

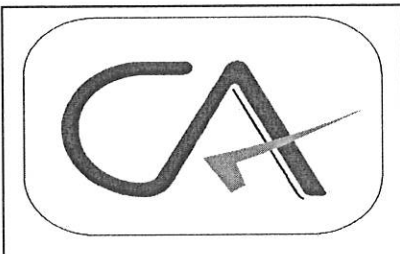
AUDIT REPORT

2019-2020

Sinhgad Technical Education Society, Pune's

SINHGAD LAW COLLEGE

AMBEGAON



M/S K.S. MALI & CO.

CHARTERED ACCOUNTANTS

ROHAN COMPLEX, M.PHULE CHOWK,

A/P & TAL SANGOLA, DIST SOLAPUR.

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INDEPENDENT AUDITOR'S REPORT

To
The Board of Trustees,
SINHGAD TECHNICAL EDUCATION SOCIETY
PUNE

Report on the Financial Statements

We have audited the accompanying financial statements of **SINHGAD TECHNICAL EDUCATION SOCIETY'S Sinhgad Law College, Ambegaon, Pune** which comprise the Balance Sheet as at **31st March, 2020**, the Statement of Income and Expenditure for the year then ended, and notes on a significant accounting policies and other explanatory information and disclosures.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by The Maharashtra Public Trust Act, 1950 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at **31st March, 2020** and **Deficit** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the applicable Standards on Auditing (SA's) as prescribed by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.





Responsibility of Management for the Financial Statements

The management of **Sinhgad Law College, Ambegaon, Pune** is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs (financial position) Surplus or Deficit (financial performance including other comprehensive income) in accordance with the accounting principles generally accepted in India.

The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Society 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern disclosing as applicable, matters related to going concern and using the going concern basis of accounting.

The management of the institution is also responsible for overseeing the society's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

Emphasis of Matters:

The scrutiny in respect of old outstanding fees recoverable from students has not been carried out by Management and hence, provision for non-recoverable fees, if any, has not been made in the books of account.





Opinion

In our opinion and to the best of our information and according to the explanations given to us and subject to notes forming part of the accounts we report that:-

1. **Sinhgad Law College, Ambegaon, Pune** has maintained separate books of account in respect of each financial year.
2. **Sinhgad Law College, Ambegaon, Pune** has maintained books of account on mercantile system of accounting except as mentioned in the notes on accounts attached herewith and is following the same method of accounting consistently.
3. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit and for determination of fees by the Fees Regulating Authority constituted as per the provisions of the Maharashtra Unaided Private Professional Educational Institutions (Regulation of Admissions and Fees) Act, 2015 and minutes of the various meetings of the said authority.
4. The accounts of **Sinhgad Law College, Ambegaon, Pune** have been prepared by following Accounting Standard - 17: 'Segment Reporting' as per details specified in Note no. 2(iii) of **Schedule No. 11**.
5. The Balance Sheet and Income & Expenditure Account dealt with by this report are in agreement with the books of account.
6. In our opinion, **Sinhgad Law College, Ambegaon, Pune** has kept proper books of account as required by law so far as it appears from our examination of these books.
7. In our opinion the Balance Sheet and Income & Expenditure Account comply with relevant Accounting Standards
8. **Following are the audit observations for the year under consideration:**
 - a) As per the information and explanation given to us, GST Liability/ Refund, if any, will be provided / accounted for on finalization of GST Audit.





- b) These financial Statements have been prepared incorporating various charges levied by the Society on its various branches / units as per the estimates /judgments made by the Management. Although these are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period.
- c) During the year, on several occasions, **Sinhgad Law College, Ambegaon, Pune** has defaulted in remitting payment of the following Statutory dues within the prescribed time limits-
- Tax Deducted at Source
 - GST /VAT
 - Provident Fund
 - Profession Tax
 - Gratuity
- d) It is observed that the provision for D.A Arrears has been made as per the Government resolution issued from time to time.
9. The aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of **Sinhgad Law College, Ambegaon, Pune** as at **March 31, 2020** and it's **Deficit for the year** ended on that date.

As per our report of even date

Place : Pune

Date : 09/01/2021

For M/s K. S. Mali & Co.
Chartered Accountants
FRN- 105909W

CA K.S. Mali
Proprietor M. No.042718
UDIN : 21042718AAAABI4201



SINHGAD LAW COLLEGE
The Maharashtra Public Trusts Act, 1950
Schedule VIII (Vide Rule 17(1))
Name Of The Trust: SINHGAD TECHNICAL EDUCATION SOCIETY
Registration No. F - 8282/PUNE Dated: 12.08.1993
BALANCE SHEET AS AT 31ST MARCH 2020

Funds & Liabilities	Sch	Amount (Rs.)	Property & Assets	Sch	Amount (Rs.)
Trust Funds or Corpus			Immovable Properties (at cost)	1	1,92,84,226
Balance as per last Balance Sheet			Investments and Deposits	6	17,91,186
Adjustments during the year			Movable Properties (at cost)	1	
Membership Fees			Balance as per last Balance Sheet		98,92,246
Donations			Additions during the year		66,168
Reserves & Surplus			Disposals during the year		
Capital Reserve					
Branch / divisions		-8,54,344			
Other Earmarked Funds			Advances		
(created under the provisions of the trust deed or scheme or out of the income)			Advances To Trustees		
Depreciation & Amortization Fund	1	1,47,90,206	Advances To Employees		27,098
Reserve Fund			Advances To Others		
Any Other Fund			Income Outstanding		
Loans (Secured or Unsecured)			Rent		
From Trustees			Fees Receivable		11,63,881
From Others	2	73,68,703	Interest Receivable		2,98,043
Liabilities			Other Income Receivable		
For Expenses and Provisions	3	68,55,739	Other Current Assets		
For Advances			Stocks		
For Rent & Other Deposits	4	16,26,000	Prepaid Expenses		1,17,555
For Sundry Credit Balances	5	36,71,950	TDS & Income Tax Paid		
			Other Receivables		3,80,367
			Cash & Bank Balances	7	4,37,484
			In Current A/C		
			In Fixed Deposit A/C		
			With the Trustee		
			With the Manager		
TOTAL		3,34,58,254	TOTAL		3,34,58,254

Notes forming part of the Accounts : Schedule No. 11

As per our report of even date

For K.S. Mali & Co.
Chartered Accountants
F.R.No. : 105909W

CA K.S.Mali
Proprietor (M.No. 042718)
 UDIN : 21042718AAAABI4201
 Date : 09.01.2021
 Place : Pune



The above Balance Sheet to the best of our belief contains a true account of the fund & liabilities and of the property & assets of the Trust.

For Sinhgad Technical Education Society

Dr.A.K.Chettiar
Principal

M. N. Navale
President

SINHGAD LAW COLLEGE
The Maharashtra Public Trusts Act, 1950
Schedule IX (Vide Rule 17(1))
Name Of The Trust: SINHGAD TECHNICAL EDUCATION SOCIETY
Registration No. F - 8282/PUNE Dated: 12.08.1993
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH 2020

Expenditure	Sch.	Amount (Rs.)	Income	Sch.	Amount (Rs.)
To Expenditure in respect of Properties			By Rent (accrued) / (realised)		
Rates, Taxes, Insurance & Cesses			By Interest (accrued)		
Repairs & Maintenance			On Securities		
Salaries			On Loans		
Depreciation (by way of provision or adjustments)			On Bank Deposits & Security		1,20,960
To Establishment Expenses	8	34,00,348	By Dividend		
To Remuneration to Trustees			By Donations in cash or kind		
To Remuneration (in the case of a math) to the head of the math including his household expenditure, if any			By Grants		
To Legal Expenses			By Income from other sources	10	1,82,82,900
To Audit Fees		17,600	By Transfer from Reserve		
To Contribution & Fees					
To Amount written off					
Bad Debts					
Loan Scholarships					
Irrecoverable Rents					
Other Items		980			
To Miscellaneous Expenses					
To Depreciation & Amortization	1	11,12,927			
To Amounts transferred to Reserve or Specific Funds					
To Expenditure on Objects of the Trust					
Religious					
Educational	9	1,87,16,046			
Medical Relief					
Relief of poverty					
Other Charitable objects					
To Surplus/(Deficit) trf.to H.O.		-48,44,041			
TOTAL		1,84,03,860	TOTAL		1,84,03,860

Notes forming part of the Accounts : Schedule No. 11

As per our report of even date

For K.S. Mali & Co.
Chartered Accountants
F.R.No. : 105909W

CA K.S.Mali
Proprietor (M.No. 042718)
UDIN : 21042718AAAABI4201
Date : 09.01.2021
Place : Pune



The above Income & Expenditure to the best of our belief contains a true account of the Expenditure and Income of the Trust.

For Sinhgad Technical Education Society

Dr.A.K.Chettiar
Principal

M. N. Navale
President

SCHEDULE 1 : FIXED ASSETS & DEPRECIATION

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2019	ADDITIONS (EXCLUDING TRANSFER) 2019-20	COST 31.03.2020	DEPRECIATION FUND			WDV 01.04.2019	WDV 31.03.2020
					DEPR. FUND 01.04.2019	DEPR. 2019-20	DEPR. FUND 31.03.2020		
1	2	3	4	8=3+4+5-6-7	9	10 = [(8-9-11-12+13+14)*2]	15=9+10+11+12-13-14	16=3-9	17=8-15
A] IMMOVABLE ASSETS									
LAND									
PLAY GROUND									
BUILDING & CIVIL WORKS	5%	1,92,39,794		1,92,39,794	59,22,413	6,65,869	65,88,282	1,33,17,381	1,26,51,512
COMPOUND WALL	5%								
WATER SUPPLY SCHEME	5%								
ROAD	5%								
ELECTRICAL FITTINGS	25%	44,432		44,432	33,888	2,636	36,524	10,544	7,908
SUB-TOTAL (A)		1,92,84,226		1,92,84,226	59,56,301	6,68,505	66,24,806	1,33,27,925	1,26,59,420
B] MOVABLE ASSETS									
FURNITURE & FIXTURES	15%	61,25,594	6,686	61,32,280	44,13,216	2,57,860	46,71,076	17,12,378	14,61,204
LIBRARY BOOKS	50%	15,35,065	59,482	15,94,547	14,78,214	58,167	15,36,381	56,851	58,166
VEHICLES	25%								
COMPUTERS & COMPUTER EQUIPMENTS	50%	7,15,940		7,15,940	6,04,398	55,771	6,60,169	1,11,542	55,771
MACHINERY & EQUIPMENTS (AS PER DETAILS BELOW)		15,15,647		15,15,647	12,25,150	72,624	12,97,774	2,90,497	2,17,873
SUB-TOTAL (B)		98,92,246	66,168	99,58,414	77,20,978	4,44,422	81,65,400	21,71,268	17,93,014
GRAND-TOTAL (A+B+C+D)		2,91,76,472	66,168	2,92,42,640	1,36,77,279	11,12,927	1,47,90,206	1,54,99,193	1,44,52,434

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2019	ADDITIONS (EXCLUDING TRANSFER) 2019-20	COST 31.03.2020	DEPRECIATION FUND			WDV 01.04.2019	WDV 31.03.2020
					DEPR. FUND 01.04.2019	DEPR. 2019-20	DEPR. FUND 31.03.2020		
1	2	3	4	8=3+4+5-6-7	9	10 = [(8-9-11-12+13+14)*2]	15=9+10+11+12-13-14	16=3-9	17=8-15
MACHINERY & EQUIPMENTS									
OTHER MACHINERY & EQUIPMENTS	25%	15,15,647		15,15,647	12,25,150	72,624	12,97,774	2,90,497	2,17,873
TOTAL		15,15,647	0	15,15,647	12,25,150	72,624	12,97,774	2,90,497	2,17,873



SCHEDULE NO.- 2 : LOANS FROM OTHERS (INCLUDING UNSERVED INTEREST)

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
B] TERM LOANS :			
Bank of India		73,68,703	73,68,703
GRAND TOTAL			73,68,703

SCHEDULE NO.- 3 : LIABILITIES FOR EXPENSES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Salary & Wages Payable			57,20,192
Provident Fund (Institute's Cont.) Payable			8,99,816
Admin. Charges to P.F. Payable			63,510
Other Expenses Payable			1,72,221
TOTAL			68,55,739

SCHEDULE NO.- 4 : LIABILITIES FOR RENT & OTHER DEPOSITS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Deposits from Students			16,26,000
TOTAL			16,26,000

SCHEDULE NO.-5 : LIABILITIES FOR SUNDRY CREDIT BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
SUNDRY CREDITORS	1		5,01,883
STATUTORY DUES :			
INCOME TAX DEDUCTED AT SOURCE (TDS) :			
TDS on Salary		7,87,018	
TDS on Payments to Professionals		12,275	
TDS on Payments to Contractors		200	
		7,99,493	
Provident Fund (Employees' Contribution)		7,99,478	
Profession Tax		22,600	
			16,21,571
OTHER LIABILITIES :			
Fees Refundable		62,941	
Group LIC Scheme		53,125	
Other Liabilities		14,32,430	
			15,48,496
LIABILITIES FOR CHEQUES ISSUED BUT NOT REALISED			
TOTAL			36,71,950



SCHEDULE NO.- 6 : INVESTMENTS & DEPOSITS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
<u>INVESTMENTS</u>			
Fixed Deposits with Banks	2		
Canara Bank		14,10,186	
Bank of Maharashtra		3,81,000	
			17,91,186
Investment with Irrigation Department, K'wasla			
Total Investments			17,91,186
TOTAL			17,91,186

SCHEDULE NO. 7 : CASH & BANK BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
CASH IN HAND			2,35,590
CHEQUES / DD's IN HAND			
BANK BALANCES :			
In Current Accounts			
Central Bank of India		1,82,730	
TJSB Sahakari Bank Ltd.		4,620	
Bank of Maharashtra		9,544	
Cosmos Co - Op. Bank Ltd.		5,000	
			2,01,894
TOTAL			4,37,484



SCHEDULE NO.- 8 : ESTABLISHMENT EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Advertisement and Publicity	3		6,09,685
Interest on:			
Working Capital Loans		25,000	
Term Loans		4,25,746	
			4,50,746
Bank Charges & Commission			22,057
Legal Charges			1,20,129
Professional / Consultation Charges			29,655
Property Taxes			720
Insurance Charges (Other than on Vehicle)			14,668
Repairs & Maintenance			
Repairs & Maintenance to Building		9,22,048	
Repairs & Maintenance to Furniture & Fixtures		10,297	
Repairs & Maintenance to Computers		3,166	
Repairs & Maintenance to Other Assets		37,118	
Garden Maintenance		55,919	
			10,28,548
Electricity Expenses			
Electricity Charges		2,83,078	
Diesel for Generator		7,562	
			2,90,640
Vehicle Expenses			
Petrol & Diesel Expenses		3,792	
Repairs & Maintenance to Vehicles		31,237	
Vehicle Insurance		4,684	
RTO Tax		210	
			39,923
Administrative & General Expenses			
Office Expenses		69,728	
Postage & Telephone Expenses		21,211	
Printing & Stationary		1,18,836	
Water Supply & Testing Charges		35,274	
Donation Paid		5,708	
Cleaning Charges		2,49,805	
Sweeping Charges		2,08,171	
Security Charges		3,502	
Interest on Delayed Payments/Late Fees		81,341	
			7,93,577
TOTAL			34,00,348



SCHEDULE NO.- 9 : EDUCATIONAL EXPENSES

	PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
	Employee Costs	4		1,46,61,495
	Internet Charges			23,671
	Fees paid to Statutory Authorities	5		9,23,194
	Seminars & Exhibition Expenses			1,73,860
	Consumables			2,57,537
	Newspapers, Periodicals & Journals			2,74,085
	Travelling & Conveyance			44,613
	Remuneration to Visiting Faculty			14,69,000
	Software Expenses			15,009
	Student Related Expenses	6		8,69,696
	Miscellaneous Expenses			
	Prior Period Expenses		3,886	3,886
	TOTAL			1,87,16,046



SCHEDULE NO.- 10 : INCOME FROM OTHER SOURCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
EDUCATIONAL FEES INCOME			
Tution Fees		1,64,50,742	
Development Fees		15,36,458	1,79,87,200
OTHER CHARGES RECOVERED FROM STUDENTS			
Student Insurance	7	20,750	20,750
INCOME FROM SALE			
Sale of Prospectus		81,150	
Sale of Forms	9	1,93,800	2,74,950
TOTAL			1,82,82,900



LISTS**1] SUNDRY CREDITORS (ATTACHED TO SCHEDULE NO.6)**

SR. NO.	PARTICULARS	AMOUNT (RS.)
1.	ABHA ENTERPRISES	87,568
2.	BSNL	515
3.	Champion Sports	6,625
4.	Crescent Services	4,002
5.	Golden Lamtouch	3,360
6.	Hind Law House	23,920
7.	Mark Print Technology	944
8.	M/s Shweta Enterprises	26
9.	M/s. S. P. Refrigeration	2,750
10.	Neha Creations	15,896
11.	Nilanjan Arts	4,200
12.	SCHINDLER INDIA PVT LTD	3,41,825
13.	Smita Consultancy Services	1,800
14.	Sudarshan Enterprises	8,452
	TOTAL	5,01,883



LISTS

2] Advertisement and Publicity

PARTICULARS	AMOUNT (RS.)
Advertisement - Other	6,09,685
	6,09,685

4] Employee Costs

PARTICULARS	TOTAL AMOUNT (RS.)
Salaries & Wages	1,41,72,665
Contribution to P.F. & Pension Fund	2,69,950
Administrative Expenses for P.F.	22,514
Gratuity Expenses	1,94,901
Staff Welfare & Training	1,465
<i>(Only Total Amount to be mentioned)</i>	
	1,46,61,495

5] Fees paid to Statutory Authorities

PARTICULARS	AMOUNT (RS.)
Affiliation Fees	8,31,000
Fees Regulating Authority Processing Fees	92,194
	9,23,194

6] Student Related Expenses

PARTICULARS	AMOUNT (RS.)
Picnic & Gathering Expenses	24,208
Cultural Activities Expenses	14,500
Student Welfare Expenses	8,30,989
	8,69,696



SCHEDULE NO. 11:- NOTES FORMING PART OF THE ACCOUNTS

1. Overview:-

Sinhgad Technical Education Society ["Society"] is a Public Charitable Trust duly registered under the Societies Registration Act, 1860 and the Maharashtra Public Trusts Act, 1950. The Society is engaged in imparting education and is also providing medical facilities through its General Hospital and Dental Hospital mainly on charitable basis. It maintains separate books of account in respect of its various units and accordingly Statement of Accounts are drawn in respect of each unit. Sinhgad Law College is one of the units of the Society which is mainly involved in imparting the education in the field of Law.

2. Significant Accounting Policies

i. General:-

The accounting policies not specifically referred to herein below are consistent with the generally accepted accounting principles.

ii. Basis for preparation of financial statements:-

The financial statements have been prepared as per historical cost convention and in accordance with the generally accepted accounting principles in India and materially comply with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India. The accounts are prepared as per Mercantile System of Accounting in respect of material items as per the policy consistently followed by the Society in previous years.

iii. Segment Reporting:

- a) Accounting Standard-17 on 'Segment Reporting' is not mandatorily applicable to the accounts of the Institution. However, Govt. of Maharashtra has constituted Fees Regulating Authority under Section 11(2)(3)(4) of the Maharashtra Unaided Private Professional Educational Institutions (Regulation Admission and Fees) Act, 2015. The said Authority in its meeting held on 1st July 2016 passed a resolution in respect of the matters to be included in the Auditor's Report. Accordingly the report has to deal with books of account and



method of accounting for each segment i.e. every course for which the approval of the fees is sought from the Fees Regulating Authority.

- b) Accordingly the various courses run by Sinhgad Law College, Ambegaon (hereinafter referred as 'the institution') have been considered as different segments for the purpose of preparation of financial statements. The accounting treatment given to the various type of transactions is as under:-
- i) The expenses incurred and charges levied by the Institution which are directly attributable to a specific segment have been allocated to the respective segment and the residual expenses (including the common expenses of Ambegaon Campus Office and the Corporate Office) have been allocated to all the segments on the basis of the estimates / best judgments made by the Management.
 - ii) The fees and related income earned by each segment has been reflected as per actuals. The other miscellaneous income is allocated among the segments on the basis of the estimates / best judgments made by the Management.
 - iii) As per the practice consistently followed in earlier years, the assets and liabilities of the Institution have not been allocated / apportioned among various segments since there is no such requirement of the statutory regulatory authorities and since there are practical difficulties in recording the same in the books of account accordingly.

iv. Revenue Recognition:-

a) Income from Fees:-

The revenue from fees received from students is recognized on 'over the academic year basis.

b) Sale of items:-

The revenue from sale of prospectus /forms is recognized at the time of actual sale of such items. The cost of printing /forms charged to expenses as and when purchased.

c) Interest received:-

Interest on investments is accounted for on accrual basis except interest on saving bank accounts.



v. Use of Estimates:-

The preparation of financial statements in conformity with Accounting Standards prescribed by the Institute of Chartered Accountants of India requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities at the end of the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, uncertainties about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets and liabilities in future period.

vi. Fixed Assets:-

- a) All direct expenses attributable to Fixed Assets acquired are capitalized. Initial accessories purchased along with the new assets are capitalized. Replacement accessories and other spares are charged out as expenses.
- b) Fixed Assets are shown at historical cost. Capital subsidy / grants received against specific asset are reduced from the cost of relevant assets.

vii. Depreciation:-

- a) Depreciation is provided on Written Down Value [WDV] Method at the rates decided by the Management as mentioned in Schedule 1: Fixed Assets.
- b) Depreciation on additions to Fixed Assets is charged for the whole year irrespective of date of acquisition or the date on which it is put to use.
- c) No depreciation is provided on the assets disposed off / discarded during the year.
- d) Depreciation charged is reflected by creating Depreciation Fund.



viii. Grants:-

- a) Research and development grant received with specific direction has been shown net of its utilization for the purpose for which it is received.
- b) Examination and / or Seminar Grants received from the University / other authorities have been included in Other Liabilities at net of expenditure incurred.

ix. Investments:-

- a) Long Term Fixed Deposits with Banks are shown under Investments, while Short Term Deposits are shown under Cash & Bank Balances.
- b) Investments are stated at Cost.

x. Softwares:-

Expenditure on softwares purchased during the year is debited to the Income & Expenditure Account.

xi. Provisions:-

Provisions are made based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimate.

xii. Retirement Benefits:-

a) Provident Fund:-

The Employer's contribution to Provident Fund is charged to Income & Expenditure Account.

b) Gratuity:-

The Society provides for gratuity, a defined benefit retirement plan covering all employees. The Gratuity Plan provides a lump sum payment to all eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective



employee's salary and the tenure of employment. Society's liability is actuarially determined at the end of the year using Projected Unit Credit Method. Though Gratuity expense has been recognized in the books of each unit, the consolidated liability for the same in respect of all the units under the Society is ultimately recorded in the books of the Corporate Office.

xiii. Affiliation & Recognition Fees:-

The fees paid during the year have been accounted for as under:-

- a) Fees for academic year 2019-20 have been charged out during the year.
- b) Fees for next academic year are treated as Prepaid Expense.
- c) The refund received, if any, is treated as income in the year of receipt.

3. Expenditure on the objects of the Trust:-

The expenses pertaining to salaries and allowances of non- teaching staff and other administrative / establishment expenses are the expenses incurred on the objects of the Trust and hence the same have been shown accordingly as per the practice consistently followed.

4. Advances paid to staff against salaries:

In view of the severe cash crunch faced by the Society, employees have been paid advances against salary. Liability towards salary payable till the end of the previous year and advances paid to staff towards the same have been transferred to the Corporate Office.

5. Provision for late fees and interest on delayed payment of Statutory dues

- i) Provision for interest on late payment of GST and Provident Fund dues has been made in the books of the Corporate Office only.
- ii) Provision of Rs. 65,800/- for late fees payable under section 234E of the Income Tax Act for the period from 01.06.2015 has been made during the year.
- iii) Provision of Rs. 23,543/- for Interest on Delayed payment on TDS during the year has been made during the year. However, the same has



not been made in respect of the past period due to complexities involved in ascertaining the said liability.

6. Balance Confirmations:

All balances in the personal accounts are subject to their confirmations and /or reconciliation.

As per our report of even date

**For M/s K. S. Mali & Co.
Chartered Accountants
F.R.No : 105909W**



**Place : Pune
Date : 09.01.2021**

**CA. K.S. Mali
Proprietor M. No.042718**

**For Sinhgad
Technical
Education Society**



**M. N. Navale
President**

