NATVARLAL VEPARI & CO.
Chartered Accountants
PAN:AADFN5448E
1st Floor, River Palace-II, Near Navdi Ovara, Nanpura, Surat 395 001. www.vepari.com
Tel. : +91 261 246 3636 Fax : +91 261 246 3634 E-mail : vepari@youtele.com

To The Surat Municipal Corporation

Report on the Financial Statements

We have audited the accompanying financial statements of the Surat Municipal Corporation which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss for the year then ended, a summary of significant accounting policies, other explanatory information and Cash flow statement for the year then ended. The audit has been confined to scrutiny of ledger accounts with complete traceability of movements in the transactions during the year to various elements of the financial statements, corroborating with corresponding comparatives. This statement is the responsibility of the management and has been approved by the Standing Committee of Surat Municipal Corporation. Our responsibility is to issue a report on these financial statements based on our audit.

Management's Responsibility for the Financial Statements

The management of the local body is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the body in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the preparation of the Act for safeguarding the assets of the Municipal Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

We have conducted a limited scope audit in accordance with the Standard on Review Engagement (SRE) 2400, *Engagements to Review Financial Statements* issued by the Institute of Chartered Accountants of India. This standard requires that we comply with ethical requirements and plan and perform the audit to obtain reasonably moderate assurance about whether the financial statements are free from material misstatement.

The audit is limited primarily to inquiries of personnel of the local body and accounting and analytical procedures applied to financial data. We have not performed all the substantive tests under the audit and accordingly, our expressed audit opinion thus is based upon our verification.

Emphasis of Matters

We draw attention to the following matter in the Notes to the financial statements:

Note No. 5 of the financial statements indicates the accounting treatment for the elements of the financial statements not referred to otherwise under the accounting policies adopted by the Municipal Corporation.

Our opinion in not modified in respect of this matter.

Opinion

Based on our scope of audit conducted as stated above, nothing has come to our notice that causes us to believe that the accompanying financial statements of the Municipal Corporation, prepared in accordance with recognized accounting practices and policies has not disclosed the information required to be disclosed including the manner in which it is to be disclosed, or that it contains any material misstatement.

Forming an Opinion and Reporting on Financial Statements

For Natvarlal Vepari & Co.
Chartered Accountants
FRN: 123626W

Place: SURAT
Date: 29 OCT 2018

Hiren R. Vepari
(Partner)
Membership No. 102680