

AUDIT REPORT

OF

SAGAR INSTITUTE OF RESEARCH AND TECHNOLOGY

Financial Year -

2015-16



Ayachit & Associates Chartered Accountants

Head Office :

First Floor, "The City Heart"
Plot No. 1, M.P. Nagar, Zone-I,

Bhopal-462011 (M.P.)

Phone : 0755-4040001

E-mail : mail@ayachit.net

ayachitbhopal@gmail.com

web : www.ayachit.net

Branch Office :

Parakram Palace,
166, Jawahar Marg,
Near Narsing Bazar Chouraha,

INDORE (M.P.)-452 002,

Cell: 9826080582

Phone: (0731) 2342585

E-mail: ayachitindore@rediffmail.com

AUDITOR'S REPORT

1. Report on the Financial Statements:

1.1. We have audited the accompanying financial statements of Sagar Institute of Research and Technology, Bhopal ("the institute"), run by Shri Agrawal Technical Education Society, which comprises the Balance sheet as at March 31, 2016 Income & Expenditure Account for the year ended as on that date.

2. Management's Responsibility for the Financial Statements:

2.1. Management of the institute is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the institute in accordance with the Generally Accepted Accounting Principles. This responsibility includes the design, implementation and maintenance of internal control 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.

3. Auditor's Responsibility:

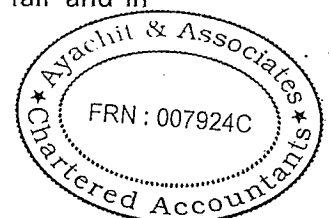
3.1. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

3.2. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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 control relevant to the preparation and fair presentation of the financial statements 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 management, as well as evaluating the overall presentation of the financial statements.

3.3. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

4. Opinion:

4.1. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give information, which is true & fair and in conformity with the accounting principles generally accepted in India.



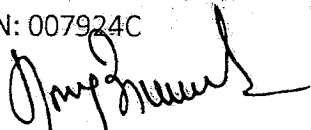
- a. In case of the Balance Sheet, of the state of affairs of the institute as at March 31st, 2016 and
- b. In case of Income & Expenditure Account, of the deficit of the institute for the year ended on that date.

5. Report on Other Legal and Regulatory Requirements

5.1. Subject to the limitations of the audit as indicated in the paragraph 3 above, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit and found them to be satisfactory.
- b. In our opinion proper books of account as required by law have been kept by the institute so far as appears from our examination of those books.
- c. Financial statements dealt with by this Report are in agreement with the books of account maintained by the institute.

For Ayachit & Associates
Chartered Accountants
FRN: 007924C



Manoj Ayachit

Partner

Membership number: - 076911

Place: Bhopal

Date: 28.04.2016

Sagar Institute of Research and Technology

Ayodhya Bye Pass Road, Bhopal
(Run by Shri Agrawal Technical Educational Society)

Balance Sheet as on March 31st, 2016

Liabilities	Amount ₹	Amount ₹	Assets	Amount ₹	Amount ₹
Income & Expenditure Account		2,52,255.38	Fixed Assets		28,23,87,933.90
Opening Bal (Surplus)	2,81,801.13		Gross Block	39,36,39,826.90	
Less: Current Year (Deficit)	29,545.75		Less:- Depreciation	11,12,51,893.00	
Term Liabilities		25,62,75,105.05	Current Assets		3,27,90,661.53
Towards Advance by Shri Agrawal Technical Education Society	25,62,75,105.05		Cash in Hand	2,58,520.00	
Secured loans		3,26,646.00	Bank Accounts	42,99,235.53	
Secured loans	3,26,646.00		Advances to Parties	46,58,732.00	
Advance Fees Received		4,62,40,442.00	Deposits	6,18,524.00	
Caution / Security Deposits		1,01,19,738.00	Project Work	59,33,778.00	
Current Liabilities & Provisions		19,64,409.00	Fees Receivables	1,68,12,672.00	
Sundry Creditors	8,797.00		Prepaid Insurance	79,030.00	
Provisions	17,60,302.00		Loans & Advances	1,15,170.00	
Scholarship Payable	1,95,310.00		Other Current Assets	15,000.00	
Total ₹		31,51,78,595.43	Total ₹		31,51,78,595.43

For
Sagar Institute of Research and Technology

Authorized Signatory

In Terms of our attached report of even date

For
Ayachit & Associates
Chartered Accountants
FRN 007924G


Manoj Ayachit
Partner
M N 076911

Place :- Bhopal
Dated :- 28.04.2016

Sagar Institute of Research and Technology

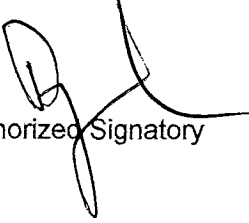
Ayodhya Bye Pass Road, Bhopal

(Run by Shri Agrawal Technical Educational Society)

Income & Expenditure Account for the year ended as on March 31st, 2016

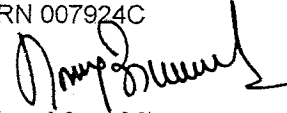
Expenditure	Amount ₹	Income	Amount ₹
To College Running and Maintenance	84,42,927.00	By Academic Receipts	17,41,63,661.00
To Staff Remun. & Welfare Expenses	10,10,97,871.00	By Non Academic Receipts	2,22,76,314.50
To Administrative and Operational cost	92,11,282.00	By Other Receipts	15,85,642.10
To Seminar and Allied Activities	13,12,905.00	By Excess of Expenditure Over	29,545.75
To University Expenses	8,29,138.90	Income	
To Counseling Expenses	23,52,103.00		
To Financial Expenses	2,30,67,076.09		
To Lab Expenses	15,67,751.00		
To Student Welfare Expenses	1,91,98,766.36		
To Transportation Expenses	1,64,90,000.00		
To Depreciation	1,44,85,343.00		
Total ₹	19,80,55,163.35	Total ₹	19,80,55,163.35

For
Sagar Institute of Research and Technology


Authorized Signatory

Place :- Bhopal
Dated :- 28.04.2016

In Terms of our attached report of even date

For
Ayachit & Associates
Chartered Accountants
FRN 007924C

Manoj Ayachit
Partner
M N 076911

Sagar Institute of Research , Technology

Ayodhya Bye Pass Road, Bhopal

(Run by Shri Agrawal Technical Education Society)

Schedule of Fixed Assets

For the period ended on 31st March 2016

S.N	Description of the Asset	Rate of Dep.	GROSS BLOCK			DEPRECIATION			NET BLOCK		
			As at 01.04.2015	Addition during the year	Sales / Transfer during the year	As at 31.03.2016	As at 01.04.2015	For the Period	As at 31.03.2016	As at 31.03.2015	As at 31.03.2016
1	Land	0.00%	18,11,409.00	-	-	18,11,409.00	-	-	18,11,409.00	18,11,409.00	
2	College Building	1.63%	28,25,52,197.47	-	-	28,25,52,197.47	2,65,74,753.00	46,05,601.00	3,11,80,354.00	25,59,77,444.47	
3	Equipments	7.07%	3,15,60,309.58	23,39,366.00	-	3,38,99,675.58	1,30,01,722.00	23,96,707.00	1,53,98,429.00	1,85,58,587.58	
4	Furniture & Fixtures	9.50%	1,64,04,006.68	3,40,338.00	-	1,67,44,344.68	1,21,21,380.00	15,90,713.00	1,37,12,093.00	42,82,626.68	
5	Books	10.00%	1,02,80,369.00	35,090.00	-	1,03,15,459.00	68,33,130.00	10,31,546.00	78,64,676.00	34,47,239.00	
6	Car	9.50%	1,08,40,163.65	-	-	1,08,40,163.65	45,94,948.00	10,29,816.00	56,24,764.00	62,45,215.65	
7	Computers	16.21%	3,42,55,077.52	32,21,500.00	-	3,74,76,577.52	3,36,40,617.00	38,30,960.00	3,74,71,577.00	6,14,460.52	
	Total ₹		38,77,03,532.90	59,36,294.00	-	39,36,39,826.90	9,67,66,550.00	1,44,85,343.00	11,12,51,893.00	29,09,36,982.90	28,23,87,933.90

Sagar Institute of Research and Technology
Ayodhya Bye Pass Road, Bhopal
(Run by Shri Agrawal Technical Educational Society)
Groupings for the year ending as On 31st March,2016

Particulars	Amount	Particulars	Amount
Secured Loan		Bank Accounts	
HDFC Car Loan	3,26,646.00	BOB A/c No. 18600100010789	8,35,014.00
Total ₹	<u>3,26,646.00</u>	BOB A/c No. 18600100010788	8,35,014.00
Security Deposits		BOB A/c No. 18600100010791	8,35,014.00
Alumina Fund	54,688.00	BOB A/c No. 18600200000602	54,668.14
Misc Activity Fund	51,22,125.00	BOB A/c No. 18600100010790	8,35,014.00
Caution Money College	44,60,250.00	Corporation Bank A/c No.065300101012509	1,036.00
Security Deposit (Suppliers)	1,09,500.00	ICICI Bank A/c 347201000036	1,23,427.04
Security Deposit (Staff)	3,73,175.00	PNB A/c 407100200001155	5,90,449.77
Total ₹	<u>1,01,19,738.00</u>	SBI A/c.No. 30843199842	10,003.00
Sundry Creditors		SBI A/c No.10302241441	36,715.58
Pearsons Education Service Ltd.	8,797.00	SBI A/c No. 32098883165	1,000.00
Total ₹	<u>8,797.00</u>	SBI A/c No. 32098871444	1,000.00
Provisions		SBI A/c No. 32098874105	1,000.00
Electricity Expenses Payable	2,54,875.00	SBI A/c No. 32098869335	80,200.00
ESI Payable	6,484.00	SBI A/c No.32098915621	40,300.00
Unpaid Cheques	14,48,656.00	SBI A/c No. 32099065217	700.00
Provident Fund Payable	50,287.00	SBI A/c No. 30365848703	2.00
Total ₹	<u>17,60,302.00</u>	Vijaya Bank A/c No. 768200541000008	18,678.00
Project Work		Total	<u>42,99,235.53</u>
IEDC Project	44,689.00	Advances / Imprest	
SDP MBA Project	3,53,326.00	Advance for Property	40,00,000.00
Seminar Mobile Networking	1,01,669.00	Oracle India	1,682.00
Big Data	(4,00,000.00)	Landmark Journals	52,215.00
EDP Ahemdabad (MCA)	34,094.00	Director Imprest	2,24,785.00
SIRT TEQIP-II	58,00,000.00	Staff Advance	3,80,050.00
Total ₹	<u>59,33,778.00</u>	Total ₹	<u>46,58,732.00</u>
		Deposits	
		Security Deposit AICTE (II Shift)	50,000.00
		Security Deposit MPMKVCL	2,68,524.00
		Security Deposit BU	1,00,000.00
		Security Deposit BMC	2,00,000.00
		Total ₹	<u>6,18,524.00</u>

Sagar Institute of Research and Technology

Ayodhya Bye Pass Road, Bhopal

(Run by Shri Agrawal Technical Educational Society)

Groupings for the year ending as On 31st March 2016

Particulars	Amount	Particulars	Amount
College Running & Maintenance		Administrative & Operational Cost	
Repairs & Maintenance (College Building)	18,18,797.00	Audit Fees	28,500.00
Repair & Maintenance (General)	7,96,454.00	Electricity Expenses	32,33,439.00
Repairs & Maintenance (Vehicle)	1,63,184.00	Conveyance Expenses	4,39,123.00
Computer Consumables & Stationery	1,13,468.00	Insurance Premium	1,17,249.00
Generator Expenses	83,199.00	Office Expenses	6,19,270.00
Horticulture Expenses	3,11,217.00	Postal & Telegraph Expenses	1,68,506.00
Housekeeping Expenses	8,07,394.00	Publicity & Advertising	36,72,752.00
Internet Leased Line	2,99,172.00	Tour & Travels Expenses	8,93,749.00
Printing Expenses	9,68,125.00	Freight & Carriage	34,750.00
Software Expenses	22,500.00	Accounts Written off	3,944.00
Stationery Expenses	3,64,736.00	Total ₹	92,11,282.00
Telephone Expenses	3,68,825.00		
Property Tax	3,59,800.00	Seminar & Other Allied Activities	
Project Work Expenses	5,85,364.00	Ceremonial Function Expenses	8,96,139.00
Vehicle Running Expenses	1,92,879.00	Sagar Utsav	65,188.00
Research & Development Expenses	9,13,288.00	Social Welfare Expenses	1,22,896.00
Water charges	2,74,525.00	Guest Lecture Expenses	1,32,692.00
Total ₹	84,42,927.00	Techno Saga Utsav Expenses	95,990.00
		Total ₹	13,12,905.00
Staff Remuneration & Welfare Expenses		University Expenses	
Staff Salary Expenses	8,61,61,336.00	Postal Charges for RGPV & others	8,550.00
Provident Fund Expenses	5,95,123.00	Affiliation/Registration/Processing Fees	5,92,568.90
Canteen Expenses	5,37,244.00	Exam Enrollment Expenses	2,28,020.00
Consultancy Expenses	26,26,155.00	Total ₹	8,29,138.90
Conveyance Reimbursement (Staff)	15,46,600.00		
ESI Expenses	1,03,590.00	Counseling Expenses	
Insurance Premium Expenses (GIS)	61,185.00	Counseling Expenses	23,52,103.00
Faculty Development Expenses	6,259.00	Total ₹	23,52,103.00
Medical Reimbursement (Staff)	15,46,600.00		
Refreshment to Staff	13,23,569.00	Financial Expenses	
Remuneration to Externals	1,02,193.00	Bank Charges	40,50,256.07
Awards and Gifts Expenses (Staff)	11,36,377.00	Interest on Vehicle Loan	3,15,038.02
Staff Welfare Expenses	4,26,880.00	Interest on Working Capital	48,86,542.00
Telephone Reimbursement	9,35,200.00	Interest on Term loan	1,38,15,240.00
Uniform Expenses (Staff)	39,89,560.00	Total ₹	2,30,67,076.09
Total ₹	10,10,97,871.00		
Lab Expenses		Transportation Expenses	
Lab Equipment Maint. Expenses	1,19,614.00	Bus Charges	1,64,90,000.00
Lab/Work Shop Consumables	7,84,574.00	Total ₹	1,64,90,000.00
Workshop Expenses	6,63,563.00		
Total ₹	15,67,751.00		
Students Welfare Expenses			
Educational Tour Expenses	7,50,000.00		
Fees Concession	1,63,22,336.36		
Journals / Periodicals	4,12,026.00		
Scholarship Grant to Students	5,50,000.00		
Students Welfare Expenses	5,72,893.00		
Training & Placement Expenses	5,48,431.00		
Value Addition Courses	43,080.00		
Total ₹	1,91,98,766.36		

Sagar Institute of Research and Technology

Ayodhya Bye Pass Road, Bhopal
(Run by Shri Agrawal Technical Educational Society)

Significant Accounting Policies & Notes to Accounts

1 Basis of preparation of financial statements

- a The accompanying financial statements have been prepared under the historical cost convention, on accrual basis and generally comply with the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India

2 Fixed Assets & Depreciation

- a Fixed assets are stated at cost of acquisition inclusive of inward freight, duties, taxes and incidental expenses related to acquisition and installation of the asset.
- b The depreciation has been as per SLM method to meet the requirements of Admission and Fees Regulatory Committee (AFRC) of All India Council for Technical Education (AICTE).
- c In case of addition the depreciation has been calculated for the full year and in case of sale no depreciation has been calculated.

3 Revenue recognition

The Institution derives its revenues from the students as fees collected. The annual fees are collected from the students at the time of admission to the course. As the fees relates to the academic year, the fees so collected is prorated till the end of the financial year i.e. March 31st each year. The Balance is carried over to the next year to be in accordance with the accrual system of accounting.

4 Caution Money

Caution money received from the students are refundable hence treated as liability.

For

Sagar Institute of Research and Technology

Authorized Signatory

Place :- Bhopal

Dated :- 28.04.2016

In Terms of our attached report of even date
For

Ayachit & Associates

Chartered Accountants

FRN 007924C

Manoj Ayachit

Partner

M N 076911