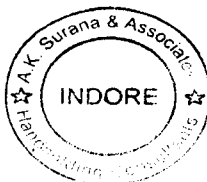
INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-7: Deposits Received

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3401000	From Contractor: Security Deposit, EMD & Other	2,15,33,36,809	1,72,21,37,295
3402000	From Revenues		
3403000	From Staff		
3408000	From Others		
3400000	Total Deposits Received	2,15,33,36,809	1,72,21,37,295



INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-8: Deposits Works

(Amount in Rupees)

Account Code	Particulars	Name of the Depositor	Opening Balance as the beginning of the year (Rs.)	Additions (Deduction) during the year (Rs.)	Utilization / Expenditure (Rs.)	Balance outstanding at the end of the year 2020-21 (Rs.)
3411000	<u>Civil Work</u>					
3412000	<u>Electrical Work</u>					
3418000	<u>Others - Deposit Works</u>		15,37,94,349	5,29,14,003	61,34,000	20,05,74,352
3410000	Total of deposit Works		15,37,94,349	5,29,14,003	61,34,000	20,05,74,352



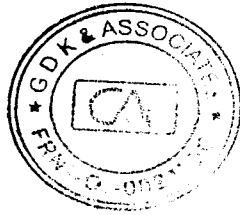
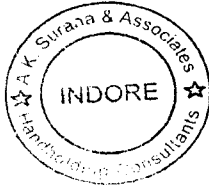
INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-9: Other Liabilities (Sundry Creditors)

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3501000	Creditors	2,83,91,76,902	3,92,39,65,500
3501100	Employee Liability	28,02,41,214	35,08,83,624
3502000	Government Dues Payable	12,75,94,350	9,08,59,476
3502034	Recoveries Payable	41,78,39,194	67,55,26,564
3504100	Advance collection of Revenues	1,19,21,10,900	83,18,15,778
350100C	Other Liabilities - Project Uday	16,01,06,942	10,56,61,358
350100C	Other Liabilities - DFID	65,438	65,438
350800C	Miscellaneous Receipts	47,34,27,667	36,33,48,934
3500000	Total Other Liabilities (Sundry Creditors)	5,49,05,62,608	6,34,21,26,672



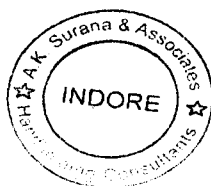
INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-10: Provisions

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
3601000	Provision for Expenses :		
	Electricity Bill	3,86,34,093	3,02,86,294
	Fuel Expenses (Diesel)	3,94,11,981	4,21,65,978
	Telephone Exp. Payable	8,31,729	12,67,387
3602000	Provision for Interest		
3603000	Provision for Other Assets		
3600000	Total	7,88,77,803.00	7,37,19,659.07





NDORE MUNICIPAL CORPORATION
SCHEDULE FORMING PART OF BALANCE SHEET

XED ASSETS AGAINST MUNICIPAL FUNDS

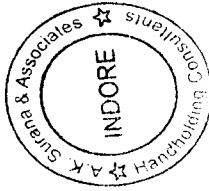
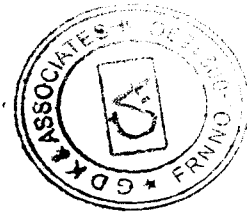
INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF BALANCE SHEET

Schedule B-11 B : Fixed Assets (Amount in Rupees)

FIXED ASSETS AGAINST GRANT FUNDS

Account Code	Particulars	Gross Block (at Cost)				Accumulated Depreciation			Net Block	
		Opening Balance	Additions during the period	Deductions during the period	Cost at the end of the year 2020-21	Opening Balance	Additions during the period	Deductions during the period	Amount As on 31 March 2021 (Rs.)	Amount As on 31 March 2020 (Rs.)
1	2	3	4		6	7	8	9	11	12
101000	Land	30,03,648	-	-	30,03,648	-	-	-	30,03,648	30,03,648
102000	Building	3,43,49,57,146	1,13,35,549	-	3,44,62,92,695	76,48,79,480	11,47,93,842	-	2,56,66,19,373	2,67,00,77,666
103000	Roads & Bridges	1,69,21,17,328	48,90,058	-	1,69,70,07,386	1,31,84,64,714	5,36,32,414	-	32,49,10,258	37,36,52,614
103100	Drainage & Sewerage	5,32,27,91,197	1,68,92,221	-	5,33,96,83,418	2,63,97,57,607	35,49,51,973	-	2,34,49,73,838	2,68,30,33,590
103200	Water Works	38,47,37,679	-	-	38,47,37,679	9,69,77,119	96,10,529	-	27,81,50,031	28,77,60,560
103300	Lighting	5,36,28,553	-	-	5,36,28,553	4,54,11,799	39,58,704	-	42,58,050	82,16,754
105000	Vehicle	18,70,76,784	-	-	18,70,76,784	5,90,07,035	1,87,07,678	-	10,93,62,070	12,80,69,749
106000	Office Equipment & Computers	4,18,38,498	12,48,84,105	-	16,67,22,603	1,74,50,379	1,26,66,708	-	13,66,05,516	2,43,88,119
107000	Furniture & Fixtures	22,20,375	-	-	22,20,375	20,41,314	59,806	-	1,19,255	1,79,061
108000	Other Fixed Assets	37,50,000	-	-	37,50,000	37,49,999	-	-	1	1
	SUB Total	11,12,61,21,208	15,80,01,933	-	11,28,41,23,141	4,94,77,39,446	56,83,81,655	-	5,51,61,21,101.34	6,17,83,81,762
120000	Capital Work in Progress	9,78,69,40,080	1,80,16,70,636	-	11,58,86,10,716	-	-	-	11,58,86,10,716	9,78,69,40,080
	TOTAL	20,91,30,61,288	1,95,96,72,569	-	22,87,27,33,857	4,94,77,39,446.09	56,83,81,655	-	17,35,66,12,755	15,96,53,21,842



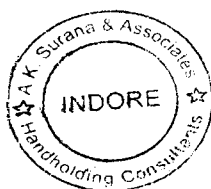
INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-12: Investment - General Fund

(Amount in Rupees)

Account Code	Particulars	Face Value (Rs.)	Accrued Interest	Carrying Cost As on 31st March 2021 (Rs.)	Carrying Cost As on 31st March 2020 (Rs.)
4201000	Central Government Securities	-	-	-	-
4202000	State Government Securities	-	-	-	-
4203000	Debentures and Bonds	-	-	-	-
4204000	Preference Shares	-	-	-	-
4205000	Equity Shares	-	-	-	-
	1. Indore Development Fund Limited	5,00,000	-	5,00,000	5,00,000
	(Equity Shares 50000 of Rs. 10/- each)				
	2. Indore Smart City Development Limited	51,78,00,000	-	51,78,00,000	51,78,00,000
	(Equity Shares 51780000 of Rs. 10/- each)				
	3. Atal Indore City Transport Services Limited	12,99,650	-	12,99,650	12,99,650
	(Equity Shares 129965 of Rs. 10/- each)				
4206000	Units of Mutual Funds	-	-	-	-
4208000	Other Investments	-	-	-	-
	FDRs With Banks			86,62,57,536	73,75,35,958
	FDR - Sinking Fund Resrve for Bond Redemption			37,30,65,656	24,48,24,993
	FDR - Debt Service Resrve Account for Bond			12,96,00,000	12,96,00,000
4200000	Total of Investments General Fund	51,95,99,650	-	1,88,85,25,842	1,63,15,60,601



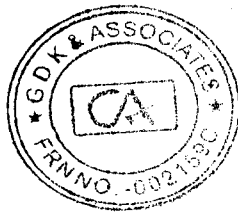
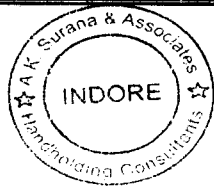
INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-13: Investment - Other Fund

(Amount in Rupees)

Account Code	Particulars	Face Value (Rs.)	Accrued Interest	Carrying Cost As on 31st March 2021 (Rs.)	Carrying Cost As on 31st March 2020 (Rs.)
4211000	Central Government Securities	-	-	-	-
4212000	State Government Securities	-	-	-	-
4213000	Debentures and Bonds	-	-	-	-
4214000	Preference Shares	-	-	-	-
4215000	Equity Shares	-	-	-	-
4216000	Units of Mutual Funds	-	-	-	-
4218000	FDR with Bank (GPF)	-	-	28,16,49,110	18,22,31,382
	FDR with Bank (Grant)	-	-	44,50,00,000	50,98,22,883
4210000	Total Investment - Other Funds	-	-	72,66,49,110	69,20,54,265



INDORE MUNICIPAL CORPORATION

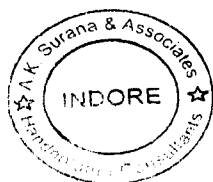
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-14: Stock in Hand (Inventories)

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
4301000	Stores Loose		
	Consumable Store	10,86,83,802	6,83,55,371
4302000	Loose Tools	-	-
4303000	Others		
	PMAY Unit Inventory (WIP)	6,73,26,42,837	4,68,67,12,607
	RAY Unit Inventory (WIP)	59,51,43,188	53,15,56,819
4300000	Total	7,43,64,69,827	5,28,66,24,797



INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-16: Prepaid Expenses

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
4401000	Establishment		
4402000	Administrative		
4403000	Operation & Maintenance:		
	Insurance (Vehicles)	54,08,476	97,18,507
	Total Prepaid Expenses	54,08,476	97,18,507



INDORE MUNICIPAL CORPORATION

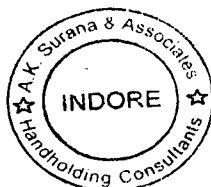
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-17: Cash and Bank Balances

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
4501000	Cash in Hand	6,92,746	2,70,705
	Total (Cash & Cheques in hand) - A	6,92,746	2,70,705
4502000	Balance with Bank - Municipal Funds		
4502101	Nationalised Banks		
4502201	Other Scheduled Banks		
4502301	Scheduled Co-operative Banks		
4502401	Post Offices		
	Treasury		
	Sub-Total	-	-
4504000	Balance With Bank - Special Funds (GPF)		
4504101	Nationalised Bank		
4504201	Other Scheduled Banks		
4504301	Scheduled Co-operative Banks		
4504401	Post Offices		
	Treasury		
	Sub-Total	-	-
4504000	Balance With Bank - Special Funds (FBF & Contribution Pension)		
4504101	Nationalised Bank		
4504201	Other Scheduled Banks		
4504301	Scheduled Co-operative Banks		
4504401	Post Offices		
	Treasury		
	Sub-Total	-	-
4506000	Balance With Bank - Grant Funds		
4506101	Nationalised Bank		
4506201	Other Scheduled Banks		
4506301	Scheduled Co-operative Banks		
4506401	Post Offices		
	Treasury		
	Sub-Total	-	-
4507000	Balance With Bank - Deposit Works		
4507101	Nationalised Bank		
4507201	Other Scheduled Banks		
4507301	Scheduled Co-operative Banks		
4507401	Post Offices		
	Treasury		
	Sub-Total	-	-
	Total (Cash at Banks) - B	4,73,74,41,694	2,34,66,07,105
	Total Cash & Bank balances	4,73,81,34,440	2,34,68,77,809



INDORE MUNICIPAL CORPORATION **SCHEDULE FORMING PART OF BALANCE SHEET**



Schedule B-18: Loans, Advances and Deposits

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
4601000	Loans and Advances to Employees	-	-
4602000	Employee Provident Fund Loans	-	-
4603000	Loans to Others	4,13,54,81,502	4,26,15,563
4604000	Advances to Suppliers and Contractors - Mobilisation Advances	14,36,74,135	1,11,53,820
4605000	Advances to Employees for Expenses	44,57,322	60,14,176
4606000	Deposit with External Agencies	34,54,05,846	31,70,15,821
	Sub Total	4,62,90,18,806	4,66,03,35,380
	Less: Accumulated Provisions against Loans, Advances and Deposits	-	-
	[Schedule B-18 (a)]	-	-
4600000	Total Loans, Advances and Deposits	4,62,90,18,806	4,66,03,35,380

Schedule B-18 (a) : Accumulated Provisions against Loans, Advances and Deposits

Account Code	Particulars	Current Year (Rs.)	Previous Year (Rs.)
	Loans to Others		
	Advances		
	Deposits		
	Total Provisions Loans, Advances and Deposits	-	-



INDORE MUNICIPAL CORPORATION

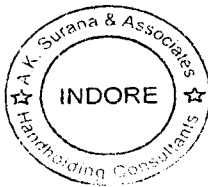
SCHEDULE FORMING PART OF BALANCE SHEET



Schedule B-19: Other Assets

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2021	As on 31st March 2020
4701000	Deposit Works	-	-
4702000	Other assets control accounts	1,39,44,591	2,13,22,671
4700000	Total	1,39,44,591	2,13,22,671



INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF BALANCE SHEET



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

(Amount in Rupees)

Account Code	Particulars	As on 31st March 2020	As on 31st March 2019
4801000	Loan Issue Expenses	-	-
	Deferred Discount on Issue of Loans	-	-
	Deferred Revenue Expenses	-	-
	Others	-	-
4800000	Total Miscellaneous Expenditure	-	-



INDORE MUNICIPAL CORPORATION

**STATEMENT OF INCOME &
EXPENDITURE**

FOR THE YEAR 2020-21

INDORE MUNICIPAL CORPORATION

INCOME AND EXPENDITURE STATEMENT

(FOR THE PERIOD FROM 1 APRIL, 2020 TO 31ST MARCH, 2021)



(Amount in Rs.)

	Item / Head of Account	Schedule No	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
A	INCOME			
	Tax Revenue	IE-1	4,87,94,63,175	5,67,15,08,091
	Assigned Revenues & Compensation	IE-2	5,53,65,54,190	5,81,63,05,938
	Rental Income from Municipal Properties	IE-3	8,43,25,001	4,92,46,263
	Fees & User Charges	IE-4	1,68,74,24,050	1,93,26,72,988
	Sales & Hire Charges	IE-5	3,25,19,571	1,98,40,134
	Revenue Grants, Contributions & Subsidies	IE-6	2,69,75,40,346	2,47,31,29,849
	Income from Investments	IE-7	9,73,81,661	12,92,43,159
	Interest Earned	IE-8	6,29,68,395	9,07,16,567
	Other Income	IE-9	57,12,46,423	57,09,84,641
	Total - INCOME		15,64,94,22,814	16,75,36,47,631
B	EXPENDITURE			
	Establishment Expenses	IE-10	4,17,29,40,890	4,13,41,80,277
	Administrative Expenses	IE-11	63,49,57,282	57,98,71,341
	Operations & Maintenance	IE-12	3,90,11,41,533	3,76,76,03,663
	Interest & Finance Expenses	IE-13	31,57,37,283	28,61,23,624
	Programme Expenses	IE-14	4,00,72,976	4,92,52,077
	Revenue Grants, Contributions & Subsidies	IE-15	48,59,78,615	62,79,90,610
	Provisions & Write off	IE-16	12,71,56,106	1,44,77,42,386
	Miscellaneous Expenses	IE-17	6,89,77,719	2,85,40,243
	Depreciation		2,50,12,02,606	2,44,62,32,030
	Total - EXPENDITURE		12,24,81,65,010	13,36,75,36,249
C	Gross Surplus / (Deficit) of Income over Expenditure before Prior Period Items (A-B)		3,40,12,57,804	3,38,61,11,382
D	Add/Less: Prior Period Items (Net)	IE-18	-	-
E	Gross Surplus / (Deficit) of Income over Expenditure after Prior Period Items (C-D)		3,40,12,57,804	3,38,61,11,382
F	Less: Transfer to Reserve Funds		74,58,91,317	79,81,35,163
H	Net Balance being Surplus / (deficit) carried over to Municipal Fund (E-F-G)		2,65,53,66,487	2,58,79,76,218

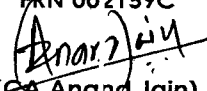

Commissioner
Indore Municipal Corporation


Additional Commissioner - Finance
Indore Municipal Corporation


A. K. Surana & Associates
Handholding Consultants

Place: Indore
Date: 23/12/2021
UDIN: 22427705AAAAAF6149



As per Our Report Attached of Even Date
For GDK & Associates
Chartered Accountants
FRN 002159C

(CA Anand Jain)
Partner
M. No. 427705





INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD FROM 1 APRIL, 2020 TO 31ST MARCH, 2021

Schedule IE-1: Tax Revenue

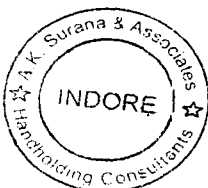
(Amount in Rs.)			
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1100100	Property Tax	3,25,24,68,017	3,90,13,82,558
1100201	Water Tax	1,04,35,10,937	1,04,33,06,568
1100206	Sewerage Tax	22,79,35,130	29,56,94,175
1100400	Conservancy Tax	-	-
1100500	Lighting Tax	-	-
1100601	Education Tax	34,09,39,558	41,35,32,265
1100701	Vehicle Tax	-	-
1100801	Tax on Animals	3,400	22,300
1101000	Professional Tax	-	-
1101100	Advertisement Tax	1,32,85,433	69,09,489
1101200	Pilgrimage Tax	-	-
1105100	Octroi & Toll	-	-
1101300	Cess	-	-
1108000	Other Taxes	13,20,700	1,06,60,735
1100000	Sub-Total	4,87,94,63,175	5,67,15,08,091
1109001	Less: Tax Remission and Refund [Schedule IE-1 (a)]	-	-
	Sub-Total	-	-
1100000	Total Tax Revenues	4,87,94,63,175	5,67,15,08,091

Schedule IE-1 (A) : Remission and Refund of Taxes

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
	Property Tax	-	-
	Octroi & Toll	-	-
	Cess Income	-	-
	Others	-	-
1109001	Total refund & remission of tax revenues	-	-

Schedule IE-2 : Assigned Revenues & Compensation

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1201000	Taxes & Duties Collected by others	1,11,62,73,000	1,19,77,36,000
1202000	Compensation in lieu of Taxes / Duties	4,42,02,81,190	4,61,85,69,938
1203000	Compensation in lieu of Concessions	-	-
1200000	Total Assigned Revenues & Compensation	5,53,65,54,190	5,81,63,05,938





Schedule IE-3 : Rental Income From Municipal Corporation

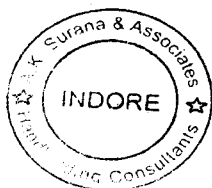
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1301000	Rent from Civic Amenities	7,83,69,120	1,84,73,608
1302000	Rent from Office Buildings	26,600	2,17,23,325
1303000	Rent from Guest Houses	4,390	50
1304000	Rent from Lease Lands	59,24,891	1,15,53,358
1305000	Other Rents	-	-
	Sub-Total	8,43,25,001	5,17,50,341
	Less: Rent Remission & Refunds	-	25,04,078
	Sub-Total	-	25,04,078
1300000	Total Rental Income from Municipal Properties	8,43,25,001	4,92,46,263

Schedule IE-4 : Fees & User Charges- Income Head-Wise

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1401000	Empanelment & Registration Charges	15,39,10,828	17,82,01,946
1401100	Licensing Fess	27,74,54,210	19,96,05,666
1401200	Fees for Grant of Permit	43,02,45,776	60,17,90,233
1401300	Fees for Certificate or Extract	83,76,873	94,20,862
1401400	Development Charges	76,23,25,900	74,73,20,274
1401500	Regularization Fees	4,750	1,35,25,736
1402000	Penalties and Fines	1,03,32,992	40,37,620
1404000	Other Fees	77,67,965	1,02,90,989
1405000	User Charges	14,26,844	96,07,342
1406000	Entry Fees (Zoo & Garden)	1,64,20,403	4,73,28,091
1407000	Service / Administrative Charges	13,94,108	2,46,960
1408000	Other Charges	1,77,63,401	11,42,37,824
	Sub-Total	1,68,74,24,050	1,93,56,13,543
	Less: Remission & Refunds	-	29,40,555
	Sub-Total	-	29,40,555
1400000	Total Income from Fees & User Charges	1,68,74,24,050	1,93,26,72,988

Schedule IE-5 : Sale & Hire Charges

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1501000	Sale of Products	14,60,298	37,76,750
1501100	Sale of Forms & Publications	1,17,70,024	1,44,09,436
1501200	Sale of Stores & Scrap	75,66,222	41,163
1503000	Sale of Others	1,17,23,028	16,12,785
1504000	Hire Charges of Vehicles	-	-
1504100	Hire charges of Equipments	-	-
1500000	Total Income from Sale & Hire Charges	3,25,19,571	1,98,40,134





Schedule IE-6 : Revenue Grants, Contributions & Subsidies

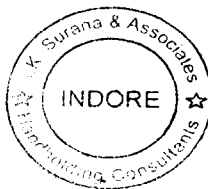
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1601000	Grant for Mid Day Meal	-	-
1601000	Revenue Grant	30,79,36,931	46,33,30,444
1601002	Grant for Road Maintenance	23,85,33,000	15,43,45,000
1601003	Grant State Finance Commission	7,82,12,000	4,86,92,000
1601004	Grant for Water Management	5,24,84,000	5,58,60,000
1601010	Other Grants	3,74,415	1,405
1603002	Grant 14th Finance	2,02,00,00,000	1,75,09,01,000
1600000	Total Revenue Grants, Contributions & Subsidies	2,69,75,40,346	2,47,31,29,849

Schedule IE-7 : Income From Investments-

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1701000	Interest on Investments - General Fund	9,73,81,661	12,92,43,159
1702000	Dividend	-	-
1703000	Income from project taken up on Commercial basis	-	-
1704000	Profit in sale of Investments	-	-
1708000	Others	-	-
1700000	Total Income from Investments	9,73,81,661	12,92,43,159

Schedule IE-8 : Interest Earned

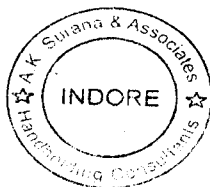
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1711000	Interest from Bank Accounts	6,26,10,662	9,07,16,567
1712000	Interest on Loans and Advances to Employees	-	-
1713000	Interest on Loans to Others	-	-
1714000	Other Interest	3,57,733	-
1710000	Total- Interest Earned	6,29,68,395	9,07,16,567





Schedule IE-9 : Other Income

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
1801000	Deposits Forfeited	-	-
1801100	Lapsed Deposits	-	-
1802000	Insurance Claim Recovery	-	-
1803000	Profit on Disposal of Fixed Assets	-	-
1804000	Recovery from Employees	-	-
1805000	Unclaimed Refund/ Liabilities	-	-
1806000	Excess Provision Written Back	-	-
1808000	Miscellaneous Income	28,64,768	1,20,68,937
1809000	Deferred Income (Transferred from Capital Reserve for Depreciation on Assets out Grant Fund)	56,83,81,655	55,89,15,704
1800000	Total Other Income	57,12,46,423	57,09,84,641





INDORE MUNICIPAL CORPORATION

SCHEDULE FORMING PART OF INCOME AND EXPENDITURE STATEMENT FOR THE PERIOD FROM 1 APRIL, 2020 TO 31ST MARCH, 2021

Schedule IE-10: Establishment Expenses

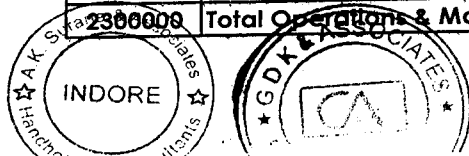
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2101000	Salaries, Wages and Bonus Benefits and Allowances	3,19,07,37,868	3,59,21,78,337
2102000	Benefits and Allowances	24,24,53,960	32,39,73,194
2103000	Pension	60,11,60,817	6,61,30,863
2104000	Other Terminal & Retirement Benefits	13,85,88,245	15,18,97,882
2100000	Total Establishment Expenses	4,17,29,40,890	4,13,41,80,277

Schedule IE-11: Administrative Expenses

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2201000	Rent Rates and Taxes	-	2,00,84,546
2201100	Office Maintenance	8,03,953	26,15,404
2201200	Communication Expenses	1,42,14,218	1,74,81,104
2201240	Computerization Expenses-eGovernance	2,22,35,355	2,94,70,496
2202000	Books & Periodicals	3,78,480	5,46,737
2202100	Printing & Stationery	26,28,803	89,42,804
2203000	Conveyance & POL Expenses	37,00,44,280	33,85,71,530
2204000	Insurance	1,63,72,071	1,74,52,007
2205000	Audit Fees	-	4,00,00,000
2205100	Legal Expenses	45,97,712	3,08,997
2205200	Professional and Other Fees	3,88,76,977	2,89,22,546
2206000	Advertisement & Publicity	9,37,93,616	6,80,43,070
2206100	Membership & Subscriptions	-	-
2208000	Other Administrative Expenses	7,10,11,818	74,32,100
2200000	Total Administrative Expenses	63,49,57,282	57,98,71,341

Schedule IE-12: Operations & Maintenance

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2301000	Power & Fuel	1,87,43,90,750	2,28,02,65,664
2302000	Emergency Water Supply	13,92,74,515	8,24,04,585
2303000	Consumption of Stores	10,91,09,259	18,63,56,057
2304000	Hire Charges	25,98,49,386	33,85,49,955
2305000	Repairs & Maintenance- Infrastructure Assets	80,72,28,547	45,27,15,462
2305100	Repairs & Maintenance- Civic Amenities	31,71,15,852	24,09,46,366
2305200	Repairs & Maintenance- Buildings	4,48,71,543	4,21,76,061
2305300	Repairs & Maintenance- Vehicles	67,29,371	3,23,11,521
2305400	Repairs & Maintenance- Furniture	-	1,80,672
2305500	Repairs & Maintenance- Office Equipment	3,97,641	16,98,302
2305900	Repairs & Maintenance- Others	14,63,05,508	5,24,40,995
2308000	Other Operating & Maintenance Expenses	19,58,69,161	5,75,58,023
2300000	Total Operations & Maintenance Expenses	3,90,11,41,533	3,76,76,03,663





Schedule IE-13: Interest & Finance Charges

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2401000	Interest on Loans from Central Government	-	-
2402000	Interest on Loans from State Government	-	-
2403000	Interest on Loans from Government Bodies & Association	27,18,84,510	28,02,23,713
2404000	Interest on Loans from International Agencies	-	-
2405000	Interest on Loans from Banks & Other Financial Institutions (Over Draft & Term Loan)	3,93,72,843	58,99,911
2406000	Other Interest	44,79,930	-
2407000	Bank Charges	-	-
2408000	Other Finance Expenses	-	-
2400000	Total Interest & Finance Charges	31,57,37,283	28,61,23,624

Schedule IE-14: Programme Expenses

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2501000	Election Expenses	12,28,433	99,650
2501002	Mid Day Meal in Government School	-	-
2501003	Dr. Shyama Prasad Mukherjee Accidental Insurance Scheme (For Citizen of Indore)	-	-
2502000	Own Programs	3,78,19,513	4,42,11,143
2503000	Share in Programs of Others	10,25,030	49,41,284
2500000	Total Programme Expenses	4,00,72,976	4,92,52,077

Schedule IE-15: Revenue Grants, Contributions & Subsidies

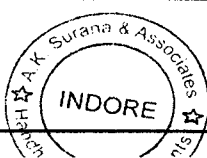
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2601000	Grant	31,22,81,675	46,33,30,444
2602000	Contributions	-	-
2603000	Subsidies (Specify details)	17,36,96,940	16,46,60,166
2600000	Total Revenue Grants, Contributions & Subsidies	48,59,78,615	62,79,90,610

Schedule IE-16: Provisions & Write Off

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2701000	Provisions for doubtful receivables	-	1,03,91,92,529
2702000	Provisions for Other Assets	-	-
2703000	Revenues written off	12,71,56,106	40,85,49,857
2704000	Assets written off	-	-
2705000	Miscellaneous Expenses written off	-	-
	Total Provisions & Write off	12,71,56,106	1,44,77,42,386

Schedule IE-17: Miscellaneous Expenses

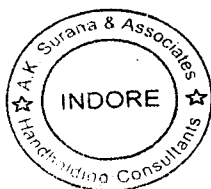
Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
2711000	Loss on disposal of Assets	-	-
2712000	Loss on disposal of Investments	-	-
2718000	Other Miscellaneous Expenses	6,89,77,719	2,85,40,243
2718001	Assets written off	-	-
2710000	Total Miscellaneous Expenses	6,89,77,719	2,85,40,243





Schedule IE-18: Prior Period Items (Net)

Account Code	Particulars	Amount For the year 2020-21 (Rs.)	Amount For the year 2019-20 (Rs.)
	Income		
	Taxes Other-Revenues	-	-
	Recovery of Revenues written off	-	-
	Other Income	-	-
	Sub - Total Income (a)	-	-
	Expenses		
2855000	Refund of Taxes	-	-
2856000	Refund of Other Revenues	-	-
2857000	Other Expenses	-	-
	Sub - Total Expenses (b)	-	-
	Total Prior Period (Net) (a-b)	-	-



INDORE MUNICIPAL CORPORATION

CASH FLOW STATEMENT

FOR THE YEAR 2020-21

INDORE MUNICIPAL CORPORATION

STATEMENT OF CASHFLOW

(As at 31 March 2021)



Particulars	Current Year (Rs.)		Previous Year (Rs.)	
[A] Cash Flows from Operating Activities				
Gross Surplus Over Expenditure		3,40,12,57,804		3,38,61,11,382
Add: Adjustments For				
Depreciation	2,50,12,02,606		2,44,62,32,030	
Interest And Finance Expenses	31,57,37,283	2,81,69,39,888	28,61,23,624	2,73,23,55,654
Less: Adjustments For				
Investment Income	9,73,81,661		12,92,43,159	
Interest Income Received	6,29,68,395	-16,03,50,057	9,07,16,567	-21,99,59,726
Adjusted Income Over Expenditure Before Effecting Changes In Current Assets And Current Liabilities And Extraordinary Items		6,05,78,47,635		5,89,85,07,309
Changes In Current Assets And Current Liabilities				
(Increase)/Decrease In Sundry Debtors	-1,78,85,24,499		-1,66,43,00,554	
(Increase)/Decrease In Stock In Hand	-2,14,98,45,030		-3,09,63,52,833	
(Increase)/Decrease In Prepaid Expenses	43,10,031		-11,08,170	
(Increase)/Decrease In Other Current Assets	73,78,080	-3,92,66,81,418	-24,88,450	-4,76,42,50,008
(Decrease)/Increase In Deposits Received	43,11,99,514		17,75,24,041	
(Decrease)/Increase In Deposits Work	4,67,80,003		1,84,57,649	
(Decrease)/Increase In Other Current Liabilities	-85,15,64,064		1,32,68,23,111	
(Decrease)/Increase In Provisions	51,58,144	-36,84,26,403	33,18,317	1,52,61,23,119
Extra ordinary items (please specify)				
Net Cash Generated from / (Used In) Operating Activities [A]		1,76,27,39,813		2,66,03,80,420
[B] Cash Flows from Investing Activities				
Purchase Of Fixed Assets And Cwip	-4,17,54,04,109		-5,07,63,39,026	
Increase/(Decrease) In Municipal Fund	-12,63,55,464		-1,10,59,37,266	
Increase/(Decrease) In Special Funds/ Grants	1,13,76,15,672		27,81,26,065	
Increase/(Decrease) In Earmarked Funds	-2,56,87,997		1,64,46,824	
Sale/(Purchase) Of Investments	-29,15,60,086	-3,48,13,91,984	22,59,51,686	-5,66,17,41,717
Add:				
Investment Income Received	9,73,81,661		12,92,43,159	
Interest Income Received	6,29,68,395	16,03,50,057	9,07,16,567	21,99,59,726
Net cash generated from/(used In) Investing activities [B]		-3,32,10,41,927		-5,44,17,81,991
[C] Cash flows from Financing Activities				
Add:				
Loans From Banks/Others Received (Unsecured & Secured)	3,20,00,00,000		12,21,07,000	
Transfer to Reserve	1,39,12,90,913		2,28,49,79,785	
Loan Recovered From Employees	-	4,59,12,90,913	-	2,40,70,86,785
Less:				
Deposits Made	2,83,90,025		3,36,40,871	
Repayment of Loan (Unsecured & Secured)	25,73,11,461		43,71,18,420	
Loans & Advances to Employess	-15,56,854		-17,26,395	
Loans to Others	4,18,50,254		37,67,482	
Interest & Finance Expenses	31,57,37,283	-64,17,32,169	28,61,23,624	-75,88,74,002
Net Cash Generated From/(Used In) Financing Activities [C]		3,94,95,58,744		1,64,82,12,782
Net Increase /(Decrease) In Cash And Cash Equivalents (A+B+C)		2,39,12,56,631		-1,13,31,88,788
Cash And Cash Equivalent At Beginning Of The Period		2,34,68,77,809		3,48,00,66,598
Cash and cash equivalent at end of the period		4,73,81,34,440		2,34,68,77,809
Cash and cash equivalent at the end of the year comprises of the following assets and liabilities at the end of the year:				
Cash balance	6,92,746		2,70,705	
Bank balance	4,73,74,41,694		2,34,66,07,105	

INDORE MUNICIPAL CORPORATION

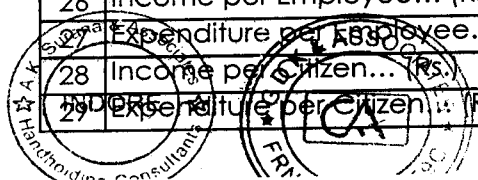
FINANCIAL PERFORMANCE INDICATORS

FOR THE YEAR 2020-21



INDORE MUNICIPAL CORPORATION **FINANCIAL PERFORMANCE INDICATORS** **FOR THE FINANCIAL YEAR 2020-21**

Sr. No.	Particulars	Current Year	Previous Year
A	Income Ratios		
1	Tax Revenue to Total Income Ratio... (%)	31.8	33.85
2	Property & Other Taxes to Total Income Ratio... (%)	31.09	33.75
3	Octroi/Cess to Total Income Ratio... (%)	28.25	27.57
4	Assigned Revenues & Compensations to Total Income Ratio (%)	35.38	34.72
5	Rental Income from Municipal Properties to Total Income Ratio (%)	0.34	0.29
6	Fees & User Charges to Total Income Ratio... (%)	10.78	11.54
7	Revenue Grants, Contributions & Subsidies to Total Income Ratio (%)	17.24	14.76
B	Expense Ratios		
8	Establishment Expenses to Total Income Ratio... (%)	26.67	24.68
9	Administrative Expenses to Total Income Ratio... (%)	4.06	3.46
10	Operations & Maintenance to Total Income Ratio... (%)	24.53	22.49
11	Interest Expense to Total Income Ratio... (%)	2.02	1.71
C	Net Income Ratios		
12	Cash Surplus / Deficit to Total Income Ratio... (%)	34.08	37.68
D	Efficiency Ratios		
13	Gross Property Tax Receivables Ratio... (No. of Days)	1172.00	917.72
14	Gross Cess Receivables Ratio... (No. of Days)	N.A.	N.A.
15	Property Tax Receivable to Property Tax Income Ratio (%)	321.10	251.43
16	Cess Receivable to Cess Income Ratio (%)	N.A.	N.A.
17	Operations & Maintenance to Gross Fixed Assets Ratio (%)	9.23	9.46
18	Interest Expense to Loans Ratio... (%)	4.87	8.08
E	Leverage Ratios		
19	Loans to Reserves Ratio or Debt-Equity Ratio... (times)	0.14	0.09
20	Interest Coverage Ratio... (times)	17.87	23.06
21	Debt Service Coverage Ratio... (times)	8.17	11.16
F	Investment Ratios		
22	Earmarked Fund Investments to Earmarked Funds Ratio (%)	62.43	38.25
23	Interest on Investments Ratio... (%)	3.72	5.56
G	Liquidity Ratio		
24	Current Assets to Current Liabilities Ratio... (times)	3.62	2.69
H	Asset Ratios		
25	Fixed Assets to Total Assets Ratio... (%)	53.83	58.63
I	Performance Ratios		
26	Income per Employee... (Rs.)	724443.24	952994.75
27	Expenditure per Employee... (Rs.)	566992.18	760383.18
28	Income per Citizen... (Rs.)	5027.12	7631.69
29	Expenditure per Citizen... (Rs.)	3934.52	6089.23



INDORE MUNICIPAL CORPORATION

ACCOUNTING POLICIES & NOTES ON ACCOUNTS

FOR THE YEAR 2020-21

INDORE MUNICIPAL CORPORATION

Accounting Policies (Schedule B - 21)

The significant Accounting Policies and Principles adopted for compiling Income and Expenditure & Balance Sheet of IMC as on 31.03.2021 covers the following:

1.0 Income

1.1. Property Taxes

- a) Revenue in respect of Property and Other Related Taxes including surcharge are recognized in the period in which they become due.
- b) In case of new or changes in assessments, it is taken as accrued in the month in which the demand is served.

1.2. Water Supply

- a) Revenue in respect of Water Tax, Water Supply Charges, Meter Rent, are recognized in the period in which they become due, i.e., when the bills are raised.
- b) Revenue in respect of Connection Charges for Water Supply is recognized on cash basis.
- c) Revenue in respect of Water Tanker Charges and Road Damage Recovery Charges, Penalties are recognized on cash basis.
- d) Revenue in respect of Notice Fee, Warrant Fee, and Other Fees are recognized when the bills for the same are raised.

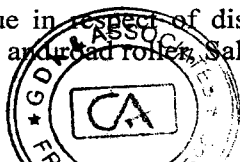
1.3. Solid Waste Management Fees

Revenue in respect of Solid Waste Management fee and charges, where separately levied by the IMC (and not included under any other tax) are recognized in the period in which they become due.

1.4. Rentals, Fees, and Other Sources of Income

- a) Revenues in respect of rent from municipal properties are recognized when accrued, based on terms of lease/ rent agreement.
- b) Revenue in respect of renewal Trade License Fees are recognized on cash basis.
- c) Revenues in respect of Profession Tax on Organizations / entities, where levied, are recognized on cash basis.
- d) Revenue in respect of advertisement fee are recognized when accrued based on terms of lease/ rent agreement.
- e) Other income, in respect of which demand is ascertainable and can be raised in regular course of operations of the IMC, is recognized in the period in which they become due and bills are raised.
- f) Other Income, 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 IMC, are recognized on actual cash basis.
- g) Revenue in respect of Property Transfer Charges are recognized on cash basis.
- h) Revenue in respect of collection charges or share in collection made by IMC or by any other agency on behalf of State Government are recognized on receipt.
- i) Revenue in respect of rent of equipment provided to the contractors and deducted from their bills is recognized when the deductions are made.

Revenue in respect of dispensaries fees and/or hire charges in respect of ambulance, vehicle and road roller, Sale of waste and scrap where are recognized on actual receipt.



INDORE MUNICIPAL CORPORATION

1.5. Common Accounting Principles Concerning Income Accounting

The following principles apply uniformly on income from Property and Other Taxes, Water Supply and Rentals, Fees and Other Sources of Income:

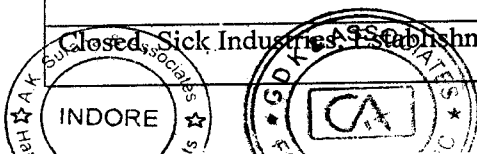
- a) Interest element and Penalties, if any, in demand are reckoned on receipt.
- b) Revenue in respect of Notice Fee and Other Fees charged is recognized when the bills for the same are raised.
- c) Refunds, remissions of taxes for the current year are adjusted against the income and if pertain to previous years then it is treated as prior period item.
- d) Write-off of taxes is adjusted against the provisions made.
- e) Demands raised with retrospective effect are treated as prior period income to the extent it pertains to earlier years.
- f) Demand raised arising out of change in self-assessment of properties is treated as 'Change in Demand' and is accounted for as income relating to previous year to the extent it pertains to earlier years.
- g) Refunds, remissions of all kind of incomes for the current year is adjusted against the income and if pertain to previous years then it treated as prior period item
- h) Write-offs of Other Incomes is adjusted against the provisions made.
- i) Any subsequent collection or recovery of all kinds of receivables, which were already written off, is recognized as a 'Prior Period Income'.
- j) In case collection of any income is under litigation, the same is not accrued but a disclosure is made in the Notes to Accounts.
- k) Any additional provision for demand outstanding required to be made during the year is recognized as expenditure and any excess provision written back during the year is recognized as income of the IMC.

1.6. The Earnest Money Deposit and Security Deposit received if forfeited is recognized as income when the right for claiming refund of deposit has expired.

1.7 Provisions for Arrears of Income

The age-wise analysis of all receivables on account of taxes, fees, rental and charges is made and provision is made at the rates stated herein below, at the yearend and disclosed in Notes forming part of the annual financial statements.

Particulars	Provision (in %)					
	< 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4 to 5 Years	> 5 Years
Property, and related, taxes	NIL	NIL	25%	50%	75%	100%
Water, Sewerage, Solid Waste Management Fee and Charges	NIL	NIL	25%	50%	75%	100%
Lease, Rentals	NIL	NIL	25%	50%	75%	100%
All Other Accrued Revenues	NIL	25%	50%	100%	100%	100%
Closed Sick Industries Establishment	100%					



INDORE MUNICIPAL CORPORATION

1.8 Grants

1.8.1. Revenue Grant

- a) General purpose Grants of a revenue nature are recognized on accrual basis.
- b) Grants received or receivable in respect of specific revenue expenditure are recognized as income in the accounting year in which the corresponding revenue expenditure is charged to the Income and Expenditure Account.

1.8.2. Capital Grant

- a) Grants received towards capital expenditure are accounted on accrual basis. The amount is initially be credited to a Capital Grant head under 'Liabilities' and on acquisition/ construction of the asset the value of the amount so spent is debited to the liability head by corresponding credit to 'Grant Against Fixed Assets'.
- b) 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 IMC are treated as a liability till such time it is used for the intended purpose. Upon utilisation for the intended purpose, the extent of liability is reduced with the value of such utilization.
- c) Grants in the form of non-monetary assets (such as fixed assets given at a concessional rate) is accounted for on the basis of the acquisition cost. In case a non-monetary asset is received free of cost, it is recorded at a nominal value (Rupee One).
- d) Income on investments made from 'Specific Grants received in advance' is recognized and credited to the Specific Grant, whenever accrued. Profit/loss, if any, arising on disposal of investments made from the 'Specific Grant received in advance' is recognized and credited/debited to the Specific Grant.

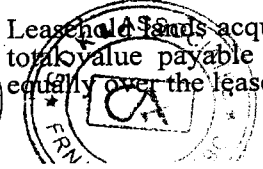
1.9 Assets

1.9.1 Fixed Assets

Fixed assets include Land: Parks; Buildings; Roads and Bridges; Waterworks; Bore Wells; Sewerage and Drainage; Public Lighting; Luminary & Electrical Fittings; Furniture, Fixtures, Fittings; Electrical Appliances; Office & Other Equipments; Computer Hardware, Vehicles etc.

- a) Fixed Assets are carried at cost less accumulated depreciation. The cost of fixed assets include cost incurred/money spent in acquiring or installing or constructing 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.
- b) Any addition to or improvement to the fixed asset that results in increasing the utility or useful life of the asset is capitalized and included in the cost of fixed asset.
- c) Any Fixed Asset, which has been acquired free of cost or in respect of which no payment has been made, is accounted for at nominal value of Re. 1/-.
- d) All assets costing less than Rs.5,000 (Rupees Five thousands) are expensed/charged to Income & Expenditure Account in the year of purchase, except in case of Furniture & Fixtures.
- e) An increase in net book value arising on revaluation is credited to a reserve account under the Municipal fund as 'Revaluation Reserve Account'. A decrease in net book value arising on revaluation of fixed assets is charged to Income and Expenditure accounts.
- f) Valuation of land is made as under:
 - I. Land acquired through purchase is recorded on the basis of aggregate of purchase price paid/ payable and other costs incidental to acquisition.

Leasehold lands acquired by the IMC are taken as a part of the municipal asset at a total value payable as lease charges over the entire lease period and amortized equally over the lease period.



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- III. Lands that are acquired free of cost from the government or provided by individuals or institutions under endowment for specific purposes are accounted for at Re. One. Where the ownership of the lands has not been transferred in favour of the IMC, but the land is in the permissive possession of the IMC, such lands is included in the Register of Land with Re One as its value.
- IV. Cost of land improvements such as levelling, filling or any other developmental activity is capitalised as a part of the cost of land.
- g) All lands that are under encroachment and where it is not possible to have the land evacuated, provision is made on the cost of land as decided. If the encroachment is for more than two years, provision equal to ninety five percent (95%) of the carrying amount is made
- h) Parks and Playgrounds are accounted for as under:
Land pertains to Parks and Playgrounds including the cost of development of land and other amenities in Parks and Playgrounds taken under Parks and Playgrounds.
- i) Statues and Heritage Assets - Statues and valuable works of art are valued at the original cost. In case, the original cost is not available or the items have been gifted to the corporation, the value is taken at Re. One. Heritage buildings declared through Gazette Notification are booked under this head and valued at book value/cost of the material date and no depreciation is charged. However, in case of capital improvements after the building has been so notified, depreciation at the normal rate of buildings is charged.
- j) Intangible assets include computer software, which is valued at cost plus cost of staff time and consultants costs incurred, in implementing the software, if any. It is capitalized, only when the intangible asset is developed, and which can be used by IMC over a period of time to derive economic benefits from it. Otherwise the entire amount is charged to revenue, in the year in which it is incurred. The intangible assets are depreciated over a period of five years or useful life, whichever is earlier.

1.10 Public Works

- a) The cost of fixed assets include:
- i Cost incurred/amount spent in acquiring or installing or constructing fixed asset,
 - ii Interest on borrowings attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets, and
 - iii Other incidental expenses incurred up to that date of bringing the asset to use.
- b) Any addition to or improvement to the fixed asset that results in increasing the utility or capacity or useful life of the asset is capitalized and included in the cost of asset. Expenditure in the nature of repairs and maintenance incurred to maintain the asset and sustain its functioning or the benefit of which is less than a year, is treated as revenue expenditure in the year of incurrence.

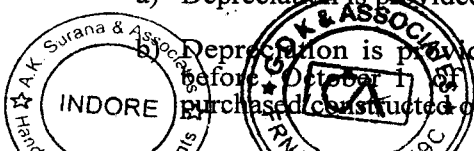
1.11 Capital Work In Progress (CWIP)

Assets in the nature of civil works and equipment/machinery, requiring erection/installation, are accounted for as 'Capital Work-In-Progress'. Upon completion of the civil works and installation of machinery the value is transferred to the respective asset account under fixed assets. The value of each work-in-progress includes the direct cost on material, labour, stores, and advances to suppliers for material and others. Where an asset is created with borrowed funds the interest paid/accrued as on the day of the valuation is added to the total value of the work-in-progress.

1.12 Depreciation

- a) Depreciation is provided at Straight Line Method at the rates prescribed in MPMAM.

b) Depreciation is provided at full rates for assets, which are purchased/constructed before October 1 of an Accounting Year and at half the rates which are purchased/constructed on or after October 1 of an Accounting Year.



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- c) Depreciation is provided at full rates for assets, which are disposed on or after October 1 of an Accounting Year. Depreciation is provided at half the rates for assets, which are disposed before October 1 of an Accounting Year.
- d) Assets recorded in the register but not physically available are written off after a period of five years.
- e) Depreciation on assets on which government grant has been received, is calculated on the gross value of fixed asset i.e. without deducting the grant amount from asset value. The grant so received is charged to the income and expenditure statement in the same proportion as the depreciation charged on such assets.
- f) For the purpose of Depreciation useful life of the assets as per MPMA.M as follows:

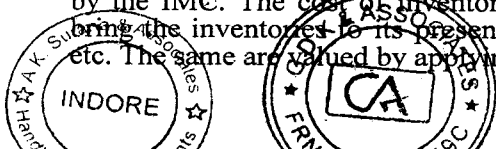
Fixed Assets	Useful life (in Years)
Parks and Playgrounds Amenities to Parks	5
Building	30
Bridges & Culverts	20
Roads & Pavements Concrete	7
Road (Bituminous road over jhama metal / stone metal	3
Drains & Sewerage	15
Water Ways and Water Work, Distribution & Rising Mains	40
Reservoirs & Overhead Tanks	40
Public Lighting	10
Plant & Machinery	10
Earth Moving & Construction Equipment	10
Light & Heavy Vehicles	10
Other Vehicles	3
Office and Other Equipments	10
Furniture, Fixture, Fitting and Electrical Appliances	10

1.13 Investment

- a) Investments are recognized at cost. It includes cost incurred in acquiring investment and other incidental expenses incurred for its acquisition.
- b) All long-term investments are carried / stated at their cost.
- c) Short-term investments are carried at their cost or market value (if quoted) whichever is lower.
- d) Interest on investments is recognized as and when due.
- e) Dividend on investments is recognized on cash basis
- f) Profit/loss, if any, arising on disposal of investment (net of selling expense such as commission, brokerage, etc) from the Municipal Fund are recognized in the year of disposal
- g) Income on investments made from Special Fund and Grants under specific Scheme is recognized and credited to Special Fund and Grants under Specific Scheme respectively, whenever accrued. Profit/loss, if any, arising on disposal of investments (net of selling expense such as commission, brokerage, etc) made from the Special Fund and Grants under specific Scheme is recognized and credited/debited to Special Fund Account and Grant under specific scheme Account respectively

1.14 Stores:

Expenditure in respect of material, equipment, etc., procured is recognized on admission of bill by the IMC. The cost of inventories include purchase price including expenditure incurred to bring the inventories to its present location and condition i.e. freight inward, duties and taxes, etc. The same are valued by applying FIFO method.



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1.15 Other Expenditures

1.15.1 Employees Related Expenditures

- a) Expenses on Salaries (for regular and daily wages staff) and other allowances are recognized as and when they are due for payment.
- b) Statutory deductions from salaries including those for income tax, profession tax, provident fund contribution, are recognized as liability in the period in which the corresponding salary is recognized.
- c) Leave encashment/Pension is recognized as and when they are due for payment.
- d) Interest receivable on loans given to employees is recognized as revenue at the end of the period in which these have accrued. Penal interest leviable on default in repayment of principal or payment towards interest shall be recognized on accrual basis.
- e) Bonus, ex-gratia, overtime allowance, other allowances and reimbursements to the employees are recognized as and when they are due for payment.
- f) Contribution due towards Pension and other retirement benefit funds is recognized as an expense and a liability.

1.15.2. Other Revenue Expenditures

- a) Other Revenue Expenditures is treated as expenditures in the period in which they are incurred.
- b) Provisions are made at the year-end for all bills received up to a cutoff date.
- c) Any expenditure for which the payment has been made in the current period but the benefit and/or service is likely to arise in a future period is treated as expenditure for the period in which its benefit arises and/or services are received. i.e Amount paid in advance (say for insurance) is treated as prepaid and shown as current assets in the Balance Sheet.

1.16 Borrowings

- a) Interest expenditure on loan is recognized on accrual basis.
- b) Interest on borrowings directly attributable to acquisition or construction of qualifying fixed assets up to the date of commissioning of the assets is capitalized.

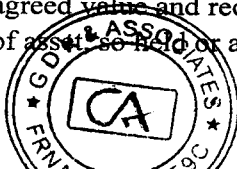
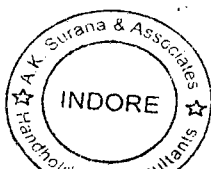
1.17 Special Funds

- a) Special Funds are treated as a liability on their creation.
- b) Any expenditure of a revenue nature, which is incurred specifically on scheme/project for which a Special Fund has been created, is charged to that Special Fund.
- c) On completion of the construction of a fixed asset and/or on acquisition of a fixed asset out of a Special Fund, the amount equivalent to the cost of such fixed asset is transferred from the respective Special Fund to the Grant against Asset Account. Amount proportionate to depreciation of the asset is credited to the above account every year.

1.18 Lease

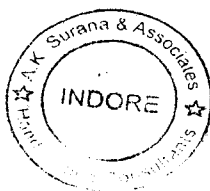
- a) Leases are of two types – finance lease and operating lease. In a finance lease, the lessor transfers substantially all the risks and rewards incident to ownership of an asset. An operating lease is a lease other than a finance lease.
- b) When an IMC (as a lessor) have granted an asset on lease, effecting the lease agreement as a **finance lease**, then it have relinquished all the risks and rewards incident to ownership.

- i The IMC as a lessor consider the lease in the balance sheet as receivable at the agreed value and recognise the transaction of relinquishing the rights as a disposal of asset so held or as a sale of properties.



INDORE MUNICIPAL CORPORATION

- ii Of the lease payments received, the IMC recognizes the finance income on a systematic and rational basis and recognise the same as an income for the year.
 - iii No depreciation is provided by the IMC (as a lessor) when the lease is of a finance lease.
- c) When IMC (as a lessor) has granted an asset on lease, effecting the lease agreement as a operating lease, then it has not relinquished all the risks and rewards incident to ownership.
- I. All leased assets under an operating lease are recognized as an asset, still owned by the IMC, under the group fixed assets, but are separately disclosed.
 - II. Lease Income is recognized in the statement of Income & Expenditure on accrual basis.
 - III. Depreciation is provided on the leased assets in the same manner as provided for any asset of that class under direct control of the IMC.



INDORE MUNICIPAL CORPORATION
NOTES TO THE ANNUAL FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR 2020-21

1. Municipal (General) Fund:

Municipal fund comprises of the opening balance as on 01.04.2020 plus the surplus as per Income & Expenditure account and the transfer to IMC contribution to Grants Expenditures.

2. Earmarked Fund:

2.1 General Provident Fund: Amount of GPF deducted from employees salary has been accounted for under Earmarked funds. The amount of GPF payable has been taken as liability on the basis of records, in the form of GPF registers, kept employee wise, available at HO and the Health Department of IMC. Loans given to employees against GPF, Grain Loan, and Goga Navmi Loan have been adjusted from their respective balances and only net amount has been accounted for as liability in the Balance Sheet. During the financial year 2020-21 interest on GPF has been provided @ 7.10% per annum.

2.2 Pension Fund: Pension fund pertains to the deductions made from salaries of the Employee towards Contributory Pension Fund Scheme. The contribution equivalent to the amount deducted from Employee's salary i.e. Rs. 1,78,66,316/- has not been made so far by IMC.

2.3 Family Benefit Fund: Family Benefit Fund pertains to the fund created by contribution from employees for benefit of family members, at the time of death of employees. The balance is arrived at by adding contribution made and deducting payment out of fund during the financial year 2020-21.

3. Reserve:

3.1 Capital Contribution and Capital Reserve: Assets under Building, Roads, Bridges, Sewerage and Drainage, Public Lighting, Plant and Machinery, Vehicle, Office and Other Equipments, Furniture & Fixtures, Parks and Playgrounds etc. were identified to have been built from Grant funds, from the government and have been separately reflected in the Fixed Assets Schedule and the Balance sheet, the corresponding figure has been credited to the Capital Contribution and the amount equivalent to the depreciation or any other adjustments, made on such assets has been reduced from above account.

The corresponding amount in Capital Work in Progress under Project Uday and Other Grant Funds has been credited to Capital Reserve Account.

3.2 Statutory Reserve: Statutory Reserve represents the transfer of 5% of Recurring Income.

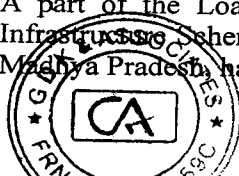
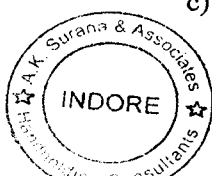
4. Grant:

4.1 Un-utilised Grant:

a) Grants received from Central, State, Local Government and Other organizations have been accounted for on the basis of receipts in Bank Accounts. All the interest received in Bank Accounts, wherever maintained separately has been duly accounted for. If a grant has been received from Central, State and Local Bodies in same bank account, interest received has been accounted for against Grant from Central Government. All the grant accounts are subject to scrutiny and adjustments arising, if any.

b) Grants received for AMRUT and PMAY Projects are classified under Grants from Central Government since both the Projects are monitored by Central Government.

c) A part of the Loan taken from HUDCO for JNNURM Project and CM Infrastructure Scheme, repayment of which is being made by Government of Madhya Pradesh, has been accounted for as Grant from State Government.



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d) During the financial year 2015-16 Indore Smart City Development Limited has issued equity shares of Rs. 51,78,00,000/- to IMC, against the grant received by the company from Central Government. The same has been accounted for as Grant from the Central Government.

5. Secured Loan: Secured loans include followings:

5.1 Overdraft Limit from State Bank of India: During the FY 2020-21 IMC has only one OD limit of Rs. 12.82 Crores from State Bank of India secured against FDR.

5.2 Term Loan: During the FY 2020-21 IMC has availed term loans of Rs. 150 crores and 170 crores respectively from State Bank of India. Out of these an amount of Rs. 200 Crores has been utilized for PMAY projects and balance is for other development works of IMC. The loans are secured by –

a) First charge on hypothecation of receivables of the State Government of Madhya Pradesh to be received in the form of compensation in lieu of Octroi to Indore Municipal Corporation.

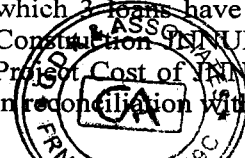
b) First exclusive charge on the escrow account on which compensation amount to be received from the State Government of M.P. (Assignment of future Cash Flow of Compensation to be received in lieu of Octroi)

c) First charge on the Debt Service Reserve Account, Sinking Fund Account and other reserves and bank accounts related to TL wherever maintained.

5.3 Municipal Bond: During the FY 2018-19 IMC has issued Muni Bond of Rs. 139.90 Crores on cut off coupon rate of 9.25% for its share under various projects of AMRUT Mission. Summary of Bond Issued is as under:

Issuer	Municipal Corporation, Indore
Total Issue Size	Rs. 139.90 Crores
Basic Issue Size	Rs. 100 Crores
Green Shoe	Rs. 39.90 Crores
Incentive Received from Government	Rs. 18.187 Crores
Tenor	10 Years
Rating	AA by two Rating Agencies
Coupon Rate	9.25% p.a.
Coupon Type	Fixed
Coupon Payment Frequency	Half Yearly From the Date of Allotment
Redemption	Staggered redemption in four equal installments of 25% of the face value from the end of 7th year from the date of Allotment
Payment Mechanism	Structured (Waterfall Mechanism)
Mode	Private Placement
Listing	Listed on NSE
Object of Issue	General obligation bonds for incurring capital expenditure share in various projects under AMRUT Mission.
Security	Charge on Receivables of IMC

5.4 HUDCO Loan: The Corporation has taken six secured Loans from HUDCO out of which 3 loans have been fully repaid and remaining 3 for the projects of EWS Construction, INNURM, C.M. Infrastructure project and for meeting Additional Project Cost of INNURM are being timely repaid. The balances outstanding are in reconciliation with the statements provided by the HUDCO.

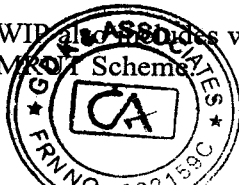


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- 5.5 **Loan from Asian Development Bank (ADB):** The Corporation had taken loan from ADB for Project Uday Water Supply Work. The balance loan amount is subject to confirmation and reconciliation.
6. **Un-Secured Loan:** Unsecured Loans includes loans taken from Ministry of Defence -GOI. The balance loan amount is subject to confirmation and reconciliation.
7. **Fixed Assets:**
The valuation of fixed assets has been done as per valuation methodology provided in MPMAM.
- 7.1 **Land:**
- 7.1.1 The Land acquired free of cost or transferred to IMC from State or other Institutions or agencies, these have been valued at Rupee 1.
- 7.1.2 Lands for which ownership records are not available but are under permissible possession of IMC as per other records available have been accounted for and valued at Re. 1.
- 7.1.3 No Provision has been made for Land under encroachment, as the concerned ones have been valued at Rupee 1 only.
- 7.2 **Building and Other Immovable Assets**
- 7.2.1 The Fixed Assets figures represent additions during the current year, to the valuation of the assets identified, measured and recorded as on 01.04.2020. Cost of Buildings and other infrastructure assets i.e. Roads, Footpaths, Bridges, Culverts, Drains, Waterworks, Public Lighting, Gardens etc., has been taken from the respective ledger accounts and confirmed with work orders awarded in different years and recorded. The properties, that have out lived their useful life, have been valued at Re. 1.
- 7.2.2 Categorization and grouping/ regrouping of fixed assets have been done as provided in the MPMAM.
- 7.2.3 Depreciation has been charged on the basis of average useful life prescribed in MPMAM.
- 7.2.4 Fixed Assets Register (FAR) has been prepared as per MPMAM format and the descriptions available as per records have been filled up appropriately. IMC is taking steps, as suggested by handholding consultants, to have the necessary information included in the voucher prepared for capitalization of assets so that FAR is correctly prepared.
- 7.3 **Capital work in Progress (CWIP):**
CWIP represents capital assets, which are still under process of construction/completion and have not been commissioned.

It also includes contribution by IMC, GoMP and ADB towards Project UDAY. The contribution, received from ADB is divided in the Loan and Grant components on the basis of information made available during the year. The payment to ADB, as interest, has been capitalized and included in CWIP. Similarly interest paid on loan, taken by IMC from State Bank of India for its contribution towards Project UDAY, has also been capitalized under CWIP.

CWIP also includes work in progress under Sihasth (Khan Nadi ETP Project) and AMRUT Scheme



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8. Investment:

8.1 Investment- General Fund: FDRs from Municipal funds and FDRs from Sinking Fund Reserve for Bond Redemption and Debt Service Reserve Account for bond issued with the banks have been accounted for under Investment - General Fund.

8.1.1 Investment in Equity Share Capital:

- a) IMC has paid an amount of Rs. 500000/- on 05.12.2002 for acquisition of 50,000 Equity shares @ 10/- each of Indore Development Fund Ltd. (IDFL). It has been accounted for on the basis of payment made to the company. IMC is yet to receive the Share Certificates.
- b) During the financial year 2015-16 Indore Smart City Development Limited has issued equity shares of Rs. 51,78,00,000/- (5,17,80,000 shares of Rs. 10 each) against grant received by the company from the Central Government. It has been accounted for on the basis of details received from the company.
- c) IMC has made an **Investment** of Rs. 12,99,650/- (In 1,29,965 Equity shares @ 10/- each) in Atal Indore City Transport Services Limited (AICTSL) in earlier years. However the same was not accounted for till the financial year 2015-16. It has been accounted for during the financial year 2015-16 and an equivalent amount has been credited to the Municipal Fund Account. IMC is yet to receive the Share Certificates.

8.1.2 Investment in FDR: Investment in Fixed Deposits with the banks, created from Municipal Fund, Sinking Fund and Debt Service Reserve Account for redemption of Muni Bond and other term loans, have been accounted for under this head. The amounts of FDRs have been reconciled with the statements received from respective bank.

8.2 Investment- Other Fund: FDR from the GPF and Grant fund have been accounted for under Investment - Other Fund.

9. Current Assets: Current Assets include the items prescribed in the MPAMAM.

9.1 Inventories:

9.1.1 Valuation of Inventory has been done on last purchase cost.

9.1.2 Stores/ Materials are treated as expenditure, at the time of purchase and do not form part of Inventories. Inventories have been taken in the balance sheet on the basis the stock register maintained.

9.1.3 Units under PMAY and RAY-

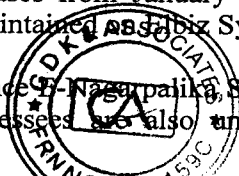
PMAY Mission was launched in June 2015 which intends to provide housing for all in urban areas by 2022. Projects sanctioned under RAY are also now being executed under PMAY. Work of construction of units under the above Schemes, at various sites, is under progress. Total cost incurred on the activities under these schemes has been capitalized as Inventory under process.

9.2 Sundry Debtors:

9.2.1 Property Tax, Water Tax and other taxes and charges:

Records of all the assessee's of tax revenues have been migrated from software provided by Elbiz System Pvt. Ltd. to the E-Nagarpalika Software in different phases from January 2020 to May 2020. However, parallel records were also maintained as Elbiz System Pvt. Ltd. till 31.03.2020.

Since E-Nagarpalika Software is still under implementation and records of all the assessee's are also under reconciliation, receivables as 31.03.2021 have been



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derived by adding demand to the opening balance as on 01.04.2020 and subtracting collection there from. Both these data have been taken as per E-Nagarpalika Software.

Similarly in a number of cases, personal ledgers of property tax Payers, show credit balances which is due to tax payer's depositing more money, as self assessment, than is due from them or some rebates etc. not taken into account earlier, credited now. These have been accounted for as liability under the head 'Tax Collected in Advance'.

- These are also subject to reconciliation and confirmation. IMC is also taking necessary steps to segregate recording of income between current and previous years in case of fresh/ re assessment of tax payers.
- The same condition prevails generally for user charges, license fee and rentals from shops etc.

9.2.2 Provision of Rs. 905,49,92,434/- had been created in earlier years for doubtful recoveries against tax dues of previous years, As adequate provision has already been made as required as per the provisions and guidelines of MPMAM, hence during the current financial year no more provisioning has been done.

Also no separate provision has been made against the matters pending under litigation in Court of Law, if any.

9.2.3 An amount of Rs. 17,49,99,972/- has been deducted from Compensation in lieu of Octroi, by Urban Administration Development Department Bhopal on account of implementation of E-Nagarpalika, has been accounted for as Receivable.

9.3 **Prepaid Expenses:** Prepaid expenses includes amount paid for the insurance expenses related to 2021-22 in advance during the year 2020-21.

9.4 **Bank:** The balance is arrived at after reconciliation with the respective bank statements. Book provided. Some of the Bank Balances are subject to confirmation and adjustments arising due to reconciliation. Also, due to various reasons, as explained, from time to time, some entries in reconciliations could not be matched and may be outstanding on both sides in different groups.

9.5 **Cash:** The cash in hand as of 31-03-21 has been worked out on the basis of balance of Cash Book as per trial balance, subject to verification.

9.6 **Advances to Staff, Contractors and Others:**

9.6.1 **Loans to Others:** The amount pertains to the Loan / Advance given to IDFL, Atal Indore City Transport System Ltd. (AICTSL) and Indore Smart City Development Limited during the financial year. It also includes the repayment of loan taken by IDFL and its interest.

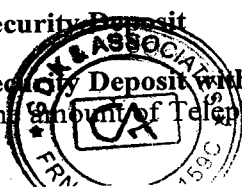
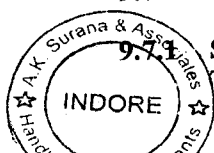
9.6.2 Similarly advances paid to contractors against work have been taken as current asset. These advances are subject to reconciliation and confirmation.

9.6.3 The amount of advance paid to staff has been taken on the basis of advance register and list provided by concerned person. These advances are subject to reconciliation and confirmation.

9.7 **Security Deposit**

9.7.1 **Security Deposit with Telecom Dept / Cell phone service provider**

The amount of Telephone Deposits as on 31.3.2021 has been taken on the basis



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deposit shown in the telephone bills paid for the month of March' 2021.

9.7.2 Security Deposit with Electricity Board

The amount of Security Deposit with Electricity Board as on 31.3.2021 has been accounted on the basis of details provided and confirmed, that it tallies with the amount of Security being mentioned on the respective bills in respect of public lighting, buildings, tube wells and the gardens etc.,

- 9.8 Other Assets :** An amount of Rs. 1,39,44,591/- was deducted by Bank as TDS from interest received on IMC FDRs. IMC official following up the matter with the Income Tax Department for recovery of above deduction carried out by the bank.

10. Current Liabilities:

- 10.1 Security Deposit from Contractors:** Security Deposit from contractors is the deduction made from the bill approved by the Audit Cell against the running work order files. No interest has been credited on the Security Deposit. During the financial year the gross amount collected and refunded to contractors and suppliers, as per the records maintained, has been added and deducted respectively from the opening balance. The amount is subject to reconciliation and confirmation.

- 10.2 Works Deposits:** Works Deposit includes amount received by IMC as a Nodal Agency for various works. Amount expended has been debited against the respective deposit. Similarly interest received on such deposit, where ever the amount has been kept in separate bank account, has also been credited to respective Works Deposit Account.

10.3 Other Liabilities (Sundry Creditors):

- 10.3.1 Outstanding Bills of Contractors:** Amount of outstanding balance of contractors and suppliers as on 31.03.2021 has been taken from concerned accounts. All these balances are subject to confirmation and reconciliation.

- 10.3.2 Stale Cheques:** It includes cheques pending for clearance for more than 3 months as on 31.03.2021.

- 10.3.3. Withheld:** The amount pertains to retention made from the bills of contractors and suppliers. All these balances are subject to confirmation and reconciliation.

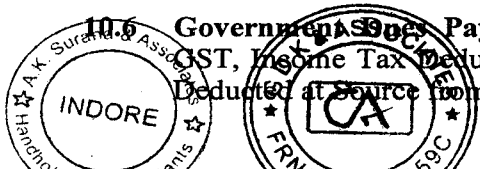
- 10.4 Salary and Retirement and Family Pension Payable:** The amount of dues payable as on 31-03-2021 have been taken as per records generated from the various software. It is subject to confirmation and reconciliation.

The unpaid retirement benefits and Pension Fund of employee's retired up to 31st March 2021 have been taken in the current liabilities. Actuarial valuation has not been done to ascertain the Retirement Benefit Liability in lines with the MPMAM guidelines.

10.5 Other Employees Liabilities:

- a) It includes dues towards **Arrears of 6th Pay Commission**, which is taken on the basis of Employee wise arrear details provided by concerned department.
- b) Liability for Employee Provident Fund (EPF) and Employees State Insurance Corporation (ESIC) has been accounted for on the basis of amount due for payment for 2020-21 and earlier years and paid after 31.03.21.

- 10.6 Government Dues Payable:** It includes Labour Welfare Cess, Entry Tax, GST, Income Tax Deducted at Source from Contractors bills and Income Tax Deducted at Source from Salary, Professional Tax, Royalty and RTO Tax etc.



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- 10.7 **Advance Collection of Revenue:** In a number of cases, personal ledgers of property tax payers, show credit balances which is due to tax payer is depositing more money, as self assessment, as against the actual amount due to them or some rebates etc. not taken into account earlier, credited now. These have been accounted for as liability under this head. Also advance received against booking of flats under PMAY scheme and RAY scheme have been accounted for as liability under this head.
- 10.8 **Other Liabilities:** It includes deduction of LIC Premium, premium of Group Insurance Scheme (GIS), Installment of Loans of Employees deducted from Salary and payable to Financial Institutions and Credit Societies etc.
- 10.9 **Miscellaneous Receipts:** It includes the receipts for which the source of receipt could not be identified. It will be credited to the respective account head, once confirmed.
- 10.10 **Provisions:** Provision for outstanding liability of revenue expenditure have been provided on the basis of expenses incurred in the FY 2020-21 or previous years and paid after 31.03.21.
11. **Contingencies –**
- 11.1 **Liabilities :** The liability of different legal and taxation matters (pending before tax authorities, in District Court, High Court and Supreme Court on account of unsettled claims), dues payable to suspended employees and Guarantees issued by the Government on behalf of Corporation, has not been accounted for, as the same is not ascertainable.
12. **Miscellaneous Income:** it includes penalty amount charged to contractors on non performance as per contract terms.
13. **General:** In cases where supporting document & Information were not readily available, due diligence was carried out.

The Annual Financial Statements (AFSs) have been finalized after incorporating various points identified by the MPUSP Finance Consultant and the IMC's Handholding consultants on the basis of draft AFSs submitted earlier.

Also, the final AFSs are based on trial balance drawn from the Accounting module after adjustment of above referred remarks.

Previous year figures have been regrouped, where ever necessary, to confirm to MPMAM groupings.

