

**AUDIT REPORT
2021-2022**

Sinhgad Technical Education Society, Pune's
**SINHGAD INSTITUTE OF MANAGEMENT & COMPUTER
APPLICATION, NARHE, PUNE**



M/S K.S. MALI & CO.
CHARTERED ACCOUNTANTS
ROHAN COMPLEX, M.PHULE CHOWK,
NARHE, PUNE - 411 007



M/S K.S.MALI & CO.
Chartered Accountants

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 Institute of Management & Computer Application, Narhe, Pune** which comprise the Balance Sheet as at **31st March, 2022**, 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, ***except for the effects of the matter described in the Basis of Qualified Opinion Paragraph***, 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 **Sinhgad Institute of Management & Computer Application, Narhe, Pune** as at **31st March, 2022** and **Surplus** for the year ended on that date.

Basis for Qualified 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 Institute of Management & Computer Application, Narhe, 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** (financial performance including other comprehensive income) in accordance with the accounting principles generally accepted in India.

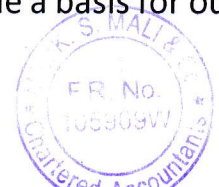
The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Society and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments 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:

1] Scrutiny of outstanding fees:

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

2) Scrutiny of outstanding Deposits from Students, Sundry Creditors, Retention Money and Other Deposits, Liabilities

The scrutiny in respect of old outstanding Deposits from Students who have left out, Sundry Creditors and Other Liabilities year wise listings has not been carried out by Management in respect of some of its units & Corporate Office and hence, necessary accounting effects in respect of the amounts which are not required to be repaid have not been given.

3] Advances to Employees against Salaries of Rs.1.10 Crore:

Advances of Rs.1.10 Crores paid to the employees against full and final settlement of salaries have been separately reflected under "Advances to Employees" instead of adjusting the same against Salaries & Wages Payable. The Management has informed that the said adjustment would be made at the time of full and final settlement of salaries for the respective months

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 Institute of Management & Computer Application, Narhe, Pune has maintained separate books of account in respect of each financial year.**
- 2. Sinhgad Institute of Management & Computer Application, Narhe, 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 Institute of Management & Computer Application, Narhe, Pune** have been prepared by following Accounting Standard - 17: 'Segment Reporting' as per details specified in Note no. 2(iii) of **Schedule No. 12**.
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 Institute of Management & Computer Application, Narhe, 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.



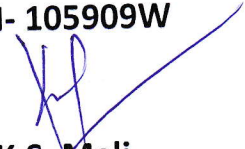


- c) During the year, on several occasions, **Sinhgad Institute of Management & Computer Application, Narhe, Pune** has defaulted in remitting payment of the following Statutory dues within the prescribed time limits-
- Tax Deducted at Source
 - GST /VAT
 - Provident Fund
 - Profession Tax
 - Gratuity
- 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 Institute of Management & Computer Application, Narhe, Pune** as at **March 31, 2022** and it's **Surplus** for the year ended on that date.

As per our report of even date

Place : Pune
Date : 29/09/2022

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


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



Sinhgad Institute of Management & Computer Application
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 2022

Funds & Liabilities	Sch	Amount (Rs.)	Property & Assets	Sch	Amount (Rs.)
Trust Funds or Corpus Balance as per last Balance Sheet Adjustments during the year Membership Fees Donations			Immovable Properties (at cost)	1	6,13,29,089
Reserves & Surplus Capital Reserve			Investments and Deposits	6	25,48,361
Branch / divisions		3,90,19,660	Movable Properties (at cost) Balance as per last Balance Sheet Additions during the year Disposals during the year	1	6,68,26,487 16,860
Other Earmarked Funds (created under the provisions of the trust deed or scheme or out of the income) Depreciation & Amortization Fund Reserve Fund Any Other Fund	1	9,55,00,880	Intangible Properties (at cost)	1	25,506
Loans (Secured or Unsecured) From Trustees From Others	2	2,63,98,195	Capital Work - In - Progress	1	
Liabilities For Expenses and Provisions For Advances For Rent & Other Deposits For Sundry Credit Balances	3 4 5	3,21,33,500 62,61,076 1,61,76,170	Advances Advances To Trustees Advances To Employees Advances To Others		1,10,76,448
			Income Outstanding Rent Fees Receivable Interest Receivable Other Income Receivable	7	7,10,63,300 10,07,588
			Other Current Assets Stocks Prepaid Expenses TDS/TCS & Income Tax Paid Other Receivables		11,46,922
			Cash & Bank Balances In Current A/C In Fixed Deposit A/C With the Trustee With the Manager	8	4,48,920
TOTAL		21,54,89,481	TOTAL		21,54,89,481

Notes forming part of the Accounts : Schedule No. 12
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 :
Date : 29.09.2022
Place : Pune



Dr. Vijaya Puranik
Director

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

M. N. Navale
President

Sinhgad Institute of Management & Computer Application
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 2022


Expenditure	Sch.	Amount (Rs.)	Income	Sch.	Amount (Rs.)
To Expenditure in respect of Properties Rates, Taxes, Insurance & Cesses Repairs & Maintenance Salaries Depreciation (by way of provision or adjustments)	9	71,28,166	By Rent (accrued) / (realised)		
To Establishment Expenses To Remuneration to Trustees To Remuneration (in the case of a math) to the head of the math including his household expenditure, if any			By Interest (accrued) On Securities On Loans On Bank Deposits & Security Deposits		1,52,954
To Legal Expenses			By Dividend By Donations in cash or kind By Grants		
To Audit Fees To Contribution & Fees			By Income from other sources By Transfer from Reserve	11	8,55,36,422
To Amount written off Bad Debts Loan Scholarships Irrecoverable Rents		82,696			
Other Items To Miscellaneous Expenses	1	20,91,537			
To Depreciation & Amortization To Amounts transferred to Reserve or Specific Funds To Expenditure on Objects of the Trust Religious	10	4,05,12,617			
Educational Medical Relief Relief of poverty Other Charitable objects					
To Surplus trf.to HO		3,58,74,360			
TOTAL		8,56,89,376	TOTAL		8,56,89,376

Notes forming part of the Accounts : Schedule No. 12

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 :
 Date : 29.09.2022
 Place : Pune




Dr. Vijaya Puranik
Director

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


M. N. Navale
President

SCHEDULE 1 : FIXED ASSETS & DEPRECIATION

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2021	ADDITIONS 2021-22	COST 31.03.2022	DEPRECIATION FUND		WDV 01.04.2021	WDV 31.03.2022	PURE ADDITIONS (EXCLUDING 01.10.21 to 31.03.22	
					DEPR. FUND 01.04.2021	DEPR. 2021-22			DEPR. FUND 31.03.2022	01.04.21 to 30.09.21
IMMOVABLE ASSETS										
AND										
BUILDING & CIVIL WORKS	5%	57,62,708	-	57,62,708	-	257,13,148	57,62,708	57,62,708		
ELECTRICAL FITTINGS	25%	490,76,570	-	490,76,570	-	61,92,259	233,63,422	221,95,251		
		64,89,811	-	64,89,811	-	319,05,407	2,97,552	2,23,164		
SUB-TOTAL (A)		613,29,089	-	613,29,089	-	319,05,407	294,23,682	281,81,123		
MOVABLE ASSETS										
FURNITURE & FIXTURES	15%	316,00,651	-	316,00,651	-	265,44,400	50,56,251	42,97,813		
LIBRARY BOOKS	50%	94,35,626	-	94,35,626	-	94,27,503	8,123	4,061		
COMPUTERS & COMPUTER EQUIPMENTS	50%	208,23,816	16,860	208,40,676	16,860	207,94,375	29,441	23,150		
MACHINERY & EQUIPMENTS (AS PER DETAILS BELOW)		49,66,394	-	49,66,394	-	47,23,299	2,43,095	1,82,319		15,360
SUB-TOTAL (B)		668,25,487	16,860	668,42,347	16,860	614,89,577	53,36,910	45,07,343	1,500	15,360
INTANGIBLE ASSETS										
TRADEMARKS	10%	25,506	-	25,506	-	14,359	11,147	8,596		
SUB-TOTAL (C)		25,506	-	25,506	-	14,359	11,147	8,596		
GRAND-TOTAL (A+B+C)		1,281,81,082	16,860	1,281,97,942	16,860	934,09,343	347,71,739	326,97,062	1,500	15,360

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2021	ADDITIONS 2021-22	COST 31.03.2022	DEPRECIATION FUND		WDV 01.04.2021	WDV 31.03.2022	PURE ADDITIONS (EXCLUDING 01.10.21 to 31.03.22	
					DEPR. FUND 01.04.2021	DEPR. 2021-22			DEPR. FUND 31.03.2022	01.04.21 to 30.09.21
MACHINERY & EQUIPMENTS										
AIR CONDITIONERS	25%	3,57,985	-	3,57,985	-	3,47,067	10,918	8,188		
TELEPHONE / INTERCOM SYSTEM	25%	61,152	-	61,152	-	60,376	776	582		
EXTINGUISHER	25%	33,505	-	33,505	-	25,564	7,951	5,963		
TECHNICAL EQUIPMENTS	25%	5,500	-	5,500	-	5,430	70	52		
OFFICE EQUIPMENTS	25%	2,37,828	-	2,37,828	-	2,34,810	3,018	2,263		
PHOTOCOPIING MACHINE	25%	31,41,620	-	31,41,620	-	30,01,217	1,40,403	1,05,302		
PROJECTORS	25%	2,69,000	-	2,69,000	-	2,43,190	25,810	19,357		
REFRIGERATORS	25%	31,910	-	31,910	-	27,514	4,396	3,297		
TELEVISION	25%	8,500	-	8,500	-	8,393	107	80		
OTHER MACHINERY & EQUIPMENTS	25%	1,63,490	-	1,63,490	-	1,54,984	11,341	8,506		
	25%	6,55,904	-	6,55,904	-	6,17,599	38,305	28,729		
TOTAL		49,66,394	-	49,66,394	-	47,23,299	2,43,095	1,82,319		



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

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
A] WORKING CAPITAL LOANS :			2,63,98,195
GRAND TOTAL			2,63,98,195

SCHEDULE NO.- 3 : LIABILITIES FOR EXPENSES & PROVISIONS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Salary & Wages Payable			2,87,78,084
Provident Fund (Institute's Cont.) Payable			29,31,045
Admin. Charges to P.F. Payable			2,27,239
Other Expenses Payable			1,97,132
TOTAL			3,21,33,500

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

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Deposits from Students			62,61,076
TOTAL			62,61,076

SCHEDULE NO.- 5 : LIABILITIES FOR SUNDRY CREDIT BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
SUNDRY CREDITORS	1		7,22,267
STATUTORY DUES :			
INCOME TAX DEDUCTED AT SOURCE (TDS) :			
TDS on Salary		21,11,293	
Provident Fund (Employees' Contribution)		23,91,851	
Profession Tax		12,400	
GST Payable		0	
			45,15,544
OTHER LIABILITIES :			
Fees Refundable		46,23,921	
Other Liabilities		63,14,438	
			1,09,38,359
TOTAL			1,61,76,170



SCHEDULE NO.- 6 : INVESTMENTS & DEPOSITS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
INVESTMENTS			
Fixed Deposits with Banks	2		
Bank of Maharashtra			13,64,527
DEPOSITS			
Gas Cylinder Deposits			5,000
TOTAL			13,69,527

SCHEDULE NO. 7 : FEES RECEIVABLE

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
From Students	3		1,59,08,259
From Government Authorities/Bodies	3		2,92,20,897
TOTAL			4,51,29,156

SCHEDULE NO. 8 : CASH & BANK BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
CASH IN HAND			13,995
BANK BALANCES :			
In Current Accounts			
Bank of Maharashtra		50,768	
Cosmos Co - Op. Bank Ltd.		4,705	
Punjab National Bank		78,591	
TJSB Sahakari Bank Ltd.		1,27,032	
Union Bank of India			2,61,096
TOTAL			2,75,091



SCHEDULE NO.- 9 : ESTABLISHMENT EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Advertisement and Publicity	4	1,79,558	1,79,558
Interest on:			
Working Capital Loans		37,38,539	
Delayed Payments to Creditors		0	37,38,539
Bank Charges & Commission		7,625	7,625
Legal Charges		3,16,524	3,16,524
Professional / Consultation Charges		93,016	93,016
Property Taxes		2,04,403	2,04,403
Repairs & Maintenance			
Repairs & Maintenance to Building		7,962	
Repairs & Maintenance to Other Assets		7,190	
Garden Maintenance		0	15,152
Electricity Expenses			
Electricity Charges		16,35,270	
Diesel for Generator		0	16,35,270
Vehicle Expenses			
Petrol & Diesel Expenses		1,05,278	
Repairs & Maintenance to Vehicles		8,050	
Vehicle Insurance		25,467	
RTO Tax		44,252	1,83,047
Administrative & General Expenses			
Rent		9,377	
Office Expenses		37,324	
Postage & Telephone Expenses		56,396	
Printing & Stationary		314	
Donation Paid			
Interest on Delayed Payments/Late Fees in respect of Statutory Dues		5,41,597	
Other Expenses		1,10,024	7,55,032
TOTAL			71,28,166



SCHEDULE NO.- 10 : EDUCATIONAL EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Employee Costs	5		
Salaries & Wages		3,71,53,643	
Contribution to P.F. & Pension Fund		7,54,212	
Administrative Expenses for P.F.		62,851	
Gratuity Expenses		15,15,807	
Staff Welfare & Training		38,103	3,95,24,616
Internet Charges			2,12,400
Fees paid to Statutory Authorities	6		2,48,800
Seminars & Exhibition Expenses			11,555
Newspapers, Periodicals & Journals			1,623
Travelling & Conveyance			19,356
Remuneration to Visiting Faculty			1,84,497
Software Expenses			11,210
Student Related Expenses	7		7,620
Miscellaneous Expenses			
Prior Period Expenses		16,040	
Other Miscellaneous Expenses		2,74,900	2,90,940
TOTAL			4,05,12,617



SCHEDULE NO.- 11 : INCOME FROM OTHER SOURCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
EDUCATIONAL FEES INCOME			
Tution Fees		7,53,48,517	
Development Fees		97,43,280	
Other Fees		0	8,50,91,797
OTHER CHARGES RECOVERED FROM STUDENTS			
Student Insurance		19,375	19,375
INCOME FROM SALE			
Sale of Prospectus		4,25,250	4,25,250
TOTAL			8,55,36,422



Schedules**2] Fixed Deposits with Banks**

PARTICULARS	AMOUNT (RS.)
Jointly Held With - Directorate of Technical Education (DTE)	10,48,361
TOTAL	10,48,361

3] Fees receivable

Particulars	Total
From Students	1,84,91,415
FY 2021-22	22,27,491
FY 2020-21	16,06,444
Previous years	
Sub-Total	2,23,25,350
From Government Authorities/ Bodies	4,02,40,948
FY 2021-22	66,84,997
FY 2020-21	18,12,005
Previous years	
Sub-Total	4,87,37,950
Total	7,10,63,300

4] Advertisement and Publicity

PARTICULARS	AMOUNT (RS.)
Advertisement for Admissions	1,79,558
Total	1,79,558

5] Employee Costs

PARTICULARS	TOTAL AMOUNT (RS.)
Salaries & Wages	3,71,53,643
Contribution to P.F. & Pension Fund	7,54,212
Administrative Expenses for P.F.	62,851
Gratuity Expenses	15,15,807
Staff Welfare & Training	38,103
<i>(Only Total Amount to be mentioned)</i>	
Total	3,95,24,616

6] Fees paid to Statutory Authorities

PARTICULARS	AMOUNT (RS.)
Affiliation Fees	1,92,000
Pravesh Niyantran Samiti Processing Fees	56,800
Total	2,48,800

7] Student Related Expenses

PARTICULARS	AMOUNT (RS.)
Picnic & Gathering Expenses	6,620
Student Welfare Expenses	1,000
Total	7,620

8] Tuition Fees- Cancelled Students

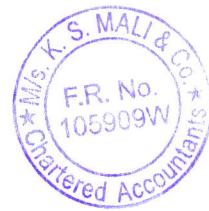
PARTICULARS	AMOUNT (RS.)
Tuition Fees- Cancelled Students	40,927
TOTAL	40,927

9] Other Receivables

LISTS

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

SR. NO.	PARTICULARS	AMOUNT (RS.)
1.	New Sonai Electrical & Engineers	3,54,536
2.	Sun Print	3,67,731
TOTAL		7,22,267



SCHEDULE NO. 12 :- 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 Institute of Management & Computer Application, is one of the units of the Sinhgad Technical Education Society which is mainly involved in imparting the education in the field of Management.

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 Institute of Management & Computer Application ,Narhe (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 Narhe 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 educational fees received from students is recognized on 'over the academic year basis.

b) Sale of items:-

The revenue from sale of prospectus/study materials/forms and other items is recognized at the time of actual sale of such items. The cost of printing incurred / purchase of study material / 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. Trademarks

Trade Marks have infinite life and hence, as per AS-26, registration fees and incidental charges thereto are capitalized and reported under the head intangible Asset and amortized equally over a period of 10 years.

xi. Softwares:-

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

xii. 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.

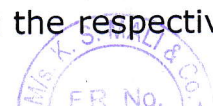
xiii. Retirement Benefits:-

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.

xiv. Affiliation & Recognition Fees

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

- a) Fees for academic year 2021-22 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. The liability towards salaries payable till the end of the previous year and advances paid to staff towards the same have been transferred to the Corporate Office.

5. Fixed Deposits with Banks

Fixed Deposits with Banks as disclosed under Schedule No. 6 include:-

- i. Fixed deposits jointly held with various statutory authorities as per details below:-
- ii.

Name of the Authority	Amount of Fixed Deposits (Rs.)
Directorate of Technical Education (DTE), Maharashtra State	10,48,361
Deposit with AICTE	15,00,000
Total	25,48,361

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

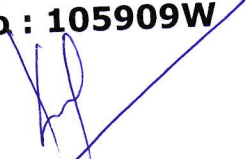
- i) Provision for interest on late payment of GST and Provident Fund dues has been made in the books of the Corporate Office only.
- ii) Provision of Rs. 47,600/- for late fees payable under section 234E of the Income Tax Act for the period has been made during the year.
- iii) Provision of Rs.1,11,732/- 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.

7. Balance Confirmations:

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

As per our report of even date

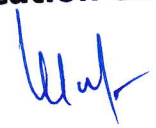
**For M/s K. S. Mali & Co.
Chartered Accountants
F.R.No : 105909W**



**Place : Pune
Date:29.09.2022**

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

**For Sinhgad
Technical
Education Society**



**M. N. Navale
President**

