

FINANCIAL STATEMENTS

INCOME AND EXPENDITURE

Balance Sheet as at March 31, 2020

Rs. in Crores

for the year ended March 31, 2020

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
FUNDS AND LIABILITIES			
(A) Funds			
Corpus Fund	1	136.24	136.24
Earmark/Endowment Fund	2	417.01	362.86
Depreciation Fund	3	<u>77.57</u>	<u>67.47</u>
		630.82	566.57
(B) Loans			
Secured	4	0.97	
Unsecured		<u>50.57</u>	<u>9.05</u>
		51.54	9.05
(C) Project Grants			
	5	<u>6.07</u>	<u>4.58</u>
		6.07	4.58
TOTAL		688.43	580.20

ASSETS Rs. in Crores

(A) Property Plant and Equipment	6a	230.93	145.55
(B) Capital Work in Progress	6b	34.75	43.68
(including capital advances)			
(C) Intangible Assets	6c	4.51	4.28
(D) Investments	7	277.16	278.93
(E) Current Assets, Loans and Advances			
Inventory	8	0.11	-
Receivables	9	10.30	10.88
Loans & Advances	10	4.42	5.66
Cash & Bank Balances	11	<u>3.80</u>	<u>6.80</u>
		18.63	23.34
Less : Current Liabilities & Provisions	12	<u>11.45</u>	<u>21.88</u>
Net Current Assets		7.18	1.46
(F) Income and Expenditure Account	12A	133.90	106.30
TOTAL		688.43	580.20

Significant Accounting Policies	26
Notes forming part of Accounts	27

As per our report of even date
For **Sorab S. Engineer & Co.**

CA. Chokshi Shreyas B.
Partner (Membership No. 100892)

Sanjay S. Lalbhai
President

Ahmedabad
Date: 27/06/2020

Firm Registration No. 110417W
Chartered Accountants

B M Shah
Registrar and CFO

Particulars	Schedule	March 31 2020	March 31 2019
INCOME			
Fees (Net)	13	43.92	32.37
Grants, Donations & Scholarships	14	-	0.20
Interest Income	15	1.55	1.94
Transferred from Earmarked Funds	16	2.29	1.78
Other Income	17	3.04	2.89
TOTAL		50.80	39.18

EXPENDITURE

Employee Emoluments	18	45.23	37.72
Educational Expenses	19	8.31	7.72
Workshops / Events & Meeting Expenses	20	0.97	0.94
Repairs and Maintenance Expenses	21	7.72	6.65
Travelling & Conveyance	22	0.45	0.54
Finance Cost	23	0.15	0.34
Other Administrative Expenses	24	6.35	5.27
TOTAL		69.18	59.18

Operating Surplus/(Deficit) before **25** **(18.38)** **(20.00)**

Depreciation/Amortisation

Less: Depreciation/Amortisation (Net) **9.22** **10.04**

DEFICIT FOR THE YEAR **(27.60)** **(30.04)**

Significant Accounting Policies **26**

Notes forming part of Accounts **27**

As per our report of even date
For **Sorab S. Engineer & Co.**

Firm Registration No. 110417W
Chartered Accountants

CA. Chokshi Shreyas B.
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Ahmedabad
Date: 27/06/2020

BALANCE SHEET

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
CORPUS FUND	1		
Balance as per last financial statements		136.24	103.24
Addition : Donation received during the year		-	33.00
TOTAL		136.24	136.24
EARMARKED/ENDOWMENT FUNDS	2		
Balance as per last financial statements		362.86	92.66
Addition during the year (Refer Note 4 of Schedule 26)		134.74	273.03
Deduction during the year (Refer Note 4 of Schedule 26)		80.59	2.83
TOTAL		417.01	362.86
DEPRECIATION FUND	3		
Balance as per last financial statements		67.47	56.61
Add: Provided during the year		10.21	10.96
		77.68	67.57
Less: Depreciation on assets sold during the year		0.11	0.10
NET BALANCE		77.57	67.47
LOANS	4		
Secured Loans			
Overdraft (Secured against Bank Fixed Deposits)		0.97	-
Unsecured Loans			
Interest free loan from Ahmedabad Education Society		50.57	9.05
TOTAL		51.54	9.05
PROJECT GRANT	5		
External Project Grant - Faculties		1.79	1.38
GICT-Environmental Risk Assessment Of Chemicals and Nano Material		0.25	0.25
GICT- NanoTechnology (CENTRA)		0.47	0.47
BIRAC-Bionest		2.96	2.32
Seed Grants		0.07	0.06
FCRA Project Grants		0.53	0.10
TOTAL		6.07	4.58

BALANCE SHEET

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
PROPERTY PLANT AND EQUIPMENT	6a		
Balance as per last financial statements		145.55	138.72
Add: Addition during the year out of Owned Funds		6.76	6.77
Add: Addition during the year out of Project Grant/Earmarked Fund		78.85	0.27
		231.16	145.76
Less: Library books converted into book stock		0.11	-
Less: Assets sold during the year		0.12	0.21
NET BALANCE		230.93	145.55
CAPITAL WORK IN PROGRESS (including capital advances)	6b		
Urban Forest (Arboretum)		0.04	0.03
Capital Work in Progress		8.16	15.43
Capital Advances		26.55	28.22
TOTAL		34.75	43.68
INTANGIBLE ASSETS	6c		
Balance as per last financial statements		4.28	3.62
Add: Addition during the year out of Owned Funds		0.23	0.66
NET BALANCE		4.51	4.28
LONG TERM INVESTMENTS	7		
Term Deposit with LIC HOUSING Finance Limited		5.00	-
Investment in Bonds		257.86	264.64
Term Deposit with Banks		14.30	14.29
TOTAL		277.16	278.93
INVENTORY	8		
Books and Merchandise		0.11	-
TOTAL		0.11	-

BALANCE SHEET

INCOME AND EXPENDITURE

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
RECEIVABLES	9		
(Considered Good, unless otherwise stated)			
Interest Accrued on Investments		9.57	10.45
Income Receivable		0.01	0.06
Fees Receivable		0.72	0.37
TOTAL		10.30	10.88
LOANS AND ADVANCES	10		
(Considered Good, unless otherwise stated)			
Advances Recoverable in Cash or Kind or for Value to be received		1.85	3.14
Deposits		0.97	0.80
TDS Receivable		0.25	0.26
Interest Free Loan to Students		0.14	0.15
Prepaid Expenses		1.21	1.31
TOTAL		4.42	5.66
CASH AND BANK BALANCES	11		
Cash on Hand		0.03	-
Bank Balance			
In Savings		3.77	6.80
TOTAL		3.80	6.80
CURRENT LIABILITIES AND PROVISIONS	12		
Current Liabilities			
Sundry Creditors		2.59	13.26
Statutory Dues		1.16	1.15
Deposits from Students		1.99	1.41
Earnest Money Deposits		-	0.07
Retention Money		0.33	0.73
Other Liabilities		0.20	0.56
Outstanding Liability for Expenses		0.94	0.60
CURRENT LIABILITIES AND PROVISIONS	12		
Provisions			
Leave Encashment		2.55	2.29
Gratuity		1.69	1.81
TOTAL		11.45	21.88
INCOME AND EXPENDITURE ACCOUNT	12A		
Balance as per last financial statements		106.30	76.26
Add:- Deficit for the year		27.60	30.04
TOTAL		133.90	106.30

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
FEES (NET)	13		
Tuition Fees		44.85	34.16
Less : Transferred to University Development Fund		0.93	1.79
TOTAL		43.92	32.37
GRANTS, DONATIONS AND SCHOLARSHIP	14		
Donation		-	0.20
TOTAL		-	0.20
INTEREST INCOME	15		
(Net of allocation of Rs.25.50 Crores; Previous year Rs.14.54 Crores)			
On Fixed Deposit		1.41	1.55
On Savings Bank A/c		0.14	0.39
TOTAL		1.55	1.94
TRANSFERRED FROM EARMARKED FUNDS	16		
From University Development Fund (to the extent of Financial Aid)		2.29	1.78
TOTAL		2.29	1.78
OTHER INCOME	17		
Consultancy Income		0.22	0.13
Overhead Recovery		0.34	0.30
Placement & Other Fees		1.29	1.75
Form Fee		0.31	0.29
Notice Pay		-	0.01
Surplus on sale of Property, Plant & Equipments (Net)		-	0.04
Service Charges		0.01	0.03
Admission Cancellation Charges		0.28	0.30
Amortization Discount/Premium received on Bonds		0.31	-
Profit on Sale of Investments		0.18	-
Surplus on Sale of Books		0.02	-
Other Miscellaneous Income		0.08	0.04
TOTAL		3.04	2.89
EMPLOYEE EMOLUMENTS	18		
Salary, Allowances and Bonus		38.19	33.29
Contribution to Retirement Funds		3.38	2.04
Staff Welfare		0.80	0.64
Honorarium		2.86	1.75
TOTAL		45.23	37.72

INCOME AND EXPENDITURE

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
EDUCATIONAL EXPENSES	19		
Sage Journal Cost (CHM)		0.03	0.07
GEMBA Program Expenses		0.58	0.29
Students Educational Activities		2.69	2.68
Financial Aid to Students out of University Development Fund		2.29	1.78
Financial Aid to Students		0.19	0.40
Faculty Development Expenditure		1.12	0.72
Fellowship to students		0.14	0.02
Accommodation charges (Hostel Rent)		0.21	1.05
Venture Expenses		0.57	-
Sports & Games		0.07	0.09
Consumables		0.29	0.40
Other Educational Expenses		0.13	0.22
TOTAL		8.31	7.72
WORKSHOPS / EVENTS & MEETING EXPENSES	20		
Workshops, Events & Seminars (Net)		0.85	0.84
Meeting & Conferences		0.12	0.10
TOTAL		0.97	0.94
REPAIRS AND MAINTENANCE EXPENSES	21		
Building Repairs & Maintenance		3.58	3.12
Campus Development		0.11	0.42
Repairs to Furniture/ Equipment/Computer & Others		1.63	1.56
Software Maintenance charges		0.17	0.14
Security Expenses		1.74	0.92
Rates & taxes		0.38	0.39
Website Charges		0.11	0.10
TOTAL		7.72	6.65
TRAVELLING AND CONVEYANCE	22		
Domestic		0.45	0.28
Foreign		-	0.26
TOTAL		0.45	0.54
FINANCE COST	23		
Bank Charges		-	-
Amortization of Premium on Bonds		-	0.02
Interest on Bank Overdraft		0.15	0.32
TOTAL		0.15	0.34

INCOME AND EXPENDITURE

Schedule attached to and forming part of Accounts

Rs. in Crores

Particulars	Schedule	March 31 2020	March 31 2019
OTHER ADMINISTRATIVE EXPENSES	24		
Utilities		2.03	1.78
Communication		0.65	0.94
Public Relation Activity		1.30	1.19
Insurance		0.15	0.13
Recruitment		0.60	0.24
Stationery & Printing		0.45	0.39
Legal & Professional Fees		0.18	0.28
Audit Fees		0.02	0.02
Sundry Balances written off		0.04	0.01
Other Misc. Expenses		0.93	0.29
Loss on sale of Property, Plant and Equipment (Net)		-	-
TOTAL		6.35	5.27
DEPRECIATION & AMORTISATION	25		
Depreciation for the year		10.21	10.96
Less : Transferred from Earmarked Funds for Capital Expenditure		0.99	0.92
TOTAL		9.22	10.04

NOTES

SCHEDULE 26: SIGNIFICANT ACCOUNTING POLICIES

ACCOUNTING CONVENTION

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, and on the accrual method of accounting and Accounting Standards as Notified by the Institute of Chartered Accountants of India.

USE OF ESTIMATES

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialize.

PROPERTY, PLANT & EQUIPMENT (PPE)

PPE are stated at cost of acquisition inclusive of freight, duties and taxes and incidental and direct expenses related to acquisition.

PPE received by way of Donation are capitalized at values stated, by corresponding credit to Capital/Corpus Fund.

Capital Work in progress includes cost of PPE that are not ready for intended use as at Balance Sheet date and is disclosed under PPE.

NOTES

SCHEDULE 26: SIGNIFICANT ACCOUNTING POLICIES

DEPRECIATION

Depreciation of addition to PPE has been provided on pro rata basis i.e. from the date of put to use.

The depreciation has been provided on Written down Value Method at the rate as specified in the Guidance Note on "Accounting for Schools" issued by the Institute of Chartered Accountants of India except for:

1. Building Improvements on Straight Line Method over a period of 10 years;
2. ERP Software amortized over 5 years;
3. Other Software and Assets given to employees amortized over 3 years; and
4. Scientific Equipment at 20%.

Assets costing individually Rs. 5,000/- or less, wherever applicable, are depreciated at the rate of 100%.

Depreciation in Income & Expenditure Account is net of the amount of depreciation transferred from related earmarked/capital funds.

REVENUE RECOGNITION

Fees from Students are recognized on accrual basis and accounted for on the basis of the period of academic year.

Interest on Investments is recognized on accrual basis.

Donations/contributions are recognized on its ultimate collection.

FOREIGN CURRENCY TRANSACTIONS

Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of transaction. Foreign currency monetary items outstanding at the balance sheet date are restated at the yearend rates.

Income or Expense, if any, on account of exchange difference either on settlement or on translation is charged to revenue.

INVESTMENTS

Long Term Investments are carried at cost.

EMPLOYEE BENEFITS

Defined Contribution Plan

Retirement Benefit such as Provident Fund, which is defined contribution, is provided for on actual basis as and when the contribution accrues.

Defined Benefits Plan

Gratuity, a defined benefit obligation, is funded through LIC of India. The liability is accrued and provided for on the basis of actuarial valuation report, as at the Balance Sheet date. Accumulated Leave encashment benefit payable on death/retirement is accounted on accrual basis as per the Actuarial Valuation report.

GOVERNMENT GRANT

Government grant related to revenue is recognized in the Income & Expenditure Account in the year of accrual/receipt.

PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.

NOTES

Schedule 27: Notes forming part of Accounts

Rs. in Crores

Particulars	March 31 2020	March 31 2019
1. TAX DEDUCTED AT SOURCE		
Interest Income	0.03	0.12
Other Income	0.02	0.03
TOTAL	0.05	0.15
2. CAPITAL COMMITMENT		
Capital Contracts remaining to be executed and not provided for (Net of Advance)	88.92	134.33
3. EXPENDITURE IN FOREIGN CURRENCY		
Foreign Travel & Workshop Expenses	-	0.26
Argosy Faculty Collaborative Exchange Programme workshop	0.09	0.05
Payment to visiting faculties	0.25	0.56
Payment towards fees for technical service	0.01	0.62
Payment for Study material access	0.01	0.38
Payment made against Grant expenses	0.27	-
Recruitment Exp.	0.04	-
Payment made for Purchase of scientific equipments	0.33	-
Advertising & Branding	0.01	-
TOTAL	1.01	1.87
4. DETAILS OF MOVEMENT IN EARMARKED FUNDS		
Addition during the year:		
Fund created out of Fees	0.93	1.79
Interest Income	25.44	14.51
Other Income	0.01	0.03
Donation for Recurring Expenditure	23.26	0.43
Donation for Capital Expenditure	6.25	256.00
Fund created for Capital Expenditure	78.85	0.27
TOTAL	134.74	273.03
DEDUCTION MADE DURING THE YEAR		
Recurring expenditure incurred	0.14	0.13
Transferred to Income & Expenditure A/c to the extent of Depreciation	0.99	0.92
Transferred to Income & Expenditure Account to the extent of Financial Aid	2.29	1.78
Capital Expenditure incurred	77.17	-
Fund Balance transferred to Income & Expenditure A/c	-	-
TOTAL	80.59	2.83

NOTES

Schedule 27: Notes forming part of Accounts

Rs. in Crores

Particulars	March 31 2020	March 31 2019
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5. CURRENT ASSETS, LOANS AND ADVANCES

In the opinion of the Management, current assets, loans and advances have a value on realization in the ordinary course of business, equal at least to the aggregate amount shown in the Balance Sheet.

6. TAXATION

The University has been accorded approval for exemption u/s. 10(23C) (vi) of the Income Tax Act, 1961. The University is also registered under section 12AA of the Income Tax Act, 1961. In the absence of any taxable income, the tax provision has not been considered necessary.

7.

Corresponding figures for the previous year have been regrouped / rearranged, wherever necessary to make them comparable with those of current year.

As per our report of even date
For **Sorab S. Engineer & Co.**

Firm Registration No. 110417W
Chartered Accountants

CA. Chokshi Shreyas B.
Partner (Membership No. 100892)

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Date: 27/06/2020

