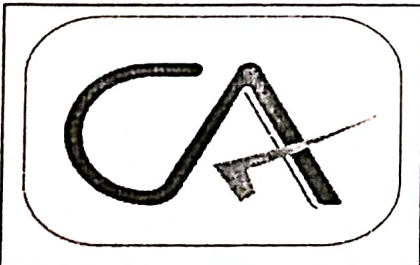


(9)

AUDIT REPORT 2017-2018

Sinhgad Technical Education Society, Pune's
**SINHGAD ACADEMY OF ENGINEERING
KONDHWA (Bk), PUNE.**



M/S K.S. MALI & CO.

CHARTERED ACCOUNTANTS

ROHAN COMPLEX, M.PHULE CHOWK,

A/P & TAL SANGOLA, DIST SOLAPUR.

TEL.NO.02187-222360 CELL- 98220 98653.

e-mail:- ksmali_ca@yahoo.co.in



INDEPENDENT AUDITOR'S REPORT

To
The Board of Trustees
Sinhgad Technical Education Society
Erandwane,
Pune

Report on the Financial Statements

We have audited the Balance Sheet of Sinhgad Academy of Engineering, Kondhwa (Bk), Pune (the segment of Sinhgad Technical Education Society, Pune hereinafter referred as "the institution") as on 31st March, 2018, the Income & Expenditure Account of this Institution for the year ended on that date and a summary of significant accounting policies and other explanatory information and disclosures.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give true and fair view of the financial position and financial performance of the Institution in accordance with the accounting principles generally accepted in India including the applicable accounting standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of The Maharashtra Public Trusts Act (title substituted for 'The Bombay Public Trusts Act, 1950') ("the Act") for safeguarding of the assets of the Institution 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 and ensuring their operating effectiveness and 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

Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the Standards on Auditing. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Continued on page 2...





:: 2 ::

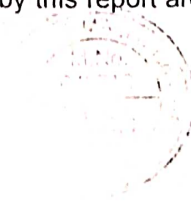
An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Society's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements. An audit also includes examinations on a test check basis, evidences supporting the amounts and disclosures in the 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

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. In our opinion, **Sinhgad Academy of Engineering, Kondhwa (Bk), Pune** has kept proper books of account as required by law so far as it appears from our examination of these books.
2. The Institution has maintained books of account on mercantile system of accounting and is following the same method of accounting consistently.
3. Regarding various loan facilities availed from Shri. Anand Co-op. Bank Ltd., Chinchwad, terms & conditions of the loans sanctioned including securities, repayment schedules, guarantees offered etc. have not been produced for our verification.
4. These financial statements have been prepared incorporating various charges levied by the Society on Sinhgad Academy of Engineering, Kondhwa (Bk), Pune as per the estimates / judgments made by the Management. Although these are based upon the 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.
5. 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.
6. The accounts of the Institution have been prepared by following Accounting Standard - 17: 'Segment Reporting' as per details specified in Note no. 1(iii) of **Schedule No 12**.
7. The Balance Sheet and Income & Expenditure Account dealt with by this report are in agreement with the books of account.





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

8. In our opinion the Balance Sheet and Income & Expenditure Account comply with relevant Accounting Standards.
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 the Institution as at **March 31, 2018** and its **surplus for the year** ended on that date.

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

CA. K.S. Mali
Proprietor (M.No.042718)

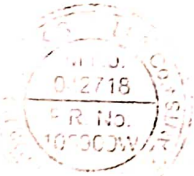
Place: Pune
Date: 28.09.2018

SINHGAD ACADEMY OF ENGINEERING, KONDHWA
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 2018

Funds & Liabilities	Sch	Amount (Rs.)	Property & Assets	Sch	Amount (Rs.)
Trust Funds or Corpus			Immovable Properties (at cost)	1	,13,55,21,500
Balance as per last Balance Sheet			Investments and Deposits	7	62,30,630
Adjustments during the year			Movable Properties (at cost)	1	,11,43,47,816
Membership Fees			Balance as per last Balance Sheet		9,47,023
Donations			Additions during the year		0
Branch / divisions		(149,254,101)	Disposals during the year		0
Other Earmarked Funds			Intangible Properties (at cost)	1	0
(created under the provisions of			Capital Work - In - Progress	1	0
the trust deed or scheme or out of			Advances		
the income)			Advances To Trustees		
Depreciation & Amortization Fund	1	,16,49,50,589	Advances To Employees		6,31,78,712
Reserve Fund		18,08,333	Advances To Others		2,05,855
Any Other Fund	2	3,02,58,334	Prepaid Expenses		6,09,089
Loans (Secured or Unsecured)			Pre-Operative Expenses		
From Trustees			Tax Deducted at Source		
From Others	3	,9,27,69,922	Income Outstanding		
Liabilities			Fees Receivable		8,78,94,490
For Expenses & Provisions	4	22,03,83,277	Interest Receivable		11,25,754
For Advances			Other Receivables		36,72,359
For Rent & Other Deposits	5	1,27,56,400	Rent		
For Sundry Credit Balances	6	,4,10,77,829	Stocks		0
			Cash & Bank Balances	8	10,17,346
			In Current A/C		
			In Fixed Deposit A/C		
			With the Trustee		
			With the Manager		
TOTAL		,41,47,50,583	TOTAL		,41,47,50,583

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)
Date : 28/9/2018
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

M. N. Navale
President

SINHGAD ACADEMY OF ENGINEERING, KONDHWA

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 2018

Expenditure	Sch.	Amount (Rs.)	Income	Sch.	Amount (Rs.)
To Expenditure in respect of Properties			By Rent (accrued) / (realised)		
Rates, Taxes, Insurance & Cesses					
Repairs & Maintenance			By Interest (accrued)		
Salaries			On Securities		
Depreciation (by way of provision or adjustments)			On Loans		
To Establishment Expenses	9	4,28,92,062	On Bank Deposits & Security Deposits		6,63,622
To Remuneration to Trustees			By Dividend		
To Remuneration (in the case of a math) to the head of the math including his household expenditure, if any			By Donations in cash or kind		
To Legal Expenses			By Grants		
To Audit Fees		2,29,151	By Income from other sources	11	,30,54,47,679
To Contribution & Fees			By Transfer from Reserve		
To Amount written off					
Bad Debts					
Loan Scholarships					
Irrecoverable Rents					
Other Items		93,682			
To Miscellaneous Expenses					
To Depreciation & Amortization	1	81,02,359			
To Amounts transferred to Reserve or Specific Funds					
To Expenditure on Objects of the Trust					
Religious					
Educational	10	,20,06,88,761			
Medical Relief		0			
Relief of poverty					
Other Charitable objects					
To Surplus/(Deficit) trf to H.O		,5,41,05,286			
TOTAL		,30,61,11,301	TOTAL		,30,61,11,301

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)

Date : 28/9/2018

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**

M. N. Navale
President

SCHEDULE 1 - FIXED ASSETS & DEPRECIATION

SAE

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2017	ADDITIONS 2017 - 18	DELETIONS 2017 - 18	COST 31.03.2018	DEPRECIATION FUND					WDV	WDV
						DEPR. FUND 01.04.2017	DEPR. 2017 - 18	ADDITIONS 2017 - 18	DELETIONS 2017 - 18	DEPR. FUND 31.03.2018	01.04.2017	31.03.2018
A) IMMOVABLE ASSETS												
LAND		1,04,35,764			1,04,35,764		0			0	1,04,35,764	1,04,35,764
BUILDING & CIVIL WORKS	5%	9,73,73,645			9,73,73,645	4,24,98,938	27,43,735			4,52,42,673	5,48,74,707	5,21,30,972
COMPOUND WALL	5%	74,24,629			74,24,629	34,12,655	2,00,599			36,13,254	40,11,974	38,11,375
ROAD	5%	16,27,645			16,27,645	7,48,131	43,976			7,92,107	8,79,514	8,35,538
ELECTRICAL FITTINGS	25%	1,86,59,817			1,86,59,817	1,68,16,445	4,60,843			1,72,77,288	18,43,372	13,82,529
SUB-TOTAL (A)		13,55,21,500	0	0	13,55,21,500	6,34,76,169	34,49,153	0	0	6,69,25,322	7,20,45,331	6,85,96,178
B) MOVABLE ASSETS												
FURNITURE & FIXTURES	15%	3,49,44,168	92,563		3,49,44,168	2,29,45,374	17,99,819			2,47,45,193	1,19,98,794	1,01,98,975
LIBRARY BOOKS	50%	65,86,354	16,957		66,78,917	64,41,034	1,18,942			65,59,976	1,45,320	1,18,941
COMPUTERS & COMPUTER EQUIPMENT	50%	2,79,26,475	16,957		2,79,43,432	2,66,91,761	6,25,836			2,73,17,597	12,34,714	6,25,835
MACHINERY & EQUIPMENTS (AS PER DETAILS BELOW)		4,48,90,819	8,37,503	0	4,57,28,322	3,72,93,892	21,08,609	0	0	3,94,02,501	75,96,927	63,25,821
SUB-TOTAL (B)		11,43,47,816	9,47,023	0	11,52,94,839	9,33,72,061	46,53,206	0	0	9,80,25,267	2,09,75,755	1,72,69,572
GRAND-TOTAL (A+B)		24,98,69,316	9,47,023	0	25,08,16,339	15,68,48,230	81,02,359	0	0	16,49,50,589	9,30,21,086	8,58,65,750

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2017	ADDITIONS 2017 - 18	DELETIONS 2017 - 18	COST 31.03.2018	DEPRECIATION FUND					WDV	WDV
						DEPR. FUND 01.04.2017	DEPR. 2017 - 18	ADDITIONS 2017 - 18	DELETIONS 2017 - 18	DEPR. FUND 31.03.2018	01.04.2017	31.03.2018
MACHINERY & EQUIPMENTS												
AIR CONDITIONERS	25%	4,90,016			4,90,016	4,24,607	16,352			4,40,959	65,409	49,057
DIESEL GENERATOR SET	25%	18,83,386			18,83,386	16,83,599	49,947			17,33,546	1,99,787	1,49,840
FIRE EXTINGUISHER	25%	1,19,587			1,19,587	1,07,616	2,993			1,10,609	11,971	8,978
LAB EQUIPMENTS	25%	3,61,91,411	5,39,212		3,67,30,623	3,03,02,501	16,07,631			3,19,09,532	58,88,910	48,21,091
MOBILE	25%	11,150			11,150	6,447	1,176			7,623	4,703	3,527
SPORTS EQUIPMENTS	25%	2,43,024			2,43,024	1,90,250	13,194			2,03,444	52,774	39,580
UPS SYSTEM	25%	10,84,350			10,84,350	9,39,721	36,157			9,75,878	1,44,629	1,08,472
OTHER MACHINERY & EQUIPMENTS	25%	48,67,895	2,98,291		51,66,186	36,39,151	3,81,759			40,20,910	12,28,744	11,45,276
TOTAL		4,48,90,819	8,37,503	0	4,57,28,322	3,72,93,892	21,08,609	0	0	3,94,02,501	75,96,927	63,25,821



SCHEDULE NO.- 2 : ANY OTHER FUNDS

PARTICULARS	LISTIN G REF	OPENING BALANCE (RS.)	ADDITIONS / (DELETIONS)	AMOUNT (RS.)
Equipment / Laboratory Fund		1,46,66,667		1,46,66,667
Building Fund		1,49,66,667		1,49,66,667
Library Fund		6,25,000		6,25,000
TOTAL		3,02,58,334	0	3,02,58,334

SCHEDULE NO.- 3 : LOANS FROM OTHERS (INCLUDING UNSERVED INTEREST)

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
A] WORKING CAPITAL LOANS :		9,09,38,390	
Bank of Baroda			9,09,38,390
B] TERM LOANS :			
Central Bank of India		18,31,532	18,31,532
GRAND TOTAL			,9,27,69,922

SCHEDULE NO.- 4 : LIABILITIES FOR EXPENSES & PROVISIONS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Salary & Wages Payable			20,30,83,337
Provident Fund (Institute's Cont.) Payable			1,25,96,539
Admin. Charges to P.F. Payable			8,47,399
Other Expenses Payable			30,56,002
TOTAL			,22,03,83,277

SCHEDULE NO.- 5 : LIABILITIES FOR RENT & OTHER DEPOSITS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Deposits from Students			1,27,56,400
TOTAL			,1,27,56,400

SCHEDULE NO.- 6 : LIABILITIES FOR SUNDRY CREDIT BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
SUNDRY CREDITORS	1		37,35,190
STATUTORY DUES :			
INCOME TAX DEDUCTED AT SOURCE (TDS) :			
TDS on Salary		76,24,379	
TDS on Payments to Professionals		32,780	
TDS on Payments to Contractors		12,899	
		76,70,058	
Provident Fund (Employees' Contribution)		51,98,355	
Profession Tax		16,900	
VAT Payable		981	
GST Payable		1,69,121	1,30,55,415
OTHER LIABILITIES :			
Fees Refundable		1,64,55,792	
Group LIC Scheme		6,46,625	
Other Liabilities		71,84,807	2,42,87,224
TOTAL			,4,10,77,829



PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
INVESTMENTS			
Fixed Deposits with Banks	2		
Canara Bank		62,02,861	
Oriental Bank of Commerce			62,02,861
Total Investments			62,02,861
DEPOSITS			
Deposits for Internet Connection		27,778	
Other Deposits			27,778
TOTAL			62,30,639

SCHEDULE NO. 8 : CASH & BANK BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
CASH IN HAND			2,06,371
BANK BALANCES :			
In Current Accounts			
Punjab National Bank		1,97,311	
Canara Bank		2,66,370	
Bank of Maharashtra		3,39,464	
Shri Anand Co-Op. Bank Ltd.		2,830	
Cosmos Co - Op. Bank Ltd.		5,000	
Bank of India			8,10,975
TOTAL			10,17,346

SCHEDULE NO.- 9 : ESTABLISHMENT EXPENSES

PARTICULARS	LISTING REF	BE
Advertisement and Publicity	3	17,70,964
Interest on:		
Working Capital Loans		1,60,85,713
Term Loans		2,72,550
Bank Charges & Commission		1,45,921
Legal Charges		15,01,815
Professional / Consultation Charges		9,40,743
Property Taxes		1,466
Insurance Charges (Other than on Vehicle)		4,00,853
Repairs & Maintenance		
Repairs & Maintenance to Building		39,37,946
Repairs & Maintenance to Furniture & Fixtures		6,280
Repairs & Maintenance to Computers		4,950
Repairs & Maintenance to Other Assets		8,41,354
Garden Maintenance		7,40,048
Electricity Expenses		
Electricity Charges		47,98,275
Diesel for Generator		6,51,730
Vehicle Expenses		
Petrol & Diesel Expenses		3,28,275
Repairs & Maintenance to Vehicles		1,24,148
Vehicle Insurance		28,273
RTO Tax		11,657
Administrative & General Expenses		
Office Expenses		3,65,021
Postage & Telephone Expenses		3,64,448
Printing & Stationary		6,08,745
Water Supply & Testing Charges		14,06,404
Stamp Duty & Processing Charges		2,45,454
Cleaning Charges		19,72,287
Sweeping Charges		18,45,326
Security Charges		17,58,531
Administrative Expenses		16,71,736
Other Expenses		60,649
TOTAL		4,28,92,062

SCHEDULE NO.- 10 : EDUCATIONAL EXPENSES

PARTICULARS	LISTING REF	BE
Employee Costs	4	19,20,88,250
Internet Charges		9,35,621
Fees paid to Statutory Authorities	5	11,08,699
Seminars & Exhibition Expenses		2,48,971
Consumables		3,00,104
Newspapers, Periodicals & Journals		9,87,528
Travelling & Conveyance		1,67,589
Training & Placement Expenses		5,40,559
Remuneration to Visiting Faculty		2,69,362
Software Expenses		8,40,379
Student Related Expenses	6	11,75,370
Miscellaneous Expenses		
Prior Period Expenses		16,03,940
Other Miscellaneous Expenses		4,22,389
TOTAL		,20,06,88,761

SCHEDULE NO.- 11 : INCOME FROM OTHER SOURCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
EDUCATIONAL FEES INCOME			
Tuition Fees		,27,35,81,483	
Development Fees		,2,82,95,166	
			30,18,76,649
OTHER CHARGES RECOVERED FROM STUDENTS			
Student Insurance		84,800	
Admission Cancellation Charges		2,95,436	
Fines and Breakages		21,015	
			4,01,251
INCOME FROM SALE			
Sale of Prospectus		7,21,840	
Sale of Scrap		18,929	
	7		7,40,769
OTHER INCOME (NON - EDUCATIONAL)			
Prior Period Income		24,29,010	
	10	0	24,29,010
TOTAL			,30,54,47,679

LISTS**2] Fixed Deposits with Banks**

PARTICULARS	AMOUNT (RS.)
Jointly Held With -	
All India Council for Technical Education (AICTE)	3,905,178
Directorate of Technical Education (DTE)	2,297,683
Sub - Total	6,202,861
TOTAL	6,202,861

3] Advertisement and Publicity

PARTICULARS	AMOUNT (RS.)
Advertisement for Staff Recruitment	722.00
Advertisement for Admissions	486,511.00
Advertisement - Other	1,283,731.00
	1,770,964.00

4] Employee Costs

PARTICULARS	TEACHING AMOUNT (RS.)	NON - TEACHING AMOUNT (RS.)	TOTAL AMOUNT (RS.)
Salaries & Wages	150,635,634.00	32,511,057.00	18,31,45,691
Contribution to P.F. & Pension Fund	1,654,707.00	1,975,768.00	36,30,475
Administrative Expenses for P.F.	391,000.00	140,774.00	5,31,774
Gratuity Expenses	3,993,990.00	720,585.00	47,14,575
Staff Welfare & Training	64,735.00	-	64,735
<i>(Only Total Amount to be mentioned)</i>	156,740,066.00	35,348,184.00	192,088,250.00

5] Fees paid to Statutory Authorities

PARTICULARS	AMOUNT (RS.)
Affiliation Fees	618,361.00
Accreditation Fees	100,000.00
Fees Regulating Authority Processing Fees	390,338.00
	1,108,699.00



6] Student Related Expenses

PARTICULARS	AMOUNT (RS.)
Picnic & Gathering Expenses	80,233.00
Cultural Activities Expenses	82,621.00
Sports Expenses	20,555.00
Student Insurance Expenses	70,401.00
Student Welfare Expenses	521,560.00
	775,370.00

7] Other Educational Expenses

PARTICULARS	AMOUNT (RS.)
Fees Waived	62,169.00
Misc Exp	54,638.00
Entrance Exam Expenses	232,657.00
Grant Exp.PMKVY-IT	55,125.00
PH D expenses	17,800.00
TOTAL	422,389.00

SCHEDULE NO. 12:- NOTES FORMING PART OF THE ACCOUNTS

1. 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 Academy of Engineering, Kondhwa (Bk), Pune (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:-
- 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 Kondhwa 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.
 - 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.
 - 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/study materials/forms and other items is recognized at the time of actual sale of such items. The cost of printing/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.

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.

vi. 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.

vii. 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.

viii. 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

ix. Softwares:-

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

x. 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

xi. 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.

xii. Affiliation & Recognition Fees :-

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

- i) Fees for academic year 2017-18 have been charged out during the year.
- ii) Fees for next academic year are treated as Prepaid Expense.
- iii) The refund received, if any, is treated as income in the year of receipt.



2. Specific Funds :-

The following funds have been created in accordance with Ordinance No. 171 of Savitribai Phule Pune University:-

- a) Reserve Fund
- b) Equipment / Laboratory Fund
- c) Building Fund
- d) Library Fund

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. Fixed Deposits with Banks:

Fixed Deposits with Banks as disclosed under Schedule No. 7 include:-

- a) Fixed deposits jointly held with various statutory authorities as per details below:-

Name of the Authority	Amount of Fixed Deposits (Rs.)
All India Council for Technical Education (AICTE), New Delhi	39,05,178
Directorate of Technical Education (DTE), Maharashtra State	22,97,683
Total	62,02,861

- b) Fixed deposits of Rs. 62,02,861/- are kept as margin against the performance guarantees issued by the banks in favour of various statutory authorities.

5. Advances paid to staff against salaries:

In view of the severe cash crunch faced by the Society, employees have been paid advances against salary from time to time to be adjusted against payment of salaries. The same are included in the Balance Sheet under the head Advances to Employees.

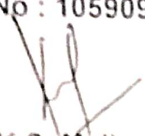


6. Balance Confirmations:

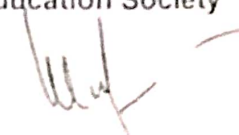
All balances in the personal accounts are subject to their confirmations and /or reconciliation.

As per our report of even date

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


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

For Sinhgad Technical
Education Society


M. N. Navale
President

Place : Pune
Date : 28/09/2018

