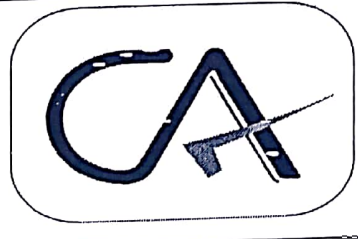


AUDIT REPORT 2022-2023

Sinhgad Technical Education Society, Pune's
**SINHGAD INSTITUTE OF HOTEL MANAGEMENT & CATERING
TECHNOLOGY (SIHMCT), LONAVALA**



M/S K. S. MALI & CO.
CHARTERED ACCOUNTANTS
ROHAN COMPLEX, M. PHULE CHOWK,
A/P & TAL SANGOLA, DIST SOLAPUR.
TAL. 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
PUNE

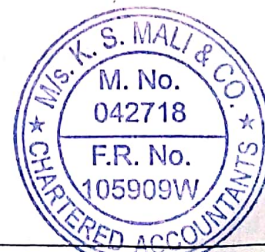
Report on the Financial Statements

We have audited the accompanying financial statements of **Sinhgad Technical Education Society's Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** which comprise the Balance Sheet as at **31st March, 2023**, the Statement of Income and Expenditure for the year then ended, and notes on 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 matters described in the Basis of Qualified Opinion Paragraph***, the aforesaid financial statements give the information required by The Maharashtra Public Trust Act, 1950 ('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 Hotel Management & Catering Technology, Lonavala** as at **31st March, 2023** and **Deficit** 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.





We report that:-

1. Discontinuance of P.F. Contribution -

During the year, Society has discontinued the coverage of its staff members under the Provident Fund Scheme of EPF & MP Act, 1952. In this regard, Society has intimated to the Regional P.F. Commissioner II, R.O. Pune, that all its employees are drawing PF eligible salary above Rs.15000/- per month and therefore, the P.F. Contribution and facilities are voluntary and not compulsory. In this regard, necessary legal opinion should be obtained by the Society.

Responsibility of Management for the Financial Statements

The management of **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs (financial position) and of the Surplus / 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, the management is responsible for assessing the **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala'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 **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala'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 has not been carried out by Management. Hence, provision for non-recoverable fees, has not been made in the books of account.

2) Scrutiny of outstanding Deposits from Students & Other Liabilities:

The scrutiny in respect of deposits from students who have already left and in respect of other old liabilities has not been carried out by the management. Hence, the accounting effects for the amounts which are no more payable have been given in the books of account.

3] Advances to Employees against Salaries: Rs. 11,30,797/-

The basic salary paid to the employees of Sinhgad Institute of Hotel Management & Catering Technology, Lonavala, during F.Y. 2022-23 has been shown as '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 Hotel Management & Catering Technology, Lonavala** has maintained separate books of account in respect of each financial year.
2. **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** 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.
4. The accounts of **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** 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 Hotel Management & Catering Technology, Lonavala** 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





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

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 Hotel Management & Catering Technology, Lonavala** has defaulted in remitting payment of the following Statutory dues within the prescribed time limits -

- Tax Deducted at Source
- GST
- Provident Fund
- Profession Tax
- Gratuity

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 Hotel Management & Catering Technology, Lonavala** as at **March 31, 2023** and its **Deficit** 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
UDIN: 23042718 BGRW LU3994

Place : Pune
Date : 16.10.2023



SINHGAD INSTITUTE OF HOTEL MANAGEMENT & CATERING TECHNOLOGY, LONAVALA

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 2023

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	6,45,86,409
			Investments and Deposits	6	3,16,241
			Movable Properties (at cost) Balance as per last Balance Sheet Additions during the year Disposals during the year	1	1,49,03,788 20,740
Reserves & Surplus Capital Reserve			Intangible Properties (at cost)		
Branch / divisions		3,11,90,468	Capital Work - In - Progress		
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	5,58,25,866	Advances Advances To Trustees Advances To Employees Advances To Others		11,30,797 9,020
Loans (Secured or Unsecured) From Trustees From Others	2	37,93,218	Income Outstanding Rent Fees Receivable Interest Receivable Other Income Receivable	7	1,87,91,818 62,825
Liabilities For Expenses and Provisions For Advances	3	63,85,349	Other Current Assets Stocks		
For Rent & Other Deposits	4	19,76,427	Prepaid Expenses		1,08,300
For Sundry Credit Balances	5	46,52,311	TDS/TCS/ITC & Income Tax Paid Other Receivables		9,16,368
			Cash & Bank Balances In Current A/C In Fixed Deposit A/C With the Trustee With the Manager	8	29,77,333
TOTAL		10,38,23,639	TOTAL		10,38,23,639

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

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

CA K.S. Mali
Proprietor (M.No. 042718)
UDIN : 23042718 BGRWLU3994.
Date : 16/10/2023
Place : Pune

Prof. Partha P. Nath
Principal

M. N. Navale
President



SINHGAD INSTITUTE OF HOTEL MANAGEMENT & CATERING TECHNOLOGY, LONAVALA

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 2023

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)			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 To Legal Expenses To Audit Fees To Contribution & Fees To Amount written off Bad Debts Loan Scholarships Irrecoverable Rents Other Items To Miscellaneous Expenses To Depreciation & Amortization To Amounts transferred to Reserve or Specific Funds To Expenditure on Objects of the Trust Religious Educational Medical Relief Relief of poverty Other Charitable objects	9	44,13,348	By Interest (accrued) On Securities On Loans On Bank Deposits & Security Deposits		19,343
			By Dividend By Donations in cash or kind By Grants By Income from other sources By Transfer from Reserve	11	1,48,21,697
		9,708			
	1	12,75,682			
	10	1,94,49,771			
			By Deficit trf.to HO		1,03,07,469
TOTAL		2,51,48,509	TOTAL		2,51,48,509

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 : 23042718BGRWLU3994

Date : 16/10/2023

Place : Pune



Prof. Partha P. Nath
Principal

M. N. Navale
President

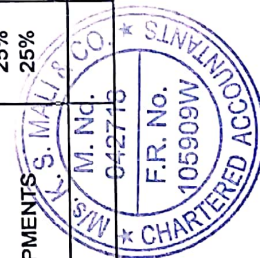
The above Income & Expenditure to the best of our belief contains a true account of the Expenditure and Income of the Trust.

For Sinhgad Technical Education Society

SCHEDULE 1 : FIXED ASSETS & DEPRECIATION

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2022	ADDITIONS (EXCLUDING TRANSFER) 2022-23	COST 31.03.2023	DEPRECIATION FUND			WDV 01.04.2022	WDV 31.03.2023
					DEPR. FUND 01.04.2022	DEPR. 2022-23	DEPR. FUND 31.03.2023		
AI IMMOVABLE ASSETS									
LAND		12,18,286		12,18,286			12,18,286	12,18,286	
BUILDING & CIVIL WORKS	5%	5,52,46,923		5,52,46,923	3,27,24,559	11,26,118	2,25,22,364	2,13,96,246	
COMPOUND WALL	5%	1,91,447		1,91,447	1,13,401	3,902	78,046	74,144	
WATER SUPPLY SCHEME	5%	2,53,356		2,53,356	1,50,070	5,164	1,03,286	98,122	
ROAD	5%	11,72,530		11,72,530	6,94,528	23,900	4,78,002	4,54,102	
ELECTRICAL FITTINGS	25%	65,03,867		65,03,867	64,57,135	11,683	46,732	35,049	
SUB-TOTAL (A)		6,45,86,409		6,45,86,409	4,01,39,693	11,70,767	2,44,46,716	2,32,75,949	
BI MOVABLE ASSETS									
FURNITURE & FIXTURES	15%	32,13,321		32,13,321	29,23,565	43,463	2,89,756	2,46,293	
LIBRARY BOOKS	50%	23,07,601	20,740	23,28,341	23,07,343	10,499	258	10,499	
COMPUTERS & COMPUTER EQUIPMENTS	50%	17,92,844		17,92,844	17,92,319	263	525	262	
MACHINERY & EQUIPMENTS (AS PER DETAILS BELOW)		75,90,022		75,90,022	73,87,264	50,690	2,02,758	1,52,068	
SUE-TOTAL (B)		1,49,03,788	20,740	1,49,24,528	1,44,10,491	1,04,915	4,93,297	4,09,122	
GRAND-TOTAL (A+B)		7,94,90,197	20,740	7,95,10,937	5,45,50,184	12,75,682	2,49,40,013	2,36,85,071	

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2022	ADDITIONS (EXCLUDING TRANSFER) 2022-23	COST 31.03.2023	DEPRECIATION FUND			WDV 01.04.2022	WDV 31.03.2023
					DEPR. FUND 01.04.2022	DEPR. 2022-23	DEPR. FUND 31.03.2023		
MACHINERY & EQUIPMENTS									
KITCHEN EQUIPMENTS	25%	3,06,985		3,06,985	2,11,530	23,864	95,455	71,591	
PROJECTORS	25%	44,200		44,200	25,554	4,662	18,646	13,984	
UPS SYSTEM	25%	27,990		27,990	16,182	2,952	11,808	8,856	
OTHER MACHINERY & EQUIPMENTS	25%	72,10,847		72,10,847	71,33,998	19,212	76,849	57,637	
TOTAL		75,90,022		75,90,022	73,87,264	50,690	2,02,758	1,52,068	



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

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
WORKING CAPITAL LOANS			37,93,218
TOTAL			37,93,218

SCHEDULE NO.- 3 : LIABILITIES FOR EXPENSES & PROVISIONS

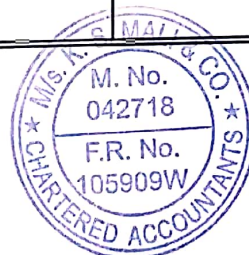
PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Salary & Wages Payable			43,14,710
Provident Fund (Institute's Cont.) Payable			18,93,782
Admin. Charges to P.F. Payable			1,76,857
TOTAL			63,85,349

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

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Deposits from Students			19,74,878
Security Deposits			1,549
TOTAL			19,76,427

SCHEDULE NO.- 5 : LIABILITIES FOR SUNDRY CREDIT BALANCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
SUNDRY CREDITORS	1		6,59,299
STATUTORY DUES :			
INCOME TAX DEDUCTED AT SOURCE (TDS) :			
TDS on Salary		83,450	
TDS on Payments to Professionals		2,560	
		86,010	
Provident Fund (Employees' Contribution)		18,89,764	
Profession Tax		6,400	
			19,82,174
OTHER LIABILITIES :			
Fees Refundable		11,23,181	
Other Liabilities		8,87,657	
			20,10,838
TOTAL			46,52,311



SCHEDULE NO.- 6 : INVESTMENTS & DEPOSITS

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
<u>INVESTMENTS</u>			
Fixed Deposits with Banks Bank of Maharashtra	2		3,00,000
<u>DEPOSITS</u>			
Gas Cylinder Deposits			16,241
TOTAL			3,16,241

SCHEDULE NO. 7 : FEES RECEIVABLE

PARTICULARS	LISTING	AMOUNT (RS.)	AMOUNT (RS.)
From Students	3		1,16,71,859
From Government Authorities/Bodies	3		71,19,959
TOTAL			1,87,91,818

SCHEDULE NO. 8 : CASH & BANK BALANCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
CASH IN HAND			3,589
BANK BALANCES :			
In Current Accounts			
Central Bank of India		78,134	
Cosmos Co - Op. Bank Ltd.		4,705	
TJSB Sahakari Bank Ltd.		28,90,905	29,73,744
TOTAL			29,77,333



SCHEDULE NO.- 9 : ESTABLISHMENT EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Advertisement and Publicity	4		12,41,612
Interest on:			
Working Capital Loans			5,17,587
Bank Charges & Commission			4,955
Legal Charges			42,111
Professional / Consultation Charges			9,732
Property Taxes			23,513
Repairs & Maintenance			
Repairs & Maintenance to Building		1,29,119	
Repairs & Maintenance to Furniture & Fixtures		3,862	
Repairs & Maintenance to Computers		3,312	
Repairs & Maintenance to Other Assets		91,068	
Garden Maintenance		80,050	3,07,411
Electricity Expenses			
Electricity Charges		17,37,998	
Diesel for Generator		10,988	17,48,986
Vehicle Expenses			
Petrol & Diesel Expenses		1,30,774	
Repairs & Maintenance to Vehicles		39,805	
Vehicle Insurance		15,707	
RTO Tax		16,221	2,02,507
Administrative & General Expenses			
Office Expenses		12,415	
Postage & Telephone Expenses		25,725	
Printing & Stationary		36,546	
Water Supply & Testing Charges		1,81,314	
Stamp Duty & Processing Charges		1,448	
Donation Paid		955	
Interest on Delayed Payments/Late Fees in respect of Statutory Dues		56,531	3,14,934
TOTAL			44,13,348



SCHEDULE NO.- 10 : EDUCATIONAL EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Employee Costs			
Salaries & Wages		1,51,94,070	
Contribution to P.F. & Pension Fund		2,133	
Administrative Expenses for P.F.		178	
Gratuity Expenses		29,34,825	
Staff Welfare & Training		11,372	1,81,42,578
Internet Charges			43,304
Fees paid to Statutory Authorities	5		1,40,800
Seminars & Exhibition Expenses			7,270
Consumables			8,88,795
Newspapers, Periodicals & Journals			181
Travelling & Conveyance			41,764
Training & Placement Expenses			1,680
Remuneration to Visiting Faculty			80,200
Software Expenses			33,890
Student Related Expenses	6		20,522
Miscellaneous Expenses			
Other Miscellaneous Expenses			48,787
TOTAL			1,94,49,771



SCHEDULE NO.- 11 : INCOME FROM OTHER SOURCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
EDUCATIONAL FEES INCOME			
Tution Fees		1,37,00,990	
Development Fees		9,53,657	1,46,54,647
OTHER CHARGES RECOVERED FROM STUDENTS			
Student Insurance			4,200
INCOME FROM SALE			
Sale of Prospectus		26,400	
Sale of Other Items	7	1,36,450	1,62,850
TOTAL			1,48,21,697



LISTS**1] SUNDRY CREDITORS (ATTACHED TO SCHEDULE NO.5)**

SR. NO.	PARTICULARS	AMOUNT (RS.)
1.	Ace Infotech	3,658
2.	Archeil Infobiz	700
3.	Ashish Arts	10,738
4.	Cartridge Expree	1,186
5.	Cresent Services	783
6.	Digi - Tech	8,513
7.	Kiran Travels	2,000
8.	Lonavala Bazar	523
9.	Lucky Traders	57,129
10.	Mangaldeep Super Shopee	3,70,528
11.	Matre Caterers	800
12.	Mohit Vegetable & Exotic	20,950
13.	Nathaneal Acharya (Orchestra Band)	2,500
14.	Om Sai Caterers	3,596
15.	Prapti Enterprises	2,850
16.	Prompt Services	120
17.	R.B.Jagtap	3,000
18.	Rozgar Samachar	10,560
19.	Saffron Caterers	2,000
20.	Sarathi Enterprises	4,043
21.	Shraddha Enterprises	6,840
22.	Smita Consultancy Services	7,200
23.	Soft Aid Computer P Ltd	649
24.	Swara Hvac Services	5,976
25.	Tathastu Enterpises	1,14,817
26.	Vaidehi Dixit	17,640
	TOTAL	6,59,299



LISTING**2] Fixed Deposits with Banks**

PARTICULARS	AMOUNT (RS.)
Fixed Deposits against University Funds	3,00,000
TOTAL	3,00,000

3] Fees receivable

PARTICULARS	AMOUNT (RS.)
From Students	
FY 2022-23	29,21,563
FY 2021-22	19,83,120
Previous years	67,67,176
Sub-Total	1,16,71,859
From Government Authorities/ Bodies	
FY 2022-23	33,69,428
FY 2021-22	13,22,167
Previous years	24,28,364
Sub-Total	71,19,959
TOTAL	1,87,91,818

4] Advertisement and Publicity

PARTICULARS	AMOUNT (RS.)
Advertisement for Admissions	12,36,581
Advertisement - Other	5,031
TOTAL	12,41,612

5] Fees paid to Statutory Authorities

PARTICULARS	AMOUNT (RS.)
Affiliation Fees	1,40,800
TOTAL	1,40,800



6] Student Related Expenses

PARTICULARS	AMOUNT (RS.)
Picnic & Gathering Expenses	475
Cultural Activities Expenses	5,744
Sports Expenses	9,211
Student Welfare Expenses	5,092
TOTAL	20,522

7] Sale of Other Items

PARTICULARS	AMOUNT (RS.)
Sale of Books/Journals	1,36,450
TOTAL	1,36,450



**Sinhgad Institute of Hotel Management & Catering Technology,
Lonavala**

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 Hotel Management & Catering Technology, Lonavala** is one of the units of the Society which is mainly involved in imparting the education in the field of Hotel 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 Hotel Management & Catering Technology, Lonavala** (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 Lonavala 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/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.

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:-

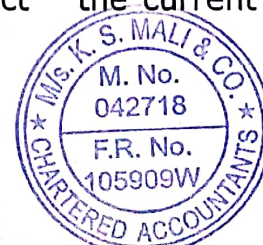
- a) Long Term Fixed Deposits with Banks are shown under Investments, while Short Term Deposits are shown under Cash & Bank Balances.
- b) Investments are stated at Cost.

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 2022-23 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 to Employees against salaries: Rs. 11,30,797/-

- i. In view of the severe financial difficulties, most of the employees have been paid only Basic Pay / Consolidated pay for some part of the year and the said amounts have been treated as advances to staff. As per the practice consistently followed by the Society, such



advances are adjusted at the time of making full & final settlement of salaries. Thus till the time full & final settlement is done, these advances have been shown separately instead of netting off with salaries payable.

- ii. Advances to employees Rs. 11,30,797/- are towards such payments made for F.Y. 2022-23.

5. Fixed Deposits with Banks:-

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

Particulars	Amount (Rs.)
Fixed Deposits against University Funds	3,00,000
Total	3,00,000

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

Provision for interest on late payment of GST and Provident Fund dues has been made in the books of the Corporate Office only.

7. Provision for Gratuity:-

- i. The same has been made in the books of the Corporate Office on the basis of Actuarial Valuation of gratuity required to be disclosed as per Accounting Standard-15. The share of expense towards gratuity attributable to **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** has been reflected under Employee Cost in Schedule No. 10.
- ii. The liability for unpaid gratuity in respect of the employees of **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala** is also reflected in the books of the Corporate Office.



8. 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**

**For Sinhgad
Technical
Education Society**

**Place : Pune CA. K.S. Mali
Date : 16.10.23 Proprietor M. No.042718**

**M. N. Navale
President**

UDIN No - 23042718B&RWLU3444.

