

## **NOTES TO THE ACCOUNTS (AHMEDABAD MUNICIPAL CORPORATION)**

### **A ) . BASIS OF PRESENTATION**

Preparation of Statement of Revenue, Expenditure and Changes in Fund Balances and Balance Sheet requires reliance to be placed on certain assumptions and information provided by the corporation. Reliance was also placed on the various records, registers and data made available from various zones and departments. The following are the methodologies and assumptions adopted for the preparation of the same:

#### **1 ) INCOMES/REVENUES AND EXPENDITURE:**

- i) Information on Income as presented is as per the actual amount received from all the zones/departments of AMC. This income has been reconciled with the Annual Receipts and Payments Statement(Varshik Hisab) prepared by AMC.
- ii) The income from Property Tax and related taxes, Vehicle Tax and Theatre Tax is based on the demands raised during the year and by giving effect for write up, write off and discount for the same.
- iii) Income under heads other than Property Tax and related taxes, Vehicle Tax, Theatre Tax and Interest on Investment are accounted for on receipt basis.
- iv) Income from Departmental/Administrative Charges (Loan Staff Recovery) of Rs.5.48 crores represents income earned as Departmental and Administrative Charge on Plan Funds (Capital Projects) for which AMC acts as the executing Agency. This income is based on a fixed percentage on the gross amount of Projects approved.
- v) In absence of availability of bifurcation of expenses incurred for each fund, the same are booked in the profit and loss account of general fund only.

#### **2 ) FIXED ASSETS:**

- i) Fixed Assets figures represents valuation of the assets identified and measured as on 31 March, 2006 and additions during the year 2006-07. The information for the additions during the year is taken from bills and annual accounts (Varshik Hisab)

- ii) During the year 10 Nagarpalikas including gram Panchayats within its jurisdiction were merged with AMC. The assets and liabilities of these local bodies have been incorporated in this balance sheet. However the assets of these Nagarpalikas also include certain infrastructures which were funded by AUDA (Ahmedabad Urban Development Authority) and are capitalized in the balance sheet of AUDA and hence not included in assets of AMC. As per the explanations given AUDA would initiate the process of transfer of these assets in the financial year 2008-09.
- iii) Fixed Assts Registers of AMC have been collated and updated. Depreciation has been computed as per policy. However, this exercise is still ongoing and is likely to continue in next 2-3 years due to sheer volume in geographical spread of the assets. The data for fixed assets has been compiled based on information furnished by the various User Departments of AMC.
- iv) Majority of the assets are the ownership of AMC, however in some cases of assets acquired, received as donation etc though the physical possession of the same is with AMC the legal title has not been established. In case of certain land acquired by AMC due to non-availability of cost of acquisition the cost of such land is taken at a token value of Re.1.
- v) AMC over the years had acquired some plots of land for a total acquisition cost of Rs.42, 60,001. However one to one identification is not yet done due to non-availability of data. The same will be updated in subsequent years.
- vi) Some assets are capitalized despite the final bill pending as these assets have completed construction/installation and are already put to use.
- vii) Trees, Museum, Art Crafts, Statues and Animal assets have not been included in the schedule of fixed assets.
- viii) Furniture and Fixtures have been included in a group of assets and not department wise to the extent data available from the purchase departments. There may be certain assets, which have not been included in the above head.
- xiii) To the extent of the above, the Fixed Assets as shown in the financial statements does not represent the complete assets of the AMC.

Based on Data provided, identified assets have been categorized in the following Groups.

**IDENTIFIED ASSETS**

**MAJOR CATEGORY**

**TYPE OF ASSETS**

**Land & Buildings**

- Plots/Vacant Plot/ Plots on Lease
- Residential Quarters
- Staff Quarters
- Slum Quarters
- Community Hall and Recreation Centre
- Community Centre
- Stadium
- Commercial Buildings
- Hospital Buildings
- Fire Brigade Building
- Crematorium and burial Ground
- Markets
- Kiosks/Shops/Stalls
- Water Overhead Tanks
- Public Places & Others

**Infrastructure Assets**

- Roads including Footpath and Dividers
- Asphatic Road
- Bridges
- Culverts
- Fountain
- Street Light
- Flyover
- Urinals
- Dhalao

Dustbin  
Lavatory Blocks  
Drainage  
Storm Water Drain  
Water Pipeline

**Furniture's & Fixtures**

Furniture & Fixtures, Fans, Air Conditioners, Coolers etc

**Computers**

Monitors, Printers, UPS and all related accessories, Software

**Plant & Machinery**

Electrical Equipment & Lamps  
Electric Cables  
Transformers  
Electric Installations  
Pipelines  
Filter Plant  
Fire Assets  
Construction Equipments  
Medical Instruments  
Other Plant & Machinery

**Vehicles**

**iii) Infrastructure Assets :** - Infrastructure assets are defined as per International Public Sector Accounting Standards (IPSAS). As per IPSAS 17, infrastructure assets are characterized by the following.

- They are a part of a system or network
- They are specialized in nature and do not have alternative uses
- They are immovable
- They may be subject to constraints on disposal

**iv) Capital Work in Progress :** - CWIP represents capital assets which are in the process of construction/ completion. We have reviewed the bills for the financial year 2006-2007 to arrive at the closing WIP as on 31<sup>st</sup> March 2007 in absence of specific data from concerned departments.

**v) Leased Properties:** - Leased properties have been valued at actual cost in case of buildings and market value in case of land.

**vi) Depreciation :** Under this method, the rates of depreciation has been applied at a fixed percentage on the original cost of the Asset at the end of the year.

(a) In line with international Best Practices, the Straight Line Method of Depreciation has been applied.

(b) For all assets that qualify for depreciation, and were valued, depreciation has been provided from the year of construction/acquisition and transferred to accumulated depreciation account of the concerned asset.

(c) Valuation for the purpose of depreciation has been done as per the significant accounting policies subject to the notes mentioned above.

(d) Current values of Qualifying Assets are now represented appropriately in the Fixed Assets Register.

(e) Assets valued at Replacement cost & Estimated cost has been depreciated considering remaining useful life.

### 3 ) CURRENT ASSETS

i) Cash & Bank Balances : - Bank Balances shown as on March 31, 2007 are taken as per the actual bank balances Opening balances as on April 1, 2007 have been taken as per actual bank balance. However the book balance and the bank balance are not reconciled. The reconciliation differences comprises of identifiable and unidentifiable entries. There are many bank accounts, which are non-operative out of which many accounts are also closed. There are balances, which were taken from the book record at the time of conversion of Fund Based Accounting System to Double Entry cash based accounting system in 1996. The entire unreconciled balance of all the banks amounting to Rs.18,96,33,538/- are transferred to a separate “ Unreconciled Bank Adjustment Account” which will be adjusted in coming years. This unreconciled amount is reflected in schedule of bank balance of general fund.

Separate Bank Accounts are not maintained for some capital project, special revenue and trust and agency funds which are normally the practice. In such cases General Fund bank accounts are used to incur expenditure to these funds.

- ii) **Arrears of Property Tax:** -The Property Taxes arrears outstanding as on March 31, 2007 are based on information furnished by Tax Department. There is a change in the total outstanding balance of property tax receivable of earlier years thereby affecting a change in property tax receivable and provision for property tax. The effect of the same is adjusted against the opening general fund balance. For the current year appropriate provisions have been made as per the guidelines issued by the National Municipal Accounts Manual. During the year, after considering the recovery in property tax provision on outstanding balance is recalculated and resultant difference is routed through the Revenue and Expenditure statement.
- iii) **Inventories :** -
  - (a) Store/ Material is treated as part of inventories.
  - (b) Stores inventory data have been taken on the basis of information furnished by concerned departments.
  - (c) Inventory Valuations have been done on the basis of information provided by the various departments of AMC.
  - (d) There is a difference between physically stock and book stock on account of non-reconciliation & accounting treatment in the past.
  - (e) Stock of Flats (Business Types) have been valued at cost.
- v) **Prepaid expenses** are not calculated as on 31.03.2007.
- vi) **Loan to Employees Accounts** reflects a credit balance of Rs.5027970. Normally this account should not have a credit balance and However, in absence of previous data pertaining to loans given, the recovery from the employees results into a credit balance. The reconciliation of the same is pending.
- vii) **Traveling advances** of Rs.5579621/- reflects long outstanding amounts which were not booked to respective expenses in the absence of reconciliation of the same.

#### 4) Loan & Advances:-

Loans to AMTS :

The public transport of Ahmedabad city is run by Ahmedabad Municipal Transport Service which receives a financial support from the corporation, such amount is reflected under the head "Loan to AMTS". No terms and conditions are stipulated for the repayment of such loan. Current year Receipts and Payments include income and expenses from running of CNG buses which are essentially incurred on behalf of AMTS. Hence the same have been excluded from the books of AMC and net amount is added to Loans to AMTS.

#### 5) Zone Control Account:-

This represents the amounts transferred to Zones for meeting their zonal expenditure. Expenses incurred by the Zones in their monthly account have been reduced from such transfers to obtain the closing balance as reflected in the financial statements. The amounts standing under the head Municipal Commissioner – Zone Bank Account represents money's transferred to bank account at the Zones and expenditure incurred.

#### 6) Long Term Liability:-

- i) Loans from HUDCO, ICICI, NHB, State Government Loans, Loan of erstwhile Nagarpalikas, Open Market Borrowings (Public Loans), and Public Tax Free Bonds & World Bank – Loans are subject to reconciliation & confirmation. The amount due for repayment in case GMFB and State Government loans is deducted by State Government from the AMC's Share of grants payable to AMC in some cases.

The loans from government and financial institutions are secured by following:

(A) General Fund:

(1) Public Loan :

a)	12% Government Loan ( 2011)	:-	Secured by State Government Guarantee
b)	13% Government Loan (2007)	:-	Secured by State Government Guarantee
c)	11.5% Government Loan (2010)	:-	Secured by State Government Guarantee
d)	11.5% Government Loan (2010)	:-	Secured by State Government Guarantee
e)	11.5% Government Loan (2009)	:-	Secured by State Government Guarantee
f)	11.5% Government Loan (2008)	:-	Secured by State Government Guarantee

(2) ICICI Loan : Secured by escrow of octroi receipt of 10 octroi collection centers.

(3) Government Loan: The government loans are unsecured loans.

(B) Capital Project Fund :

(1) National Housing Bank EWS Loan:- Secured by State Government Guarantee.

(4) 6.4% Tax Free Public Bond 2004: These are secured by:

- (i) Escrow of octroi revenues from specified 10 nakas (Points) and property tax revenues receivable from western and eastern Zones
- (ii) The bonds carry a put and call option at the end of 5 years from the deemed date of allotment i.e.31.03.2004.

(5) 6% Tax Free Public Bond 2005: These are secured by:-

- (i) Trust and retention account with bank for collecting the revenues from specified revenues receivables.
- (ii) Mortgage of various plots of land of corporation
- (iii) The bonds carry a put and call option at the end of 5 years from the deemed date of allotment i.e. 31.03.05.

6(ii) The amount of long term loans payable within next 12 months is

**General Fund :-** ICICI Loan: Rs. 12,50,00,000/-

**Capital Project Fund:-**

(a ) National Housing Bank Loan for EWS Project Rs. 1,37,24,000/-



6(iii) Interest Overdue on Government loans are:

General Fund Rs.119, 65, 99,774/-

Nagarpalika Rs. 7, 97, 89,449/-

**(C) Loan Of Nagarpalika :**

(i) LIC Loan : Secured By Assets of the nagarpalika

**7) Current Liabilities:-**

**(i)** Corporation has an unpaid liability of Rs.106,08,82,379/- towards security deposit and other deposits. This also includes unclaimed deposits outstanding since long and which is not identifiable. These deposits comprises of Earnest Money Deposit security deposits received from contractors, retention money deducted from payments made to contractors and various other deposits like octroi deposits, Water drainage connection deposit, certain charges of town planning as per General Development Control Regulation(GDCR) & various deposits. These are subject to reconciliation with various sub ledgers and are outstanding since long out of these payables some amount might not be payable which can be determined only after the reconciliation of these amounts are done with various sub ledger.

**ii)** GPF / CPF / GIS Payable represents the amount deducted from salaries and remaining payable as of March 31, 2007. The same are however subject to reconciliation with the actual balance in the GPF Module maintained separately independent of the accounting software.

**iii)** Due of contractors / suppliers as on 31.03.07 are subject to confirmation from respective external parties.

## **8) Provisions:-**

Total Provision for Property Tax for Rs.685,86,32,537/- and Rs.81,21,93,350/- has been made as on March 31, 2007 in accordance with the guidelines issued by National Municipal Accounts Manual. No provision for market rent receivable has been made as the data is not available.

## **9) Gratuity and Superannuation:-**

Dues on account of gratuity and superannuation benefits are accounted for on cash basis. No actuarial valuation has been done to ascertain the liability.

## **10) Merger of Nagarpalikas(Local Bodies):-**

Under a notification dated 14.02.2006 issued by Urban Development & Urban Housing Development Department (UDUHD) of Government of Gujarat, following local bodies are merged with AMC:

- (1) Bodakdev
- (2) Makarba
- (3) New Odhav
- (4) Nikol
- (5) Vastrapur
- (6) New Naroda
- (7) Thaltej
- (8) Sarkhej
- (9) Vejalpur
- (10) Chandlodia
- (11) Ghatlodia
- (12) Jodhpur
- (13) Ranip

AMC merged 13 Nagarpalikas and 30 gram panchayats during the year. The Assets and Liabilities of these local bodies have been merged in the Current balance sheet on the basis of data and information made available.

**11) Estimates and Assumptions:-**

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

**12) Contingent Liability, Judgment and Claims:-**

No estimate of the liability for unsettled claims has been reported. However, the contingent liability will have to be estimated by categorizing the various claims and applying a historical average percentage based primarily on actual settlements by type of claim on the basis of information provided by AMC's legal department.

**AHMEDABAD MUNICIPAL CORPORATION**  
**COMPREHENSIVE ANNUAL FINANCIAL STATEMENT**  
**COMBINED BALANCE - SHEET OF ALL FUND TYPES**  
**AS AT 31ST MARCH 2007**

( Rupees )

Particulars	General Fund	Capital Projects & Development Funds	Special Revenue Fund	Trust & Agency Funds	Grand Total
	AMC	AMC	AMC	AMC	
<b>Liabilities And Fund Balances</b>					
<b>Accounts Payable</b>					
Contractor Payable	87,680,011	913,249	-	3,017,330	91,610,590
Capital Grant	-	-	-	-	-
Advance Grant	-	225,780,500	-	-	225,780,500
Tax Payable	74,086,313	30,221	-	82,075	74,198,609
Deposit Other / Security	1,074,129,634	9,969,747	-	116,456	1,084,215,837
<b>Accrued Liabilities</b>					-
Employees Benefit Payable	1,698,217	-	-	-	1,698,217
Expenses Payable	172,418,694	-	-	-	172,418,694
Salary & Wages Payable & Other Statutory Liabilities	1,949,072,977	-	-	-	1,949,072,977
<b>Loan Liability</b>					
Secured Loan	500,649,870	1,631,889,160	-	-	2,132,539,030
Unsecured Loan	969,023,348	-	-	-	969,023,348
Interest payable on Unsecured Loan	1,276,389,223	-	-	-	1,276,389,223
<b>Due To General Fund</b>	-	792,698,257	28,447,395	40,665,108	861,810,760
					-
<b>TOTAL LIABILITIES</b>	<b>6,105,148,287</b>	<b>2,661,281,134</b>	<b>28,447,395</b>	<b>43,880,969</b>	<b>8,838,757,785</b>
<b>ASSETS</b>					
<b>Current Assets</b>					
Cash & Bank Balances & Cheques On Hand	1,006,151,277	320,642	-	738,986	1,007,210,906
Investments , including accrued interest	2,810,106,035	1,811,732,243	-	185,604,369	4,807,442,647
Inventories	126,819,832	-	-	-	126,819,832
Account Receivable ( Net Of Provision )	2,813,396,271	-	-	-	2,813,396,271
Deposits With Other	7,773,130	-	-	-	7,773,130
Advance	1,824,280,596	-	-	-	1,824,280,596
Stock In Trade	-	230,287,910	-	-	230,287,910
Loan To AMTS & Others	3,796,014,803	-	-	-	3,796,014,803
Grant Receivable	-	229,374,000	54,566,447	-	283,940,447
<b>Due From Other Funds</b>	841,351,367	19,167,258	-	1,292,135	861,810,760
					-
<b>Fixed Assets</b>					-
Property , Plant & Equipments	18,086,219,693	-	-	-	18,086,219,693
Capital Work in Progress	-	539,607,951	-	174,027,246	713,635,198
<b>TOTAL ASSETS</b>	<b>31,312,113,005</b>	<b>2,830,490,005</b>	<b>54,566,447</b>	<b>361,662,736</b>	<b>34,558,832,193</b>
<b>FUND BALANCES ( ASSETS - LIABILITIES )</b>	<b>25,206,964,718</b>	<b>169,208,871</b>	<b>26,119,052</b>	<b>317,781,768</b>	<b>25,720,074,408</b>

**AHMEDABAD MUNICIPAL CORPORATION**  
**FUND NAME : GENERAL FUNDS**  
**BALANCE - SHEET**  
**AS AT 31st MARCH 2007**

( Rupees )

Particulars	Schedule No	General Fund
<b>LABILITIES AND FUND BALANCE</b>		
<b>Accounts Payable</b>		
Contractor Payable		87,680,011
Tax Payable	B-1	74,086,313
Deposits and Other Security	B-2	1,074,129,634
<b>Accrued Liabilities</b>		
Employees Benefit Payable	B-3	1,698,217
Expenses Payable	B-4	172,418,694
Salary & Wages Payable & Other Statutory Liabilities	B-5	1,949,072,977
<b>Loan Liability</b>		
Secured Loans	B-6 I	500,649,870
Unsecured Loans	B-6 II	838,563,137
Loan Of Nagarpalica	B-6 III	130,460,211
Interest Payable On Unsecured Loan		1,276,389,223
<b>TOTAL LIABILITIES</b>		<b>6,105,148,287</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Bank Balances	B-7	898,116,463
Cash Balance	B-8	108,034,814
Inventories	B-9	126,819,832
Accounts Receivable	B-10	2,813,396,271
Investments	B-11	2,795,519,602
Deposit With Other	B-12	7,773,130
Interest Accrued But Not Due		14,586,433
Advances	B-13	1,824,280,596
Loan To AMTS & Others	B-14	3,796,014,803
		-
Inter Fund Balance	B-15	841,351,367
<b>Fixed Assets</b>		
Property , Plant & Equipments	B-16	18,086,219,693
Assets capitalised in General Fund		
<b>TOTAL ASSETS</b>		<b>31,312,113,005</b>
<b>FUND BALANCES ( ASSETS - LIABILITIES )</b>		<b>25,206,964,718</b>

Schedule No : B- 16

Schedule Name : Fixed Assets

Sr. No.	Group Of Assets	Sub Classification Of Assets	Department Name	% Of Depreciation	Gross Block As On 1-04-06	Addition for 2005-06	Addition During The Year 2006-2007	Total Gross Block	Accumulated Depreciation up to 31.03.06	Depreciation For The Year (On Addition)	Depreciation For The Year (Old)	Accumulated Depreciation up to 31-03-07	Net Block as on 31-03-2007
1	Infrastruture Assets	Bridges	Estate Department	2.22%	817671000	0	0	817671000	160850102	0	17517133	178367235	639303765
2	Infrastruture Assets	Land	Estate Department	0.00%	7222270943	2227237	4260001	7228758181	0	0	0	0	7226530944
3	Infrastruture Assets	Building	Estate Department	1.65%	1663539954	66672630	0	1730212584	847347834	0	31359800	878707634	784832320
4	Infrastruture Assets	Drains	Drain Main Line	1.65%	2479423500	0	0	2479423500	752356700	0	41323725	793680425	1685743075
5	Plant & Machinery	Drainage Pumping Station		7.00%	478951500	0	0	478951500	348270143	0	14257667	362527809	116423691
6	Pipeline	Pipeline	Drainage	1.65%	599199308	4154618	0	603353926	136563301	0	9975020	146538321	452660986
7	Plant & Machinery	Sewage Treatment Plant	Drainage	1.65%	372845452	0	0	372845452	251087539	0	10299183	261386723	111458729
8	Infrastruture Assets	Paving	SNP	5%	3273898	0	0	3273898	820853	0	163695	984547	2289351
9	Plant & Machinery	Bore well	Water Works	7%	116000000	0	0	116000000	61786635	0	5753333	67539968	48460032
10	Plant & Machinery	Tube well	Water Works	7%	548754730	0	0	548754730	345532243	0	25617967	371150210	177604520
11	Pipeline	Pipeline	Water Mainline	1.65%	1307433200	0	0	1307433200	180205115	0	21743920	201949035	1105484165
12	Pipeline	Pipeline	Water Works	1.65%	1137740938	1979597	0	1139720535	249731439	0	18962349	268693788	869047150
13	Plant & Machinery	Water Pumping Station	Water Works	7%	573737576	1710222	0	575447798	344659601	0	27771704	372431305	201306271
14	Civil Work	Kotarpur, Raska & Dudheshwar		1.65%	426150000	11960309	0	438110309	122468323	0	7025000	129493323	296656677
15	Plant & Machinery	Kotarpur, Raska & Dudheshwar		7%	260018000	0	0	260018000	185289430	0	15269533	200558964	59459036
16	Infrastruture Assets	Road	PWD	5%	2692025782	31828734	0	2723854516	1343457819	0	166810768	1510268587	1181757195
17	Vehicle	Vehicle	Central Workshop	10%	154274427	7263800	0	161538227	120776707	0	8162274	128938980	25335447
18	Road Roller	Road Roller	Central Workshop	10%	212733617	0	0	212733617	200416211	0	2649344	203065554	9668063
19	Office Equipment	Telephone & other office equipment	Communication	7%	21979360	1702756	0	23682116	10346827	0	1465291	11812117	10167243
20	Computer	Computer, Printer, & other computer related assets	Communication	20%	247950	0	0	247950	247945	0	0	247945	5
21	Furniture & Fixture	Furniture & Fixture	Communication	10%	105692	0	0	105692	55828	0	10569	66397	39295
22	Computer	Computer, Printer, & other computer related assets	Computer	20%	66413758	10704923	0	77118681	41450181	0	8587944	50038125	16375633
23	Furniture & Fixture	Furniture & Fixture	Computer	10%	212800	39000	0	251800	84570	0	21280	105850	106950
24	Vehicle	Fire Dept. Vehicle	Fire Department	10%	72471342	0	0	72471342	59949845	0	3109745	63059590	9411752
25	Plant & Machinery	Plant & Machinery	Hospital	7%	85077391	5198391	0	90275782	46604121	0	5407434.11	52011555	33065836
26	Office Equipment	Air Conditioner etc.	Hospital	7%	4006860	0	0	4006860	2518456	0	246712	2765168	1241692
27	Furniture & Fixture	Furniture & Fixture	Hospital	10%	3285124	66900	0	3352024	2841408	0	84945	2926353	358772
28	Computer	Computer, Printer, & other computer related assets	Hospital	20%	281500	0	0	281500	175899	0	49300	225199	56301
29	Dustbin	Dustbin	Hospital	10%	22400	0	0	22400	4480	0	2240	6720	15680
30	Office Equipment	Agua Guard, Water Cooler etc.	Library	7%	118515	0	0	118515	94812	0	7901	102713	15802
31	Vehicle	Vehicle	Medicle College	10%	1830408	0	0	1830408	1652207	0	35640	1687847	142561
32	Office Equipment	Office Equipment	Medicle College	7%	731379	0	0	731379	310266	0	48755	359021	372358
33	Office Equipment	Air Conditioner etc.	Medicle College	7%	32774	0	0	32774	10925	0	2185	13110	19664
34	Furniture & Fixture	Furniture & Fixture	Medicle College	10%	4611398	0	0	4611398	3774221	0	137745	3911966	699432
35	Plant & Machinery	Plant & Machinery	Medicle College	7%	5048037	0	0	5048037	1771755	0	336534	2108289	2939748
36	Office Equipment	Office Equipment	Bhalbhavan School	7%	39090	0	0	39090	39087	0	0	39087	3
37	Office Equipment	Office Equipment	Metal Department	7%	0	0	0	0	0	0	0	0	0
38	Infrastruture Assets	Poles		2%	149148440	0	0	149148440	40799151	0	2982969	43782120	105366320
39	Infrastruture Assets	Traffic Signal		7%	13356000	1054560	0	14410560	7198733	0	890400	8089133	5266867
40	Infrastruture Assets	Electric Fitting & Electric Cable & Swithching Point		7%	179177304	0	0	179177304	114133468	0	7409967	121543435	57633869
41	Office Equipment	Office Equipment	Swimming Pool	7%	27054	0	0	27054	19586	0	1067	20653	6401

Sr. No.	Group Of Assets	Sub Classification Of Assets	Department Name	% Of Depreciation	Gross Block As On 1-04-06	Addition for 2005-06	Addition During The Year 2006-2007	Total Gross Block	Accumulated Depreciation up to 31.03.06	Depreciation For The Year (On Addition)	Depreciation For The Year (Old)	Accumulated Depreciation up to 31-03-07	Net Block as on 31-03-2007
42	Plant & Machinery	Plant & Machinery	Swimming Pool	7%	3650560	0	0	3650560	2678846	0	243371	2922217	728343
43	Furniture & Fixture	Furniture & Fixture	Swimming Pool	10%	204825	0	0	204825	143378	0	20483	163860	40965
44	Office Equipment	Office Equipment	Tax Departement	7%	20490	0	0	20490	2732	0	1366	4098	16392
45	Plant & Machinery	Plant & Machinery	Zoo Department	7%	7790000	0	0	7790000	6232000	0	519333	6751333	1038667
46	Office Equipment	Office Equipment	Zoo Department	7%	30455	0	0	30455	4061	0	2030	6091	24364
47	Plant & Machinery	Plant & Machinery	Vyayam	7%	785890	868650	0	1654540	368935	0	47273	416207	369683
48	Office Equipment	Office Equipment	Vyayam	7%	74839	0	0	74839	74836	0	0	74836	3
49	Storm Water Drain	Drainage	Drainage	7%	565299724	0	0	565299724	334144483	0	21137429	355281911	210017813
50	Dhalav				1	0	0	1	0	0	0	0	1
51	Bankda			7%	0	137133	0	137133	0	0	0	0	0
52	Hand carts			7%	2176720	2176720	0	4353440	72557	0	145115	217672	1959048
	<b>Capital Work In Progress</b>							2123174884		0	0	0	2123174884
					22254301905		4260001	24531482970	6329425590	0	477617437	6807043027	17574693763

**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

**Schedule No : B- 1**

**Schedule Name : Tax & Other Payable**

Name Of tha Tax & Other Payable	Amount
Income Tax Surcharge	2166
Sales Tax	2595218
Tax Collected At Source	123366
State Education Cess	40787167
Contractors T.D.S Payable	22427111
Construction Cess (T.D.O.)	8151285
<b>Total</b>	<b>74086313</b>

**Schedule No : B- 2**

**Schedule Name : Deposit & Other Security**

Nature Of Deposits	Amount
Earnest Money Deposit Traders	45604114
Security Deposit Traders	162115057
Security Deposit others	178165329
Retention Money From Traders	3425
Retention Money From Others	14158703
Octroi Deposit	23381855
Water Connection Deposit	9430336
Drainage Connection Deposit	6252008
Street Light Deposit	8354550
Scrutiniy Fee Deposit	9201556
Development Charge Deposit	112552401
Amount Received from West Auda Area for removal of bed water	51563515
Plaster Deposit ( Chantar )	4906313
Amusement Park Deposit	621991
Income Deposit Of Water Park	960567
Fire Safety Installation Deposit	2190540
Other Deposit	444667374
<b>Total</b>	<b>1074129634</b>

**Schedule No : B- 3**

**Schedule Name : Employee Benefit Payable**

Nature Of Benefit	Amount
Grauity Payable	1425036
Pension Payable	273181



**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
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As at 31st March 2007

<b>Total</b>	<b>1698217</b>

**Schedule No : B- 4**

**Schedule Name : Expenses Payable**

Nature Of Expenditure	Amount
Electricity Payable	171171324
Telephone Payable	1247370
<b>Total</b>	<b>172418694</b>

**Schedule No : B- 5**

**Schedule Name : Salary & Wages Payable**

Nature Of Payments	Amount
Group Insurance Premium (G.I.S)	48635294
Corporation Contribution In C.P.F Scheme	75315926
Income Tax Deduction on Employee	11207205
Professional Tax Deduction	191538
Life Insurance Premium (L.I.C)	832555
Municipal Co-operative Bank Deduction	294700
Employees Deduction in C.P.F	80061572
Employees Deduction in G.P.F	1415666153
Employees Deduction in E.P.F	5196602
Binsafai Kamdar Credit Society	408988
Safai Kamdar Credit Society	31937
4th Class Employee Credit Society	550
Ahmedabad Rushi Kamdar Credit Society	-25358
National Freedom Kamdar Credit Society	1363
Fire Credit Society	37750
Mun.Employee & Credit Society Ltd.	194916
Health Technical Credit Society	400
Central Workshop Credit Society	3778
Mun. Servant Co.op. Credit & Supply Society	-310
Municipal Bank (Welfare Fund)	-30915
Municipal Staff Kamdar Society (Welfare Fund)	-103986
Safai Kamdar Society (Welfare Fund)	71413
Municipal Servant Society (Welfare Fund)	-4100
Fire Brigade Credit Society	59542
Municipal Employee Credit & Supply Society (Welfare Fund)	74719
Health Technical Credit Society (Welfare Fund)	53372
Class 2-3 Credit Society (Welfare Fund)	68050
Salary Payable	303439119
Salary Advances	6562122

**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

Other Deduction	828082
	<b>1949072977</b>

**Schedule No : B- 6**

**Schedule Name : Loan From Govt and Financial Institution**

Name of the Loan	Amount
<b>Secured Loan : I</b>	
Public Loan	406900000
I.C.I.C.I (7.85 %)	93749870
<b>Total</b>	<b>500649870</b>
<b>Unsecured Loan : II</b>	
Government Loan	838563137
<b>Total</b>	<b>838563137</b>
<b>Loan Of Nagarpalika : III</b>	
LIC Loan	2235562
N.S.D.P. Yogana	73514882
Revolving Fund	15097908
Urban Development Fund	27412000
Vajpai Yogana	12199859
<b>Total</b>	<b>130460211</b>
<b>Total { I + II + III }</b>	<b>1469673218</b>

**Schedule No : B- 7**

**Schedule Name : Bank Balance**

Bank Name	Amount
S.B.I.A/C NO.01000050040	10586263
S.B.I. A/C 0100005004001	48893
Oriental Bank Of Comm. A/C20950	87234
Canara Bank-A/C NO.4613	1096
Canara Bank-A/C NO.4769	1176
S.B.I. A/C 0100005004004	89430
Sewa Bank A/C.SP/420	7729
Indian Bank A/C 30000	0
HDFC A/C.NO.0692000000044	10286
Indian Bank AMC WZ Tax A/C 18573	0
ICICI Bank AC 02405001075	17528715
Indian Bank-18662(10 HALF INT)	785411

**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
**Comprehensive Annual Financial Statement**  
As at 31st March 2007

ICICI Bank SB NO.002401029661	32844
Global Trust Bank-2100102267	2088
Kalupur Com.Co.Op.Bk-7063	230098
ICICI Bank 002405003656	7928
ICICI Bank (EMD)002405004402	56708
Indian Bank A/C.NO.18764	31723
U.B.I.(General)A/C.NO.11270	13621
Indian Bank A/C.NO.18784	713353
Indian Bank SB.A/C.NO.14504	74520
BOB- 2742	27800
ICICI Bank 2405001599	6337768
ICICI Bank Ltd. 2405001576	3236968
IDBI Bank Ltd.A/C.NO.2820	40581
BOB A/c. 2815	0
UBI 11330	10627
BOB 2975	0
ICICI Bank Ltd. NO.2405005510	6825
Indian Bank Main BR. (18576)	1301704
Indian Bank A/C 18500	76943
HDFC A/C NO.069209000013	3955668
Indian Bank A/C 18498	674
Indian Bank Bond INT. A/C 18419	155927
Indian Bank A/C.05747(18424)	237230
Indian Bank C A/C 18409(AAWAS)	20117
Union Bank Of India A/C.23209	16975139
Indian Bank A/C.18623	52211
ICICI Bank A/C.002405001074	14142411
Indian Bank A/C.18531	68097
Union Bank Of Indian(ESC)23210	5000
Indian Bank A/C.NO. 18798	45708
Corporation Bank-3592	8089
U.B.I.A/C.36035	5158
Indian Bank A/C.NO.18819	362083
ICICI Bank A/C.NO.2405007095	1280083
Indian Bank A/C.NO.18830	0
Indian Bank A/C.NO.18831	22328
ICICI BANK A/C.NO.002405007799	8420568
ICICI Bank Ltd. 2405008494	3340000
ICICI Bank Ltd. 624405031689	5762660
ICICI Bank Ltd. 8523	9766240
Central Bank Of India - M.MKT.	48836
Vijya Bank SB-9864	7254
Vijya Bank SB-9862	323
Vijya Bank SB-9863	6812
Vijya Bank SB-9861	4715
SBI COMP.(GIS A/C)1000050050	8082
S.B.I. A/C 0100005004000	50080
Nagarpalika Bank Balance	741253
Inter Cash Balance	99963874
Chques On Hand	364120019
Payorders On Hand	137557955
Unreconciled bank cheque adjustment account	189633538
<b>Total</b>	<b>898116463</b>

AHMEDABAD MUNICIPAL CORPORATION  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

Schedule No : B- 8

Schedule Name : Cash on Hand

Particular	Amount
Cash On Hand	107358276
Imprest Cash	676538
<b>Total</b>	<b>108034814</b>

Schedule No : B- 9

Schedule Name : Inventory

Department	Amount
Central Workshop	41062276
Central Medical Store	5244060
Jamalpur Light Department	2981966
Central Store	71097542
Metal Department	6433988
<b>Total</b>	<b>126819832</b>

Schedule No : B- 10

Schedule Name : Account Receivable

Department	Amount
Property Tax :	
2000_01	6178904269
2001_02	397691845
2002_03	500407730
2003_04	525022157
2004_05	517569926
2005_06	833216691

**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

2006_07	717926917
Vehicle Tax	791665678
Theator Tax	21816965
Less : Provision For Doubtful Debts (Property Tax)	6858632557
Less : Provision For Doubtful Debts (Vehicle Tax& Theator Tax)	812193350
<b>Total</b>	<b>2813396271</b>

Schedule No : B- 11

Schedule Name : Investment

Investment	Amount
Indian Bank	147322088
I.C.I.C.I	1898197514
SRFDCL (0.001% Convertible Non-Cumilitive Preference 22,00,000 Shares)	550000000
Sabarmati River Front Development Board Corporation Ltd. (Unquoted)	200000000
(2,00,00,000 Equity Share of Rs.10 each fully paid up )	
<b>Total</b>	<b>2795519602</b>

AHMEDABAD MUNICIPAL CORPORATION  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

Schedule No : B- 12

Schedule Name : Deposits With Others

Deposit	Amount
Telephone & Telex	1082606
Electricity	6690524
<b>Total</b>	<b>7773130</b>

Schedule No : B- 13

Schedule Name : Advances to Employee

Type of Advance	Amount
Festival Advance	13212907
Food Grain Advance	219672
Travelling Advance	5579621
Recovery of Advance loan on C.P.F	11126352
Salary paid through bank	25901405
Recovery of Advance loan on G.P.F	222257095
GPF Authority Govt.	1382426709
<b>Total (A)</b>	<b>1660723761</b>

Schedule Name : Advances to Traders & Contractors

Type of Advance	Amount
Advance to Contractors for Capital Work	48639069
Advance to Contractors for other than Capital Work	90555381
Work charge Advance (Other than Capital)	777001
Advance for other misc Capital work	80280
Advance for material to supplier and traders	17505104
Advance to Credit Society for Safai Kamdar	6000000
<b>Total (B)</b>	<b>163556835</b>

<b>Total { A + B }</b>	<b>1824280596</b>
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Schedule No : B- 14

**AHMEDABAD MUNICIPAL CORPORATION**  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

**Schedule Name : Loan to Employee**

Particular	Amount
Vehicle Loan to Employee of A.M.C	234990
Loan to Employee For Purchase of New House	-5027970
Loan To Employee For Repairing Of House	1946991
Loan To Employee For Renovation of House	197500
<b>Total</b>	<b>-2648489</b>

**Schedule Name : Loan to others**

Particular	Amount
Loan to Sabarmati River Front Development Corporation Ltd	561253888
Loan To A.M.T.S	3237409404
<b>Total</b>	<b>3798663292</b>

<b>Total</b>	<b>3796014803</b>
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**Schedule No : B- 15**

**Schedule Name : Inter Fund Balance**

Particular	Amount
Works From GSDMA WB	69676000
GMFB Grant For UBSP	21771000
NRCP Grant	147771000
GIDC Effluent Disposal Scheme	-227962
10TH Pay Commission	156243688
11TH Finance Commission	113115702
Hudco Housing Project For EWS	179386435
Vambay Pay & Use Toilet	-17148296
Development Of Zoo	-1791000
MLA Grant	25257843
MP Grant	13939184
Slum Net Working Project	1468081
TCIDS Project	104734432
S.C.L. Hospital P.P. Unit	11542549
L.G. Hospital P.P. Unit	7281428
Intergraded Child Development Project Department	1965294
Education Trust Fund	-1292135
Shari Kutumb Kalyan Kendra	22732850
Welfare Fund	-15074726
<b>Total</b>	<b>841351367</b>

**AHMEDABAD MUNICIPAL CORPORATION**  
**FUND NAME : CAPITAL PROJECTS & DEVELOPMENT FUNDS**  
**COMBINING BALANCE - SHEET**  
**AS AT 31ST March 2007**

Particulars	Schedule No	Tax Free Bond Issue -2002	Tax Free Bond Issue -2004	Tax Free Bond Issue -2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	GMFB Grant For Urban Poor	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Development Of Zoo	JNURM	Total	
<b>LIABILITIES AND FUND BALANCES</b>																			
<b>Current Liabilities</b>																			
Grant Received																			
Advance Grant Received																		225,780,500	225,780,500
Accounts Payable																			
Contractor Dues					355,989					44,314					512,946				913,249
Tax Payable	B-1				11,935					1,454					16,832				30,221
Deposits & Other Security	B-2	1,916,145	5,573,191	1,176,851	450,000	853,560													9,969,747
Secured Loan																			
Loan Payable	B-3		580,000,000	1,000,000,000	51,889,160														1,631,889,160
Due to Other Fund																			
General Fund					179,386,435	69,676,000	21,771,000		147,771,000		156,243,688		113,115,702	104,734,432					792,698,257
<b>Total Liabilities</b>		<b>1,916,145</b>	<b>585,573,191</b>	<b>1,001,176,851</b>	<b>232,093,519</b>	<b>70,529,560</b>	<b>21,771,000</b>	<b>-</b>	<b>147,771,000</b>	<b>45,768</b>	<b>156,243,688</b>	<b>-</b>	<b>113,115,702</b>	<b>104,734,432</b>	<b>529,778</b>	<b>-</b>	<b>225,780,500</b>	<b>2,661,281,134</b>	
<b>ASSETS</b>																			
<b>Current Asset</b>																			
Bank Balances	B-4					248,621	20,829			27,254	22,302		1,861		(225)				320,642
Investments	B-5	373,969,093	213,796,091	385,765,826			330,109,168				115,139,997				51,241,634		341,710,434	1,811,732,243	
Grant Receivable																		229,374,000	229,374,000
Stock In Trade					230,287,910														230,287,910
Fixed Assets																			
Property, Plants & Equipments																			
Assets Capitalised In General Fund																			
Capital Work in Progress	B-6	7,749,041	7,664,413	14,552,136	44,590,940	74,537,015	61,432,489		60,113,899	590,806	20,061,637		124,077,379	53,198,284	12,545,448		58,494,466	539,607,951	
Due From General Fund										227,962					17,148,296	1,791,000			19,167,258
<b>Total Assets</b>		<b>381,718,134</b>	<b>221,460,504</b>	<b>400,317,962</b>	<b>274,878,850</b>	<b>74,785,636</b>	<b>391,562,486</b>	<b>-</b>	<b>60,113,899</b>	<b>846,022</b>	<b>135,223,936</b>	<b>-</b>	<b>124,079,240</b>	<b>53,198,284</b>	<b>80,935,153</b>	<b>1,791,000</b>	<b>629,578,900</b>	<b>2,830,490,005</b>	
<b>Fund Balances ( Assets - Liabilities )</b>		<b>379,801,989</b>	<b>(364,112,687)</b>	<b>(600,858,889)</b>	<b>42,785,331</b>	<b>4,256,076</b>	<b>369,791,486</b>	<b>-</b>	<b>(87,657,101)</b>	<b>800,254</b>	<b>(21,019,752)</b>	<b>-</b>	<b>10,963,538</b>	<b>(51,536,148)</b>	<b>80,405,375</b>	<b>1,791,000</b>	<b>403,798,400</b>	<b>169,208,871</b>	



AHMEDABAD MUNICIPAL CORPORATION  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

Schedule No : B-1

Schedule Name : Tax Payables

Particulars	Tax Free Bond Issue - 2002	Tax Free Bond Issue -2004	Tax Free Bond Issue - 2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Developme nt Of Zoo	JNURM	Total
Tax Deducted at Source - Contractors	-	-	-	11,935	-	-	-	1,454	-	-	-	-	16,832	-	-	30,221
Commercial Tax	-	-	-	-	-	-	-	-	-	-	0	-	-	-	-	-
<b>Total</b>	-	-	-	<b>11,935</b>	-	-	-	<b>1,454</b>	-	-	-	-	<b>16,832</b>	-	-	<b>30,221</b>

Schedule No : B-2

Schedule Name : Deposits & Other Security

Particulars	Tax Free Bond Issue - 2002	Tax Free Bond Issue -2004	Tax Free Bond Issue - 2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Developme nt Of Zoo	JNURM	Total
Security Deposits Payable	-	-	-	450,000	-	-	-	-	-	-	-	-	-	-	-	450,000
Retention Money	1,916,145	5,573,191	1,176,851	-	853,560	-	-	-	-	-	-	-	-	-	-	9,519,747
<b>Total</b>	<b>1,916,145</b>	<b>5,573,191</b>	<b>1,176,851</b>	<b>450,000</b>	<b>853,560</b>	-	-	-	-	-	-	-	-	-	-	<b>9,969,747</b>

Schedule No : B-3

Schedule Name : Loan Payable

Particulars	Tax Free Bond Issue - 2002	Tax Free Bond Issue -2004	Tax Free Bond Issue - 2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Developme nt Of Zoo	JNURM	Total
Secured Loans :																
National Housing Bank For EWS Project	-	-	-	51,889,160	-	-	-	-	-	-	-	-	-	-	-	51,889,160
Tax Free Bond	-	580,000,000	1,000,000,000	-	-	-	-	-	-	-	-	-	-	-	-	1,580,000,000
<b>Total</b>	-	<b>580,000,000</b>	<b>1,000,000,000</b>	<b>51,889,160</b>	-	-	-	-	-	-	-	-	-	-	-	<b>1,631,889,160</b>

Schedule No : B-4

Schedule Name : Bank Balances

Particulars	Tax Free Bond Issue - 2002	Tax Free Bond Issue -2004	Tax Free Bond Issue - 2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Developme nt Of Zoo	JNURM	Total
AMC A/C 10th Finance Commission	-	-	-	-	-	-	-	-	22,302	-	-	-	-	-	-	22,302
Indian Bank-18644(11th Finance Commission)	-	-	-	-	-	-	-	-	-	-	1,861	-	-	-	-	1,861
OBC (A/C 43909)GIDC	-	-	-	-	-	-	-	27,254	-	-	-	-	-	-	-	27,254
OBC-A/C.20003	-	-	-	-	-	20,829	-	-	-	-	-	-	-	-	-	20,829
AMC-GSDMA A/C Indian Bank 18558	-	-	-	-	250,378	-	-	-	-	-	-	-	-	-	-	250,378
ICICI Bank GSDMA 2401028803	-	-	-	-	(1,757)	-	-	-	-	-	-	-	-	-	-	(1,757)
ICICI Bank (VAMBAY) 24/5/3173	-	-	-	-	-	-	-	-	-	-	-	-	(225)	-	-	(225)
<b>Total</b>	-	-	-	-	<b>248,621</b>	<b>20,829</b>	-	<b>27,254</b>	<b>22,302</b>	-	<b>1,861</b>	-	<b>-225</b>	-	-	<b>320,642</b>

AHMEDABAD MUNICIPAL CORPORATION  
Schedules attached to  
Comprehensive Annual Financial Statement  
As at 31st March 2007

Schedule No : B-5

Schedule Name : Investments

Investment Details	Tax Free Bond Issue - 2002	Tax Free Bond Issue -2004	Tax Free Bond Issue - 2005	Hudco Housing Project For EWS	Works From GSDMA WB Assistant	GMFB Grant For UBSP Common Project	NRCP Grant	GIDC Effluent Disposal Scheme	10TH Pay Commission	ONGC Grant For EarthQuake	11TH Finance Commission Grant	TCIDS Project	VAMBAY Pay & Use Toilet	Developme nt Of Zoo	JNURM	Total
Fixed Deposit with Banks	373,615,949	213,331,683	372,775,347	-	-	327,648,470	-	-	114,936,889	-	0	-	51193246	-	337589986	1,791,091,570
Interest Accured But Not Due On FDR's	353,144	464,408	12,990,479	-	-	2,460,698	-	-	203,108	-	0	-	48388	-	4120448	20,640,673
<b>Total</b>	<b>373,969,093</b>	<b>213,796,091</b>	<b>385,765,826</b>	<b>-</b>	<b>-</b>	<b>330,109,168</b>	<b>-</b>	<b>-</b>	<b>115,139,997</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>51241634</b>	<b>-</b>	<b>341710434</b>	<b>1,811,732,243</b>

AHMEDABAD MUNICIPAL CORPORATION  
 FUND NAME : TRUST & AGENCY FUNDS  
 STATEMENT OF REVENUES , EXPENDITURES AND CHANGES IN FUND BALANCES  
 FOR THE PERIOD ENDED 31ST MARCH 2007

( Rupees )

Revenues							
Fund Received		57,488,870	-	24,982,419	1,695,797	-	84,167,086
Interest Income		-	-	-	-	-	-
<b>Total Revenues</b>		<b>57488870</b>	<b>-</b>	<b>24982419</b>	<b>1,695,797</b>	<b>-</b>	<b>84,167,086</b>
Expenditure							
<u>Repair &amp; Manintaines</u>		-	-	-	-	-	-
Maintaince- Building		-	-	-	-	-	-
Maintaince- Roads		-	-	-	-	-	-
Maintaince-Filter Plant & Pumps		-	-	-	-	-	-
Maintaince-Furniture & fixture		-	-	-	-	-	-
Maintaince-Wells & Lakes		-	-	-	-	-	-
Other Expenses		-	-	-	-	-	-
Electric Expenses		-	-	-	-	-	-
Stores & Spares		-	-	-	-	-	-
<b>Total Expenditure</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess/ ( Deficiency ) of Income over Expenditure		57488870	0	24982419	1695797	0	84167086
Other Financing Sources							
Transfer from other fund		-	-	-	-	-	-
Fund Balances as on 01-04-2006		105,354,866	14,409,938	81,285,257	-	1,292,135	202,342,195
Excess/ ( Deficiency ) of Current Year		57488870	-	24,982,419	1,695,797	-	84,167,086
Transfer to/by Fund		9783197	6,408,134	16,776,953	(1,695,797)	-	31,272,487
<b>Fund Balances as on 31-03-2007</b>		<b>172,626,932</b>	<b>20,818,072</b>	<b>123,044,629</b>	<b>-</b>	<b>1,292,135</b>	<b>317,781,768</b>

AHMEDABAD MUNICIPAL CORPORATION  
FUND NAME : SPECIAL REVENUE FUND  
COMBINING BALANCE - SHEET  
AS AT 31ST MARCH 2007

Particulars	Schedule No	Intergraded Child Development Project Department	Shahri Kutumb Kalyan Ekam	S.C.L Hospital Post Partum Unit	L.G Hospital Post Partum Unit	Welfare Fund	Total
<b>Liabilities And Fund Balances</b>							
Due to/(from) other Funds		1,965,294	22,732,850	11,542,549	7,281,428	(15,074,726)	28,447,395
<b>Current Liabilities</b>							-
Sundry Creditors		-	-	-	-	-	-
Tax Payable							
Grant Payable		-	-	-	-	-	-
<b>Total Liabilities</b>		<b>1,965,294</b>	<b>22,732,850</b>	<b>11,542,549</b>	<b>7,281,428</b>	<b>(15,074,726)</b>	<b>28,447,395</b>
<b>Assets</b>							
Bank Balances		-	-	-	-	-	-
Grant Receivable		5,597,019	23,671,714	11,578,297	13,719,417	-	54,566,447
<b>Total Assets</b>		<b>5,597,019</b>	<b>23,671,714</b>	<b>11,578,297</b>	<b>13,719,417</b>	<b>-</b>	<b>54,566,447</b>
Opening Balance As On 01/04/2006		-	-	-	-	102,532,978	102,532,978
Add: For The Year 2006-2007		3,631,725	938,864	35,748	6,437,989	(87,458,252)	(76,413,926)
<b>Fund Balances ( Assets - Liabilities )</b>		<b>3,631,725</b>	<b>938,864</b>	<b>35,748</b>	<b>6,437,989</b>	<b>15,074,726</b>	<b>26,119,052</b>

## **SIGNIFICANT ACCOUNTING POLICIES**

Significant accounting policies are the basis of accounting that is used to determine how transactions are reported on the financial statements. These financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, whenever applicable.

These Accounting Policies have been prepared considering Governmental Accounting Standards Board (GASB) pronouncements, the various relevant Accounting Standards of the Institute of Chartered Accountants of India (ICAI), the Technical Guide on accounting and financial reporting by Urban Local Bodies issued by the ICAI and Comptroller & Auditor General's report on Urban Local Bodies.

### **BASIS OF PRESENTATION**

#### **Fund Accounting :-**

The accounts of the Ahmedabad Municipal Corporation are organized on the bases of funds, each of which is considered a separate accounting entity. The operations of each Fund are accounted for with a separate set of self-balancing accounts that comprise its assets. Government resources are allocated to and accounted for in individual funds based upon the purposes for which resources are to be spent and the means by which spending activities are controlled. The various Funds are grouped in the financial statements in four generic fund types, as follow :

- **General Municipal Fund**

The General Fund, which is the principal fund of the City, accounts for all financial transactions not accounted for in other funds.

- **Capital Projects Fund**

The Capital Projects Fund is used to account for financial resources to be used for the acquisition of major capital facilities. In the context of the AMC, all projects that are in the process of construction are accounted for in this Fund. After completion, they are accounted for as general fixed assets of the city.

- **Special Revenue Funds**

These Funds are used to account for the proceeds of specific Revenue Sources ( other than Expendable Trust Funds or major Capital Projects Funds ) that are legally restricted for expenditures for specific purposes.

- **Trust and Agency Funds**

These funds are used to account for assets held by the AMC in a trustee capacity or as an agent for individuals, other Governmental Units, and other Funds.

## **Basis of Accounting :-**

Under the **Accrual Basis of Accounting**, most transactions are recorded when they occur, regardless of when cash is received or disbursed. The accrual basis of accounting includes considerations relating to deferral, allocation, depreciation and amortization. **The major difference between accrual accounting and cash accounting is in timing of recognition of Revenues, Expenses, Gains and Losses.**

The accrual basis is the superior method of accounting for the economic resources of any organization. It results in accounting measurement based on the substance of transactions and events, and thus enhances their relevance, neutrality, timeliness, completeness and comparability. **World Wide, the use of accrual basis to the fullest extent practicable is recommended in the government environment**

Under accrual accounting, entries are made on the dates when Revenue or Expenses fall due and not on the date when they are paid or received. Accrual Basis of accounting is a scientific system for reporting income and also for preparation of financial statements. It is based on two basic accounting principles.

- 1. Revenue Recognition principle**
- 2. Matching Principle**

According to the Revenue Recognition Principle, Revenue is reported in the financial statements in the accounting period in which cash representing that revenue is actually received. According to Matching Principle, all expenses associated with the generation of revenue must be matched against that revenue in the same period in which revenue was actually earned . Consequently under accrual basis of accounting , cash received in advance for services to be rendered in future are not recognized as revenues at all and are treated as deferred revenue and shown as liability in Balance Sheet. Similarly expenses paid in advance are not matched against the revenue of current year and treated as prepaid expenses and shown as asset in Balance Sheet. Likewise, income earned, but not received in cash is taken as accrued income, and is treated as income of current year and shown as asset in Balance Sheet. Expenses incurred but not paid for is provided for and charged against revenue of current years and shown as liability in the Balance Sheet.

The adjustments made on accrual basis ensure better financial statements. Accrual Basis is the most widely accepted basis of accounting. Accrual Basis of accounting is a scientific method. It emphasizes on proper recognition of income & expenses to have a clear picture of receivables and payable without inflating/deflating income or expenses.

## **Benefits of Accrual Accounting**

- 1.** Accrual basis of accounting allows users to
  - i) Assess the accountability for all resources the entity controls and the deployment of those resources.
  - ii) Assess the performance, financial position and cash flow of the entity.

- iii ) Make decisions about providing resources to or doing business with, the entity.
  - iv ) Evaluate a Government's ongoing ability to finance its activities and to meet its liabilities and commitment.
- 2.** Accrual basis of accounting provides information on an entity's overall financial position and current stocks of assets & liabilities and changes in financial position. The AMC needs this information to
- i ) Make decisions about the feasibility of financing the services it wishes to provide.
  - ii ) Demonstrate accountability to the public for the management of its assets and liabilities.
  - iii ) Plan for future funding requirements of assets maintenance and replacement.
  - iv ) Plan for the repayment of or satisfaction of existing liabilities.
  - v ) Manage its cash position and funding requirement.
  - vi ) Demonstrate its performance in terms of service costs, efficiency and accomplishments.
  - vii ) Assess whether current revenues are sufficient to cover the costs of current programs and services.
  - viii ) Record the total costs, including depreciation of physical assets and amortization of intangible assets for carrying out specific activities
  - ix ) Assess whether it can provide and the extent to which it can afford new programs and services.
- 3.** Accrual Accounting requires maintenance of complete records of assets and liabilities. It facilitates better management of assets, including better maintenance, more appropriate replacement policies, identification & theft or damage.
- 4.** Accrual Accounting provides a consistent framework for the identification of existing liabilities , and contingent liabilities. It provides information on the impact of existing liabilities on future resources.
- 5.** Accrual basis of accounting shows how the Government financed its activities and met its cash requirement.
- 6.** Accrual basis of accounting highlights the impact of financing decision on net assets/equity and may lead government to take long-term view when making financing decisions than is generally possible. When relying on cash reports under the accrual basis of accounting , the financial statement will include a Statement of Financial position , which discloses information about assets and liabilities . Where assets and liabilities are not equal, a residual figure for net assets/equity will be reported. Changes in an entity's net assets/equity between two reporting dates reflect the increase or decrease in its wealth during the accounting period. Information or changes in financial position means that government may be held accountable for the financial impact of its decision of both current and future net assets/equity.

### **Method of Accounting :-**

The method of accounting is the Double-Entry System.

### **Income/Revenues**

In case of Property taxes, Revenue are recorded when earned and therefore recognized on accrual basis. This policy is in line with C&AG's recommendations on accrual accounting for property taxes in India. In the accrual system revenues from property taxes are recognized in the fiscal year for which the taxes are levied are considered measurable and available. Assigned Revenues like Entertainment tax, Duty/Surcharge on transfer of Immovable Properties are accounted upon actual collection. Revenues in respect of Advertisement, Rent from properties shall be accrued based on terms of agreement/contract. Revenue from Grants and Shared Income are recognized in the fiscal year in which all eligibility requirements have been satisfied and confirmation/sanction received. This again is in line with C & AG's recommendation for accounting for such income.

Adequate provisions are made in respect of income accrued but not received.

Interest on tax receivables are accounted on receipt basis.

### **Expenditures**

Expenditures are recorded when incurred and are recognized on accrual basis.

### **Cash and Bank**

Cash comprises cash in hand and cash at bank as on the Balance Sheet date. Cash-books maintained in Headquarters and in all the Zones. Bank balance is taken as per books which are subject to reconciliation.

### **Investments**

Investments comprise fixed term deposit with Nationalized Banks. Investments are valued at cost and adequate provision is made to recognize any permanent diminution, if any, in value. Interest on investments is accounted for on accrual basis.

### **Assets**

**Valuation Policies for Assets :-** Generally fixed assets are valued at historical cost. In the absence of information regarding historical cost, the following costs have been used.

**Fair Value :-** The amount for which an assets could be exchanged between knowledgeable , willing parties in an arm's length transaction. It should be noted that computation of fair value is possible only if an active market for the asset exists. Evidence of isolated offers or transactions should not be taken as an indication of the existence of an open market.



**Replacement Cost** :- The amount that would cost currently to replace an asset.

**Estimated Cost** :- For those items for which neither the historical cost is available nor can a fair market price be determined and the replacement cost for all practicable purposes can not be ascertained, a notional value of rupee one has been taken for the asset itself.

**Capital Assets** :- Capital Assets are broadly classified into Land, Buildings, Equipments, Infrastructure Assets, Plant and Machinery, Furniture and Fixtures and Capital W. I. P. Capital Assets are reported at Historical Cost. The cost of capital assets includes capitalized interest and ancillary charges to place the assets in its intended location and condition for use . In case historical cost is not ascertainable, the rates as mentioned in the SOR(Schedule of Rates) for the year in which the asset is constructed/acquired has been used. However, assets with no commercial usage have been valued at Rs. One.

The assets purchased / constructed from Special Grants or Funds are valued at the cost incurred from Grant Fund towards such assets. Where the grant relates to an asset, the gross value of fixed assets is left undisturbed, the grant is credited to capital reserve. Accounting Policies followed for the valuation of various categories of capital assets are provided below:-

### **Land**

AMC acquires land in a variety of ways such as

- By way of purchase from the landowner, including in a scheme of compulsory acquisition formulated by the government.
- Land gifted to AMC by institutions or individuals , whether with or without any conditions as to their use . This includes open spaces gifted by promoters of colonies, etc.
- Land provided to AMC free of cost , whether with or without any conditions as to their use.

Besides the above, some land may also be vested in AMC in respect of which it acts merely as trustee and has no ownership rights. The accounting treatment of land acquired through the above modes is as follows :-

### **Land acquired through purchase** :-

Such land is recorded at the aggregate of the purchase price paid / payable and other costs incidental to acquisition such as registration charges. In case of land acquired under a scheme of compulsory acquisition, many a time there is a dispute between the rate of compensation between the AMC and the previous owners whose land has been acquired. In such a case , in determining the cost of land , an appropriate allowance is made for the additional compensation that becomes payable, if the following condition is satisfied. The payment of additional compensation is probable , and the amount so payable can be reasonably estimated .

### **Land Acquired Free of Cost** :-

In many cases, the government provides land free of cost. In some case individuals or institutions also provide land for specific purposes like construction of schools etc as endowments. Promoters of colonies may also provide for construction of parks and similar common facilities. The cost of

such land to the AMC is nil . Such land has been accounted for a nominal value. ( e.g. rupee one ) . However , to maintain proper control , such land must be recorded in the fixed assets register . Any incidental costs of acquisition such as registration charges are added to cost. If the same asset is put for commercial utilization in the future, the asset will be valued at fair market value.

#### **Vested Government Land : -**

Such land is neither owned by AMC nor do the economic benefits from the use of such land otherwise flow to the AMC. The ownership remains with the government and AMC merely acts as a trustee in respect of such land. As neither the ownership nor the economic benefits arising from such land vest with the AMC, it is not considered an asset of the AMC.

#### **Land Improvements : -**

Cost of any improvements to land such as filling cost, fencing cost, etc. is capitalized as part of the cost of land. In case any super structure has been built on land the cost of such superstructure is capitalized separately under the head "Buildings."

#### **Land under Encroachment : -**

Where there is an encroachment on land belonging to an urban local body, a provision equal to virtually the entire carrying amount of the land should be made (leaving only a nominal amount to facilitate control), except where it can be clearly demonstrated that there is a strong possibility of getting the land evacuated. This is in view of the fact that due to the complex, protracted legal process and other constraints, it is generally not possible to have the land evacuated. It would also be useful to include in the financial statements a description of land under encroachment and, wherever possible, the market value thereof.

In case the land is subsequently got evacuated, the provision made in respect of encroachment should be reversed.

#### **Buildings**

The cost of building is taken as the aggregate of the purchase price and incidental costs such as registration charges. In the case of self-constructed buildings, the cost is taken at the rates provided by the estate department based on the age of the building.

#### **Plant and Machinery**

The cost of plant and machinery includes, besides purchase price, such costs as site preparation costs, installation costs and professional fees.

#### **Streetlights**

All street light, poles and fittings that belong to AMC are recorded as fixed assets of AMC. The assets are valued at the rates mentioned in the SOR(Schedule of Rate) for the year of acquisition.

### **Other Fixed Assets**

The cost of other fixed assets such as vehicles, furniture and fittings, office equipment etc. would comprise the purchase price and incidental costs such as freights, installations charges etc.

### **Composite Fixed Assets**

In some cases, a single asset may comprise several components of different nature. For example, a part may comprise, apart from land, buildings, pumping station machinery, swings etc. Where each of these assets has been purchased/constructed separately, the attributable cost (i.e. purchase price and incidental costs or the cost of construction as the case may be) of each asset is capitalised under the respective account head in the chart of accounts. On the other hand, where the composite asset has been purchase or constructed for a consolidated amount, such amount is apportioned among the various components of the assets on a reasonable basis, e.g., in proportion to their respective market prices on the date of the acquisition.

### **Non-Cash Consideration**

In some cases a fixed asset may be compulsorily acquired from a taxpayer for non-payment of taxes or duties. In such cases, the unpaid amount as appearing in the books constitutes the consideration for the acquisition and the asset acquired should accordingly be recorded at such amount.

### **Revaluation**

Where land is acquired by AMC free of cost or at concessional rates, and when such land is intended to be disposed off / sold off by AMC for commercial purposes, such land is required to be revalued by AMC subsequent to its acquisition. The revaluation should be based on market value of similar land (similar with regards to its condition / location) should be considered in revaluation. If such similar land is not available for comparison, appropriate allowances to be made for differences in location and condition. A subjective judgments on revaluation would exist until the promulgation of objective norm on revaluation of land of urban local bodies by state governments.

### **Work in Progress**

Expenditure on Capital Assets which are in the process of Construction or completion are booked under the head 'Capital Work-in-Progress' (CWIP). CWIP is taken for all schemes **not** completed as on Balance Sheet date. CWIP is valued at amount of money spent & paid plus amount of bills passed but not paid.

### **Infrastructure Assets**

The initial capitalization amount of infrastructure assets is based on historical cost. In determining the actual historical cost of general infrastructure assets is not practical because of inadequate records, the estimated historical cost for major general infrastructure assets has been calculated.

The estimate of historical cost of general infrastructure asset has been achieved by taking the rates provided in the SOR(Schedule of Rates) of the year of construction of the asset.

**Depreciation**

Depreciation has been charged under Straight Line Method on the rates ascertained on the basis of the life of the asset.

Straight Line Method of Depreciation (SLM) has been considered which is in line with international best practices for municipal governments.

Under this method, the rates of depreciation have been applied at a fixed percentage on the original cost of the Assets at the end of the year.

The rates of depreciation on various kinds of assets are provided as below:

<b>Group</b>	<b>Assets</b>	<b>Life</b>	<b>Rate of Dep.</b>
<b>Land</b>	Land	Nil	Nil
	Park	Nil	Nil
<b>Buildings</b>	Office Buildings	60 Yrs.	1.65%
	School	60 Yrs	1.65%
	Leasehold Shops Markets	60 Yrs	1.65%
	Underground Car Parking	60 Yrs	1.65%
	Community Centre	60 Yrs	1.65%
	Hospitals/Maternity Homes	60 Yrs	1.65%
	Slaughter House	60 Yrs	1.65%
	Town Hall	60 Yrs	1.65%
	Staff Quarter	60 Yrs	1.65%
	Overhead Water Tanks	60 Yrs	1.65%
<b>Equipment</b>	<b>Plant &amp; Machinery</b>		
	Computer & Other	5 Yrs	20%
	Pipelines	60 Yrs	1.65%
	Office Equipment's	15 Yrs	6.67%
	Hospital Equipment	15 Yrs	6.67%
	School Equipments	15 Yrs	6.67%
<b>Vehicles</b>	Light Vehicles	10 Yrs	10%
	Heavy Vehicles	10 Yrs	10%

	Earth Moving Vehicles	10 Yrs	10%
	Other Vehicles	10 Yrs	10%
<b>Furniture</b>	Steel/Wooden Racks	10 Yrs	10%
	Furniture	10 Yrs	10%
<b>Group</b>	<b>Assets</b>	<b>Life</b>	<b>Rate of Dep.</b>
	<b>Hospitals Furniture</b>		
	<b>Electrical Installations</b>		
	Air Conditioners	15 Yrs	7.00%
	Fountains	15 Yrs	7.00%
	Refrigerator	15 Yrs	7.00%
	Electrical Fittings	15 Yrs	7.00%
	Water Cooler	15 Yrs	7.00%
	Electrical Fittings	15 Yrs	7.00%
	Geysers	15 Yrs	7.00%
	Electric Cable	15 Yrs	7.00%
<b>Infrastructure</b>			
	Bridges/Flyovers	45 Yrs	2.2%
	Street Lights	50 Yrs	2%
	Fountains	60 Yrs	1.65%
	FOBs, RUBs, Subways	60 Yrs	1.65%
	Culverts, Drains, LavBlocks	60 Yrs	1.65%
	Urinal Sewerage System	60 Yrs	1.65%
	And Street Lights		
	<b>Roads</b>		
	Asphaltic Road	20 Yrs	5.00%
	Brick Paved Roads	20 Yrs	5.00%
	Foot Path	20 Yrs	5.00%
	Cement	10 Yrs	10%
<b>Capital WIP</b>	Capital WIP	Nil	Nil

The Assets that are purchased or acquired in a year, full year's depreciation has been provided.

### **Depreciation charge on Infrastructure Assets**

Depreciation on infrastructure assets has been provided for the year.. In case of roads, amount spent by AMC to maintain them in a condition for them to deliver a level of service for which the road has been originally built, has been capitalized. On this capitalised figure, depreciation has been charged. The maintenance expenditure unless incurred for increasing the service levels is charged to expenditure. For the remaining infrastructure assets actual cost or reasonable historical cost have been ascertained and deprecation has been provided from the year of construction and taken to the accumulated depreciation account of the concerned asset.

### **Grants**

The amount is recognized based on the amount due under respective schemes, once all eligibility requirements are met and donor has expressed his intention to provide the grants. In the absence of evidence of these determining criteria, grants are recognized on cash basis.

### **Inventories**

- i) Inventories are valued at cost based on information provided.
- ii) Inventories of work in progress are valued at cost incurred till the date of Balance Sheet.
- iii) Inventories of Central Medical Stores are valued at Weighted Average Cost based on information provided.
- iii) Inventories of residential properties (Business type activity ) are valued at actual cost based on the information provided.

### **Long Term Liability**

The long-term liability is accounted for on the basis of actual receipt of funds.

### **Employees Benefit Liabilities**

It includes CPF payable, GPF payable, GIS payable, Pension fund and Gratuity. All liabilities except Gratuity is accounted for based on actual deductions made from salary payments to employees. The Gratuity is valued based on actuarial valuation from an independent valuer, till such time it is being accounted for on cash basis.

### **Revenue Receivables**

Property Taxes and Water Sewerage Tax are levied by the AMC at the beginning of the fiscal year. Bills are raised by the property tax departments on owners of premises, and these are generally due within the year. As per the recommendations in the National Accounts Manual provisioning norms are as follows:

Outstanding for more than 2 years but not exceeding 3 years : 25%  
Outstanding for more than 3 years but not exceeding 4 years : 50%  
Outstanding for more than 4 years but not exceeding 5 years : 75%  
Outstanding for more than 5 years : 100%



**Disclaimers by Consultants:**

1. All the financial figures and comments in specific or general terms made in relation to the same or the accounting process in general in the AMC are based on documents, information and explanations provided by AMC officers and staff during the course of engagement of team of M/s.Dharmendra & Khajanchi (Consulting Team) with the AMC, and the correctness, origin comprehensiveness or veracity of comments or explanations in so far as they relate to existing practices is not the responsibility of the Consulting team. It is emphasized that the total figures and process of compilation in the AMC, based on which the present document has been devised, must be made the subject of independent audit.

2. Although the Consulting team has made every effort to obtain information comprehensively for every department of the AMC and has also widely circulated the team's requirements in this regard, it is possible that some relevant information or documentation has not become available to the team. It is therefore specifically stated that this document is based upon and restricted to the set of documents, information, comments and explanations provided by AMC officers and staff and therefore any such documents, information, comments and explanations not provided to the Consulting team is excluded and the team has no responsibility whatsoever in regard to the possible present or future effects of such documents, comments, information and explanations on present document.

3. The Consulting team is not responsible for any legal or other liability that may arise in any way at any point of time from this documents or any interpretation whatsoever that may be put on the whole or part of it. Likewise, the Consulting team is not responsible for any legal consequences arising out of non-compliance by the AMC of any of its statutory or other Governmental obligations that may become apparent now or any time in the future, in whatsoever manner and in whatsoever ways.

**Disclaimers by Corporation :**

This Balance Sheet has been prepared by M/s. Dharmendra & Khajanchi, Chartered Accountants, the appointed consultants. The figures shown therein does not amount to any confirmation either from the Consultants or from the Corporation and is subject to approval of competent authority and audit.