

॥ श्री महावीराय नमः ॥

D.C./JAIN & COMPANY
Chartered Accountants

10, Sir Hukumchand Marg, Indore-452002, Tel. : 2454114, 2454214
Cell : 94250-69984, 94250-53840

Hiresh Jain FCA
Pooja Jain ACA
Parag Jain ACA

25 NOV 2016
Date

AUDITOR'S REPORT

To,
The Chairman and the Members of the Governing Body,
Shri G. S. Institute of Technology & Science,
Indore (M.P.)

We have audited the accompanying Financial Statements of Shri Govindram Seksaria Institute of Technology & Science, 23 Park Road, Indore-452003, which comprise the Balance Sheet as at 31st March 2016, and the Income & Expenditure Account for the year ended.

These financial statements are the responsibility of the Institute's Management. Our responsibility is to express opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. An audit includes examining on test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant allocations made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides basis for our opinion.

Based on our audit as above, we have to invite your reference to the following:

✓ **In respect of Accounting Policy**

As per the Management, the Institute is following Cash System of Accounting but in following heads Mercantile System of Accounting is followed by institute.

- Accrued Interest on FDR is accounted for in the books on mercantile basis.
- AS-12 regarding presentation of grants in financial statements is not followed by the Institute as per past practice. The account of Grants received for specific assets are written off gradually as the asset is created. But as per AS-12 the account of grant should stand till the useful life of the specific asset.
- The institute has not charged depreciation on fixed assets. It is mandatory to charge depreciation on fixed assets as per AS 6 issued by the Institute of Chartered Accountants of India.



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✓ In respect of advances given:

- The employees are given advances in their name for academic purposes. Entries regarding such expenses are passed on receipt of supporting (bills). The advances stand debited for months with no procedure regarding recovery of such amounts. In few cases even the employees have left the institute and the amounts stand unrecovered. The total advances amount to Rs. 10,02,003/- which need immediate recovery.
- Total advances to outside parties, pending adjustment as on 31st March 2016 are of Rs. 8,18,26,921/- out of which 3,55,16,139.85/- advances to the following parties are outstanding from past several years which needs immediate action:-

C.C.A. New Delhi	-	2,44,27,065.85
Regional Provident Com.Indore	-	68,00,000.00
RGPV Bhopal (Tuition fees)	-	30,34,000.00
Jagra Scientific Georgic	-	7,41,760.00
Leica Microsystem welzlar Germany	-	5,13,314.00

There are other small advances which also need to be adjusted or written off.

- Due attention should be drawn to excess payment made (payment made twice) to PF Trust of Rs. 1,50,63,108/- on 3rd April 2004. This amount with its interest should be recovered from PF Trust at its earliest.

By not adjusting advances in time, the institute is not able to claim expenditure there against and consequently, utilization certificate is not obtained in respect of grants received for the purpose.

- There are huge sundry debtors receivable due for recovery since last 10 years or more but no effort has been made for recovery of dues.

✓ In respect of revenue:

- Excess receipt of income of hostel of Rs. 21,20,174/- is transferred to Hostel Maintenance Fund and is not charged to Income and Expenditure Account, as per past practice.



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- The rental income received from Oriental Bank of Commerce of Rs. 16,42,080/- is transferred to Building Development Fund and is not charged to Income and Expenditure Account, as per past practice.
- Fee received for specific purposes (except tuition fee) is not credited to Income & Expenditure Account. The amount is directly credited to Specific funds or student funds, as per past practice.

✓ **In respect of Fixed Assets**

- Fixed assets have been shown in the Balance Sheet at original cost. Lost, damaged or serviceable assets should be written off after management's physical verification.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matters described in the above, the 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.

- a) In the case of Balance Sheet, of the statement of affairs of the institute as at March 31, 2016
- b) In the case of Income and Expenditure account, of the deficit for the year ended on that date

For : M/s D.C. Jain & Company
Chartered Accountants


Airesht Jain
(Partner)

M.No. 071844

Place : Indore

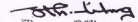

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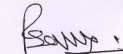
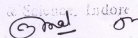
SHRI G. S. INSTITUTE OF TECHNOLOGY AND SCIENCE, INDORE

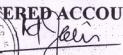
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31st MARCH 2016.

EXPENDITURE	RUPEES	INCOME	RUPEES
<u>SALARIES & ALLOWANCES - STATE GOVT.</u>		<u>TUTION FEES : State Govt. Courses</u>	
Administration	2,41,03,664	Bachelor of Engineering	7,13,41,259
Teaching & Technical Staff (UG)	12,05,23,242	Bachelor of Pharmacy	60,31,783
Workshop, Lab. and Engg. Staff (UG)	2,88,59,914	Doctor of Philosophy	6,12,400
Maintenance & Other Staff (UG)	1,61,43,607	Master of Science (Appl. Science)	2,75,100
B. Pharmacy	1,11,61,208	Sale of Prospectus	1,45,850
Govt. Gratuity & Encashment of EL	1,38,58,130	Registration Fee	13,26,670
Sixth Pay Arrears Non-Teaching Staff	1,04,861	App.fee/Sale of form/Fine and other income	79,52,458
	2,14,75,462		8,76,85,520
<u>PROVIDENT FUND CONTRIBUTION (INSTITUTE)</u>	2,10,62,599	<u>INTERESR FROM SPECIFIC FUNDS:</u>	
		Income from Interest	4,52,62,231
			4,52,62,231
<u>MAINTENANCE & REPAIRS</u>		<u>GRANT IN AID : State Govt. Recurring</u>	
M & R DTE Grant	85,031	UG Course Grant (Block Grant)	6,18,00,976
M & R Building	1,36,927		6,18,00,976
M & R Electrical	4,83,169		
M & R Equipments	3,89,036	<u>TUTION FEES : Self Finance Courses</u>	
M & R Furniture's	87,270	Tution Fee - Bio Medical	72,07,347
M & R Vehicles	1,71,398	Tution Fee - I.T.	2,00,84,765
	13,52,831	Tution Fee - Industrial Pharma	13,00,450
		Tution Fee - MBA	48,15,526
<u>OFFICE & ADMINISTRATIVE EXPENSES (Schedule K)</u>	74,03,083	Tution Fee - MCA	88,28,952
		Tution Fee - VLSI	15,77,500
			4,38,14,540
<u>SELF FINANCE COURSES</u>		<u>P.G. COURSES</u>	
Sal - Bio-Medical	48,77,380	Tution Fees M. E. & M. Pharma	2,62,26,950
Sal - Information Technology	98,71,398		2,62,26,950
Sal - VLSI	3,60,332	<u>HOSTELS</u>	
Sal - MBA	24,83,860	Hostel Income	94,82,026
Sal - MCA	60,78,195	Less : Hostel Expenses	(-) 73,61,852
Office & Administrative Expenses (SFC)	1,36,28,862	Income: Transfer to Hostel Maint. Fund	(+) 21,20,174
	3,73,00,027		
<u>POST GRADUATE COURSES</u>		<u>EXCESS EXP. OVER INCOME (CARR. TO BALANCE SHEET)</u>	
Salary-P.G.	4,38,38,697		6,09,21,646
	4,38,38,697		
TOTAL	32,57,11,863	TOTAL	32,57,11,863

Place: Indore
Date : 25/11/2016


 Finance Officer,
 Shri G. S. Institute of
 Technology & Science, Indore



 Director,
 Shri G. S. Institute of
 Tech. & Science, Indore


AS PER OUR REPORT ATTACHED
 FOR D. C. JAIN & CO.
 CHARTERED ACCOUNTANTS

 HIRESH JAIN (PARTNER)
 M. No. 071844