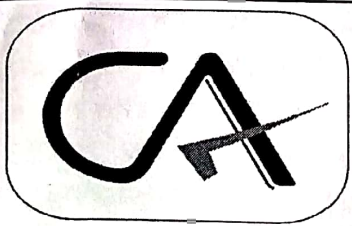


AUDIT REPORT 2020-2021

**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, Pune which comprise the Balance Sheet as at **31st March, 2021**, the Statement of Income and Expenditure for the year then ended, and notes on a significant accounting policies and other explanatory information and disclosures.

In our opinion and to the best of our information and according to the explanation given to us, the aforesaid financial statements give the information required by The Maharashtra Public Trust Act, 1950 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Society as at **31st March, 2021** and **Deficit** for the year ended on that date.

Basis for Opinion

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

Rohan Complex. M.PhuleChowk, A/p & Tal Sangola, DistSolapur. Pin. 413307.
Tel. No.02187-222670/222360 Fax: 02187-220158. E-mail: ksmali_ca@yahoo.co.in



Responsibility of Management for the Financial Statements

The management of **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala, Pune** is responsible for the preparation of these financial statements that give a true and fair view of the state of affairs (financial position) Deficit (financial performance including other comprehensive income) in accordance with the accounting principles generally accepted in India.

The responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Society and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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





Emphasis of Matters:

Scrutiny of outstanding fees:-

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

Scrutiny of outstanding Deposits from Students, Sundry Creditors and Other Liabilities

The scrutiny in respect of old outstanding Deposits from Students who have left out, Sundry Creditors and Other Liabilities has not been carried out by Management in respect of **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala, Pune** and hence, necessary accounting effects in respect of the amounts which are not required to be repaid have not been given.

Advances to Employees against Salaries of Rs. 56,28,809/-

Advances of Rs. 56,28,809/- paid to the employees against 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 Hotel Management & Catering Technology, Lonavala, Pune** has maintained separate books of account in respect of each financial year.
2. **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala, 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 Hotel Management & Catering Technology, Lonavala, 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 Hotel Management & Catering Technology, Lonavala, 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 Hotel Management & Catering Technology, Lonavala, Pune** has defaulted in remitting payment of the following Statutory dues within the prescribed time limits-



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

- 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 **Sinhgad Institute of Hotel Management & Catering Technology, Lonavala, Pune** as at **March 31, 2021** and it's **Deficit** for the year ended on that date.

As per our report of even date

Place : Pune

Date : 07/02/2022

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



CA K.S. Mali
Proprietor M. No.042718
UDIN: 22042718ABFOTL8551

Sinhgad Institute of Hotel Management & Catering Technology, Kusgaon(BK), Lonavala-410401

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 2021

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
Reserves & Surplus Capital Reserve			Investments and Deposits	6	3,16,241
Branch / divisions		2,67,84,595	Movable Properties (at cost) Balance as per last Balance Sheet Additions during the year Disposals during the year	1	1,49,16,708
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	5,32,07,385	Intangible Properties (at cost)		
Loans (Secured or Unsecured) From Trustees From Others	2	58,26,472	Capital Work - In - Progress		
Liabilities For Expenses and Provisions For Advances For Rent & Other Deposits For Sundry Credit Balances	3 4 5	2,04,75,272 24,12,065 53,58,705	Advances Advances To Trustees Advances To Employees Advances To Others		59,20,200
			Income Outstanding Rent Fees Receivable Interest Receivable Other Income Receivable	7	2,73,08,023 25,276
			Other Current Assets Stocks Prepaid Expenses TDS/TCS & Income Tax Paid Other Receivables		1,66,900 6,49,475
			Cash & Bank Balances In Current A/C In Fixed Deposit A/C With the Trustee With the Manager	8	1,75,262
TOTAL		11,40,64,494	TOTAL		11,40,64,494

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 : 22042718ABFOTL8551

Date : 07/02/2022

Place : Pune

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

For Sinhgad Technical Education Society


Dr. A. M. Siddiqui
Principal


M. N. Navale
President



Sinhgad Institute of Hotel Management & Catering Technology, Kusgaon(BK), Lonavala-410401

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 2021

Expenditure	Sch.	Amount (Rs.)	Income	Sch.	Amount (Rs.)
To Expenditure in respect of Properties			By Rent (accrued) / (realised)		
Rates, Taxes, Insurance & Cesses			By Interest (accrued)		
Repairs & Maintenance			On Securities		
Salaries			On Loans		
Depreciation (by way of provision or adjustments)			On Bank Deposits & Security Deposits		18,600
To Establishment Expenses	9	35,22,993	By Dividend		
To Remuneration to Trustees			By Donations in cash or kind		
To Remuneration (in the case of a math) to the head of the math including his household expenditure, if any			By Grants		
To Legal Expenses			By Income from other sources	11	2,53,30,467
To Audit Fees			By Transfer from Reserve		
To Contribution & Fees					
To Amount written off					
Bad Debts					
Loan Scholarships					
Irrecoverable Rents					
Other Items					
To Miscellaneous Expenses					
To Depreciation & Amortization	1	14,57,096			
To Amounts transferred to Reserve or Specific Funds					
To Expenditure on Objects of the Trust					
Religious					
Educational	10	2,34,81,364			
Medical Relief					
Relief of poverty					
Other Charitable objects					
To Surplus/(Deficit) trf.to HO		-3,134,851			
TOTAL		2,53,49,067	TOTAL		2,53,49,067

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 : 22042718ABFOTL8551

Date : 07/02/2022

Place : Pune



Dr. A. N. Siddiqui
Principal

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 01.04.2020	ADDITIONS (EXCLUDING TRANSFER) 2020-21	COST 31.03.2021	DEPRECIATION FUND				WDV 01.04.2020	WDV 31.03.2021	PURE ADDITIONS (EXCLUDING TRANSFER) 2020-21		
					DEPR. FUND 01.04.2020	DEPR. 2020-21	DEPR. FUND 31.03.2021	WDV 01.04.2020			WDV 31.03.2021	01.04.20 to 30.09.20	01.10.20 to 31.03.21
												0	0
AI IMMOVABLE ASSETS													
LAND		12,18,286	0	12,18,286	0	12,47,776	0	12,18,286	12,18,286				
BUILDING & CIVIL WORKS	5%	5,52,46,923	0	5,52,46,923	3,02,91,395	12,47,776	3,15,39,171	2,49,55,528	2,37,07,752				
COMPOUND WALL	5%	1,91,447	0	1,91,447	1,04,969	4,324	1,09,293	86,478	82,154				
WATER SUPPLY SCHEME	5%	2,53,356	0	2,53,356	1,38,912	5,722	1,44,634	1,14,444	1,08,722				
ROAD	5%	11,72,530	0	11,72,530	6,42,888	26,482	6,69,370	5,29,642	5,03,160				
ELECTRICAL FITTINGS	25%	65,03,867	0	65,03,867	64,20,787	20,770	64,41,557	83,080	62,310				
SUB-TOTAL (A)		6,45,86,409	0	6,45,86,409	3,75,98,951	13,05,074	3,89,04,025	2,69,87,458	2,56,82,384	0	0	0	
BI MOVABLE ASSETS													
FURNITURE & FIXTURES	15%	32,13,321	0	32,13,321	28,12,274	60,157	28,72,431	4,01,047	3,40,890				
LIBRARY BOOKS	50%	23,07,601	0	23,07,601	23,06,567	517	23,07,084	1,034	517				
COMPUTERS & COMPUTER EQUIPMENTS	50%	17,92,844	0	17,92,844	17,90,743	1,051	17,91,794	2,101	1,050				
MACHINERY & EQUIPMENTS (AS PER DETAILS BELOW)		76,02,942	0	76,02,942	72,41,754	90,297	73,32,051	3,61,188	2,70,891				
SUB-TOTAL (B)		1,49,16,708	0	1,49,16,708	1,41,51,338	1,52,022	1,43,03,360	7,65,370	6,13,348	0	0	0	
GRAND-TOTAL (A+B)		7,95,03,117	0	7,95,03,117	5,17,50,289	14,57,096	5,32,07,385	2,77,52,828	2,62,95,732	0	0	0	

PARTICULARS	DEPR. RATE P.A.	COST 01.04.2020	ADDITIONS (EXCLUDING TRANSFER) 2020-21	COST 31.03.2021	DEPRECIATION FUND				WDV 01.04.2020	WDV 31.03.2021	PURE ADDITIONS (EXCLUDING TRANSFER) 2020-21		
					DEPR. FUND 01.04.2020	DEPR. 2020-21	DEPR. FUND 31.03.2021	WDV 01.04.2020			WDV 31.03.2021	01.04.20 to 30.09.20	01.10.20 to 31.03.21
												1,37,288 <th>42,424 <th>1,79,712 <th>1,69,697 <th>1,27,273 <th>0</th> <th>0</th> </th></th></th></th>	42,424 <th>1,79,712 <th>1,69,697 <th>1,27,273 <th>0</th> <th>0</th> </th></th></th>
MACHINERY & EQUIPMENTS													
KITCHEN EQUIPMENTS	25%	3,06,985	0	3,06,985	1,37,288	42,424	1,79,712	1,69,697	1,27,273				
PROJECTORS	25%	44,200	0	44,200	11,050	8,268	19,338	33,150	24,862				
UPS SYSTEM	25%	27,990	0	27,990	6,998	5,248	12,246	20,992	15,744				
OTHER MACHINERY & EQUIPMENTS	25%	72,23,767	0	72,23,767	70,86,418	34,337	71,20,755	1,37,349	1,03,012				
TOTAL		76,02,942	0	76,02,942	72,41,754	90,297	73,32,051	3,61,188	2,70,891	0	0	0	



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

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
A] WORKING CAPITAL LOANS :			58,26,472
GRAND TOTAL			58,26,472

SCHEDULE NO.- 3 : LIABILITIES FOR EXPENSES & PROVISIONS

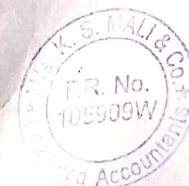
PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Salary & Wages Payable			1,77,16,726
Provident Fund (Institute's Cont.) Payable			25,27,613
Admin. Charges to P.F. Payable			1,87,676
Other Expenses Payable			43,257
TOTAL			2,04,75,272

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

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
Deposits from Students			24,10,516
Security Deposits			1,549
TOTAL			24,12,065

SCHEDULE NO.- 5 : LIABILITIES FOR SUNDRY CREDIT BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
SUNDRY CREDITORS	1		3,21,203
STATUTORY DUES :			
INCOME TAX DEDUCTED AT SOURCE (TDS) :			
TDS on Salary		7,56,200	
		7,56,200	
VAT deducted at Source on Works Contracts		25,23,595	
Provident Fund (Employees' Contribution)		7,200	
Profession Tax			32,86,995
OTHER LIABILITIES :			
Fees Refundable		12,10,540	
Other Liabilities		5,39,967	17,50,507
TOTAL			53,58,705



SCHEDULE NO.- 6 : INVESTMENTS & DEPOSITS

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
INVESTMENTS			
Fixed Deposits with Banks	2		
Bank of Maharashtra			3,00,000
Total Investments			3,00,000
DEPOSITS			
Gas Cylinder Deposits		16,241	16,241
TOTAL			3,16,241

SCHEDULE NO. 7 : FEES RECEIVABLE

PARTICULARS	LISTIN	AMOUNT (RS.)	AMOUNT (RS.)
From Students	3		1,63,80,382
From Government Authorities/Bodies	3		1,09,27,641
TOTAL			2,73,08,023

SCHEDULE NO. 8 : CASH & BANK BALANCES

PARTICULARS	LISTIN G REF	AMOUNT (RS.)	AMOUNT (RS.)
CASH IN HAND			4,000
BANK BALANCES :			
In Current Accounts			
Bank of Maharashtra		1,40,752	
Central Bank of India		2,292	
Cosmos Co - Op. Bank Ltd.		4,705	
Punjab National Bank		18,385	
TJSB Sahakari Bank Ltd.		5,128	
			1,71,262
TOTAL			1,75,262



SCHEDULE NO.- 9 : ESTABLISHMENT EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)	
Advertisement and Publicity	4		9,42,471	
Interest on: Working Capital Loans		7,87,685	7,87,685	
Bank Charges & Commission			2,056	
Legal Charges			51,278	
Professional / Consultation Charges			17,826	
Property Taxes			50,021	
Repairs & Maintenance				
Repairs & Maintenance to Building		30,455		
Repairs & Maintenance to Other Assets		22,070	52,525	
Electricity Expenses				
Electricity Charges		12,62,910	12,62,910	
Diesel for Generator				
Administrative & General Expenses				
Office Expenses		14,712		
Postage & Telephone Expenses		41		
Printing & Stationary	97,273			
Donation Paid	659			
Interest on Delayed Payments/Late Fees in respect of Statutory Dues	2,36,538			
Other Expenses	6,998	3,56,221		
TOTAL			35,22,993	



SCHEDULE NO.- 10 : EDUCATIONAL EXPENSES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
Employee Costs	5		
Salaries & Wages		2,09,91,429	
Contribution to P.F. & Pension Fund		5,71,631	
Administrative Expenses for P.F.		49,710	
Gratuity Expenses		14,85,426	
			2,30,98,196
Internet Charges			47,370
Fees paid to Statutory Authorities	6		1,02,000
Seminars & Exhibition Expenses			3,540
Consumables			1,68,752
Newspapers, Periodicals & Journals			2,392
Travelling & Conveyance			5,128
Remuneration to Visiting Faculty			6,600
Software Expenses			2,319
Student Related Expenses	7		27,300
Miscellaneous Expenses			
Prior Period Expenses		17,217	
Other Miscellaneous Expenses		550	17,767
TOTAL			2,34,81,364



SCHEDULE NO.- 11 : INCOME FROM OTHER SOURCES

PARTICULARS	LISTING REF	AMOUNT (RS.)	AMOUNT (RS.)
EDUCATIONAL FEES INCOME			
Tution Fees		2,36,30,562	
Development Fees		16,32,205	
			2,52,62,767
OTHER CHARGES RECOVERED FROM STUDENTS			
Student Insurance		7,700	
			7,700
INCOME FROM SALE			
Sale of Prospectus		29,850	
Sale of Other Items	8	30,150	60,000
TOTAL			2,53,30,467



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

SR. NO.	PARTICULARS	AMOUNT (RS.)
1.	ARCHANA GIRSIH DEORE	850
2.	ARCHEIL INFOBIZ	700
3.	SINHGAD STD & PHOTOCOPY CENTER	1,035
4.	BHARAT GANESH DESHMUKH	15,499
5.	CARTRIDGE EXPREE	1,186
6.	CRESENT SERVICES	78,288
7.	DEEAM HOLIDAY	1,481
8.	KIRAN TRAVELS	2,000
9.	Lonavala Bazar	523
10.	Lucky Traders	54,810
11.	MATRE CATERERS	800
12.	NATHANEAL ACHARYA (ORCHESTRA BAND)	2,500
13.	PRIYANKA DALAVI	6,600
14.	Om Sai Caterers	2,276
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 COUNSULTANCY SERVICES	1,800
23.	SOFT AID COMPUTER P LTD	649
24.	Swara HVAC Services	5,976
25.	Tathastu Enterpises	114,817
	TOTAL	321,203



Schedules

2] Fixed Deposits with Banks

PARTICULARS	AMOUNT (RS.)
Fixed Deposits against University Funds	300,000
TOTAL	300,000

3] Fees receivable

Particulars	Total
From Students	
FY 2020-21	11,634,915
FY 2019-20	1,778,630
Previous years	2,966,837
Sub-Total	16,380,382
From Government Authorities/ Bodies	
FY 2020-21	7,676,967
FY 2019-20	552,767
Previous years	2,697,907
Sub-Total	10,927,641
Total	27,308,023

4] Advertisement and Publicity

PARTICULARS	AMOUNT (RS.)
Advertisement for Admissions	942,471
Total	942,471

5] Employee Costs

PARTICULARS	TOTAL AMOUNT (RS.)
Salaries & Wages	20,991,429
Contribution to P.F. & Pension Fund	571,631
Administrative Expenses for P.F.	49,710
Gratuity Expenses	1,485,426
Total	23,098,196



6] Fees paid to Statutory Authorities

PARTICULARS	AMOUNT (RS.)
Affiliation Fees	82,000
Pravesh Niyantaran Samiti Processing Fees	20,000
Total	102,000

7] Student Related Expenses

PARTICULARS	AMOUNT (RS.)
Student Welfare Expenses	27,300
Total	27,300

8] Sale of Other Items

PARTICULARS	AMOUNT (RS.)
Sale of Books/Journals	30,150
TOTAL	30,150



**Sinhgad Institute of Hotel Management & Catering Technology,
Lonavala (31.03.2021)**

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

1. Society 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, Pune** is one of the units of the Sinhgad Technical Education 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, 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:-

- 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 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 Asset 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) Investments are stated at Cost.
- b) Long Term Fixed Deposits with Banks are shown under Investments.

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. Excess provisions, if any, are treated as Income and reflected under Schedule No. 11.

xii. **Retirement Benefits:-**

a. **Provident Fund:-**

The Society'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. The unpaid Gratuity is shown as current liability. However, no provision for interest on delayed payment of gratuity has been made.

xiii. Affiliation & Recognition Fees:

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

- a) Fees for academic year 2020-21 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 financial difficulties faced by the Society, employees have been paid advances against salary from time to time to be adjusted against full and final settlement of salaries. These advances are included in the Balance Sheet under the head Advances to Employees.

5. Fixed Deposits with Banks:

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

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



6. Balance Confirmations and Reconciliations:-

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

As per our report of even date

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



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

**For Sinhgad Technical
Education Society**



**M. N. Navale
President**

Place : Pune

Date :

07/02/2022

UDIN : 22042718ABFOTL8551

