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**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF LAJPAT RAI EDUCATIONAL SOCIETY**

Report on the audit of the financial Statements

Opinion

We have audited the accompanying financial Statements of Institute of Management Technology, Ghaziabad a unit of (Lajpat Rai Educational Society, Ghaziabad,) which comprise the Balance sheet as at 31st March 2021, the Statement of Income & Expenditure Account and the Statement of cash flows for the year then ended and notes to financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view in accordance with the accounting principles generally accepted in India of the Balance sheet of the Institute as at 31st March 2021, its excess of Income over expenditure and its cash flows for the year ended on that date.

Basis of opinion

We conducted our audit in accordance with the standards on auditing (SAs) issued by the Institute of Chartered accountants of India ("the ICAI"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the audit of financial statements* section of our report. We are independent of the Institute in accordance with the ethical requirements that are relevant to our audit of the financial statements & we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Responsibility of the management for financial statements

The Institute's management 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 accounting principles generally accepted in India, including Accounting Standards, to the extent applicable, issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding the assets of the Institute and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless management either intends to liquidate the Institute or to cease operations or has no realistic alternative but to do so.

The management is also responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the audit of financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 SAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in aggregate they could reasonably be expected to influence the economic decisions of the users taken on the basis of these financial statements

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Institute's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of the accounting estimates and related disclosures in the financial statements made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters the planned scope & timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

Further 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
- b) In our opinion, proper books of accounts have been kept by the Institute so far as appears from our examination of those books
- c) The balance sheet, Statement of Income expenditure and cash flow statement dealt with by the report are in agreement with the books of accounts.

For RAVINDRA NITIN KAPOOR & CO
Chartered Accountants
FRN No. 013844N
UDIN : 21009525AAAABN4967


(RAVINDRA KAPOOR)
M. No. 009525

Place : GHAZIABAD
Dated : 31 August 2021

INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY
BALANCE SHEET AS AT 31.03.2021

PARTICULARS	SCHEDULE	(Rupees)			
			As at 31.03.2021		As at 31.03.2020
<u>SOURCES OF FUNDS</u>					
CORPUS	'A'		1,59,36,04,721		1,53,49,72,437
ALUMNI FUND	'B'		90,71,170		65,88,170
TOTAL			1,60,26,75,891		1,54,15,60,607
<u>APPLICATION OF FUNDS</u>					
<u>FIXED ASSETS</u>					
Gross Block	'C'	1,22,88,51,891		1,22,35,64,759	
Less Depreciation		<u>73,49,19,459</u>		<u>66,27,38,712</u>	
Net Block			49,39,32,432		56,08,26,047
Capital work in progress			10,82,33,922		5,03,19,181
<u>INVESTMENTS</u>	'D'				
Alumni Fund Investments		90,71,170		65,88,170	
Other Investments		<u>9,06,28,831</u>	9,97,00,000	<u>2,61,11,831</u>	3,27,00,000
<u>CURRENT ASSETS, LOANS AND ADVANCES</u>					
A. Current Assets	'E'	12,65,35,128		4,55,01,711	
B. Loans and Advances		<u>1,06,93,47,121</u>		<u>1,09,18,35,934</u>	
		1,19,58,82,249		1,13,73,37,645	
LESS: CURRENT LIABILITIES & PROVISIONS	'F'	29,50,72,713		23,96,22,266	
NET CURRENT ASSETS		<u>29,50,72,713</u>	90,08,09,537	<u>23,96,22,266</u>	89,77,15,379
TOTAL			1,60,26,75,891		1,54,15,60,607

Statement of significant accounting policies &
Notes forming part of Accounts.
Schedules referred to above form an integral Part
of the Balance Sheet

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AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR RAVINDRA NITIN KAPOOR & CO.

Chartered Accountants
FRN 013844N
UDIN : 21009525AAAAABN4967



(RAVINDRA KAPOOR)
PROPRIETOR
M.No. 9525

(Narayan Chandra Nath)
Asstt. General Manager (F&A)

(Kalyan Das Gupta)
Group CFO

(Dr. Vishal Talwar)
Director

Place : Ghaziabad
Dated : 31 August 2021

INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2021

PARTICULARS	SCHEDULE	(Rupees)	
		THIS YEAR	PREVIOUS YEAR
INCOME			
ACADEMIC FEES	'G'	95,31,98,098	93,20,64,299
NON-ACADEMIC FEES	'H'	6,85,36,386	6,07,96,640
OTHER INCOME	'I'	2,48,10,585	2,42,63,159
TOTAL		1,04,65,45,069	1,01,71,24,098
EXPENDITURE			
PERSONNEL EXPENSES	'J'	36,84,12,574	36,75,33,509
INSTITUTIONAL EXPENSES	'K'	28,27,95,648	17,69,03,118
ADMINISTRATIVE EXPENSES	'L'	26,08,93,816	35,84,94,902
DEPRECIATION		7,58,10,747	8,84,42,459
TOTAL		98,79,12,785	99,13,73,988
SURPLUS TRANSFERRED TO CORPUS		5,86,32,284	2,57,50,109

Statement of significant accounting policies &
Notes forming part of Accounts.

"M"

Schedules referred to above form an integral Part of the
Income & Expenditure A/C

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR RAVINDRA NITIN KAPOOR & CO.

Chartered Accountants
FRN 013844N
UDIN : 21009525AAAABN4967



Ravindra Kapoor
(RAVINDRA KAPOOR)
PROPRIETOR
M.No. 9525

Narayan Chandra Nath
(Narayan Chandra Nath)
Asstt. General Manager (F&A)

Kalyan Das Gupta
(Kalyan Das Gupta)
Group CFO

Dr. Vishal Talwar
(Dr. Vishal Talwar)
Director

Place : Ghaziabad
Dated : 31 August 2021

INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
Cash Flow Statement for year ended 31st March 2021

PARTICULARS	2020-21		(Amount in Rupees)	
			2019-20	
A. Cash flows from operating activities				
Net Surplus		5,86,32,284		2,57,50,109
Adjustments for:				
Depreciation and Amortisation			8,84,42,459	
Interest on Investments	7,58,10,747		(1,68,62,357)	
(Gains)/Loss on fixed asset	(1,64,20,710)		(97,015)	
Operating surplus before working capital changes	(86,882)	5,93,03,156		7,14,83,087
(Increase) / Decrease in Inventories		11,79,35,440		9,72,33,196
(Increase) / Decrease in Interest accrued on Investments	(4,83,507)		4,68,893	
(Increase) / Decrease in Loan & Advance	(35,35,470)		25,10,639	
(Increase) / Decrease in Current Liabilities	2,52,77,064		(6,58,10,999)	
(Increase) / Decrease in Provision of Employee Benefit	4,63,16,518		(1,55,36,286)	
Net cash from Operating activities	91,33,928	7,67,08,533	1,51,22,480	(6,32,45,273)
		19,46,43,973		3,39,87,923
B. Cash flows from Investing activities				
Acquisition of fixed Asset including Capital Work in Progress (Net)	(6,71,20,488)		(9,11,89,128)	
Acquisition of Investments	(6,70,00,000)		3,25,00,000	
Interest on Investments	1,64,20,710		1,68,62,357	
Proceeds from sale of assets	3,75,497		22,74,133	
Income from Earmarked funds Investments (Net of payments)	24,83,000		(2,12,014)	
Net Cash from Investing Activities		(11,48,41,282)		(3,97,64,651)
Net Increase / Decrease in cash and cash equivalents		7,98,02,691		(57,76,728)
Cash and Cash equivalents at the beginning of Year		1,73,49,071		2,31,25,799
Cash and Cash equivalents at the end of year		9,71,51,762		1,73,49,071

Note:

The above cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard-3 on "Cash flow statement".

AS PER OUR REPORT OF EVEN DATE ATTACHED
FOR RAVINDRA NITIN KAPOOR & CO.

Chartered Accountants

Firm Registration No: 013844N

UDIN : 21009525AAAABN4967



Ravindra Kapoor
(RAVINDRA KAPOOR)
PROPRIETOR
M.No. 9525

Narayan Chandra Nath
(Narayan Chandra Nath)
Asstt. General Manager (F&A)

Kalyan Das Gupta
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Dr. Vishal Talwar
(Dr. Vishal Talwar)
Director

**INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**

PARTICULARS	(Amount in Rupees)	
	As at 31.03.2021	As at 31.03.2020
SCHEDULE 'A' CORPUS		
A-Corpus		
Opening Balance		
Add :	1,53,49,72,437	1,50,92,22,328
Surplus Transferred from Income and Expenditure a/c	5,86,32,284	2,57,50,109
TOTAL	1,59,36,04,721	1,53,49,72,437
SCHEDULE 'B' ALUMNI FUND		
Opening Balance		
Add :	65,88,171	68,00,184
Additions during the year		
Less:	24,83,000	22,83,000
Utilised during the year		
TOTAL	90,71,171	24,95,014
		65,88,171



INSTITUTE OF MANAGEMENT TECHNOLOGY, GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY
SCHEDULE 'C' FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			(Amount in Rupees) NET BLOCK			
	As at 01.04.2020	ADDITION DURING THE YEAR	SALES/ADJUS. DURING THE YEAR	As at 31.03.2021	UPTO 31.03.2020	FOR THE YEAR	ON ASST. SOLD DURING THE YEAR	UPTO 31.03.2021	As at 31.03.2021	As at 31.03.2020
A. Tangible Assets:										
1. Lease Hold Land	1,43,824	-	-	1,43,824	78,304	1,598		79,902	63,922	65,520
2. Building	80,16,84,208	-	-	80,16,84,208	34,74,18,052	4,54,26,615		39,28,44,667	40,88,39,541	45,42,66,156
3. Computer	5,11,88,958	26,72,093	1,48,011	5,37,13,040	4,96,16,521	25,16,714	98,005	5,20,35,230	16,77,810	15,72,437
4. Networking	4,70,58,962	-	-	4,70,58,962	4,63,88,830	4,02,079	-	4,67,90,909	2,68,053	6,70,132
5. Library Books	4,32,29,125	30,37,025	-	4,62,66,150	4,32,29,125	30,37,025		4,62,66,150	-	-
6. Vehicles	1,78,67,712	20,22,757	5,53,051	1,93,37,418	1,14,05,242	16,85,169	4,93,668	1,25,96,743	67,40,675	64,62,470
7. Furniture & Fixtures	4,05,19,466	1,57,767	20,916	4,06,56,317	2,79,91,802	19,02,391	18,091	2,98,76,102	1,07,80,215	1,25,27,664
8. Office Equipment	1,27,48,813	6,11,420	-	1,33,60,233	97,68,254	8,97,995	-	1,06,66,249	26,93,984	29,80,559
9. Teaching Aid Equipment	1,24,12,482	1,30,000	-	1,25,42,482	96,40,401	7,25,521	-	1,03,65,922	21,76,560	27,72,081
10. Electrical Equipment	16,05,15,186	2,20,685	31,96,637	15,75,39,234	9,29,88,072	1,68,92,849	30,20,236	10,68,60,685	5,06,78,549	6,75,27,113
11. Tube Well	10,68,626	-	-	10,68,626	9,07,988	24,096	-	9,32,084	1,36,542	1,60,638
12. Tools	1,85,895	-	-	1,85,895	1,78,715	1,795	-	1,80,510	5,385	7,180
13. Mess Equipment	55,76,386	-	-	55,76,386	39,40,479	4,08,978	-	43,49,457	12,26,929	16,35,907
14. Musical Instrument	2,18,265	-	-	2,18,265	2,11,858	1,602	-	2,13,460	4,805	6,407
15. Lease Hold Improvement	1,59,07,230	-	-	1,59,07,230	65,82,704	11,65,566	-	77,48,270	81,58,960	93,24,526
B. Intangible Assets:										
1. Software	1,32,39,621	3,54,000	-	1,35,93,621	1,23,92,365	7,20,754	-	1,31,13,119	4,80,502	8,47,256
TOTAL CURRENT YEAR	1,22,35,64,759	92,05,747	39,18,615	1,22,88,51,891	66,27,38,712	7,58,10,747	36,30,000	73,49,19,459	49,39,32,432	56,08,26,047
TOTAL PREVIOUS YEAR	1,02,77,66,034	20,11,66,296	53,67,571	1,22,35,64,759	57,74,86,706	8,84,42,459	31,90,453	66,27,38,712	56,08,26,047	
C.Capital Work in Progress										
1. Building	5,03,19,181	5,79,14,741	-	10,82,33,922	-	-	-	-	10,82,33,922	5,03,19,181
TOTAL CURRENT YEAR	5,03,19,181	5,79,14,741	-	10,82,33,922	-	-	-	-	10,82,33,922	5,03,19,181
TOTAL PREVIOUS YEAR	16,02,96,349	7,33,80,122	18,33,57,290	5,03,19,181					5,03,19,181	



**INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**

PARTICULARS	(Amount in Rupees)	
	As at 31.03.2021	As at 31.03.2020
SCHEDULE 'D' INVESTMENTS		
SHORT TERM INVESTMENT		
Fixed deposits with scheduled banks	9,97,00,000	3,27,00,000
TOTAL	9,97,00,000	3,27,00,000
ALLOCATED TO :		
Alumni Fund	90,71,170	65,88,170
Other Investments	9,06,28,831	2,61,11,831
TOTAL	9,97,00,000	3,27,00,000
SCHEDULE 'E' CURRENT ASSETS LOANS AND ADVANCES		
(A) CURRENT ASSETS		
A. Interest Accrued on Investments	37,75,787	2,40,317
B. Inventories		
- Stock of diesel	9,61,428	4,77,921
C. Accounts Receivable		
considered good	2,46,46,151	2,74,34,402
D. Cash & bank balances		
(i) Cash in hand including Cheques in hand	28,264	6,661
(ii) Balances with scheduled banks		
- In saving Bank Accounts	9,66,62,551	1,72,61,098
- In Current Bank Accounts	4,60,947	81,313
TOTAL	12,65,35,128	4,55,01,711
(B) LOANS AND ADVANCES		
Advances recoverable in cash or in kind or for value to be received- unsecured considered good		
Advances to LES	89,98,93,560	89,84,53,149
Advances to Suppliers	93,31,507	1,77,36,979
Advances to Staff and students	49,15,965	66,30,258
Others-advances and prepayments	9,75,40,663	10,04,89,868
Security Deposit	3,11,50,999	2,77,47,620
Tax Deducted at Source	2,65,14,427	4,07,78,060
TOTAL	1,06,93,47,121	1,09,18,35,934



INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY
SCHEDULE 'F' CURRENT LIABILITES & PROVISIONS

PARTICULARS	As at 31.03.2021	As at 31.03.2020
(a) CURRENT LIABILITIES		
Sundry Creditors	9,98,75,368	8,57,92,034
Security Deposits	2,53,01,033	2,58,73,312
Fees received in advance	6,92,04,129	4,34,38,839
Other Liabilities	1,55,16,194	84,76,020
B Provisions		
For Earned / Medical Leave encashment	8,51,75,989	7,60,42,061
TOTAL	29,50,72,713	23,96,22,266



**INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**

PARTICULARS	(Amount in Rupees)	
	THIS YEAR	PREVIOUS YEAR
SCHEDULE 'G' ACADEMIC FEE		
Course Fees		
	95,31,98,098	93,20,64,299
TOTAL	95,31,98,098	93,20,64,299
SCHEDULE 'H' NON ACADEMIC FEE		
Registration Fees	3,34,30,000	3,25,70,000
Journal and publication Income	64,968	2,07,252
MDP & Consultancy	3,50,41,418	2,80,19,388
TOTAL	6,85,36,386	6,07,96,640
SCHEDULE 'I' OTHER INCOME		
Interest Received	1,64,20,710	1,68,62,357
Profit on sale of fixed assets	96,463	1,00,336
Miscellaneous Income	82,93,412	73,00,465
TOTAL	2,48,10,585	2,42,63,159



INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY

PARTICULARS	(Amount in Rupees)	
	THIS YEAR	PREVIOUS YEAR
SCHEDULE 'J' PERSONNEL EXPENSES		
Salary & Wages	28,37,19,410	27,94,03,671
Honorarium	3,03,36,126	2,84,36,409
Gratuity, leave encashment, LTC	2,48,21,437	2,39,52,189
Other Allowances	30,74,584	85,61,288
Staff Welfare Expenses	40,01,812	50,35,570
Employer's Contribution to PF & ESI	2,24,59,205	2,21,44,382
TOTAL	36,84,12,574	36,75,33,509
SCHEDULE 'K' INSTITUTIONAL EXPENSES		
Faculty recruitment Expenses	3,10,000	13,72,865
Research & Development Expenses	13,28,092	93,68,758
Admission Expenses	2,33,04,728	5,45,40,195
Consultancy & MDP. Expenses	34,76,079	85,25,926
Placement Expenses	39,91,681	27,10,033
Course Expenses	6,49,92,677	5,14,97,901
Student Activity and scholarship Expenses	1,87,97,875	2,08,97,615
Library Expenses	2,84,38,826	2,66,86,563
student relief	13,56,55,690	-
Convocation Exp.	-	13,03,262
Donations	25,00,000	-
TOTAL	28,27,95,648	17,69,03,118
SCHEDULE 'L' ADMINISTRATIVE EXPENSES		
Legal & Professional Expenses	3,38,58,164	4,18,52,156
Office and General Expenses	10,47,801	30,54,493
Security & Housekeeping Expenses	3,69,41,144	4,63,62,710
Rent	10,62,03,984	10,21,50,444
Travelling & Conveyance	40,17,915	2,19,75,751
Bank Charges	1,06,131	63,807
Rate & Taxes	41,32,179	41,87,789
Advertising & Publicity Expenses	48,49,224	65,31,593
Payment to Auditors*	8,26,000	8,26,000
Insurance	94,79,606	90,57,770
Printing & Stationary	16,48,947	40,88,213
Postage & Telephone	46,24,592	57,51,119
Electricity & Generator Fuel	2,16,16,668	3,65,75,462
Guest / Mess expenses	56,87,220	3,23,28,164
Foreign Currency Fluctuation	8,438	65,346
Loss on sale of Fixed Assets/investment	9,581	3,321
Repair & Maintenance	2,55,50,187	3,57,74,181
Prior period Expenses	2,86,035	78,46,583
TOTAL	26,08,93,816	35,84,94,902
* Details of Payments to Auditors		
Audit Fee	7,00,000	7,00,000
Add: Reimbursement of GST	1,26,000	1,26,000
TOTAL	8,26,000	8,26,000



**INSTITUTE OF MANAGEMENT TECHNOLOGY, GHAZIABAD
UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**

SCHEDULE 'M'

**STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF
ACCOUNTS**

A. A. SIGNIFICANT ACCOUNTING POLICES

1 Basis of Accounting and Preparation of Financial Statements :

The financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the applicable accounting standards issued by the Institute of Chartered Accountants of India. The financial statements are prepared under the historical cost convention on going concern and on accrual basis unless otherwise stated. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

2 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income & expenditure during the year. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Actual results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the period in which the results are known/materialized.

3 Cash flow Statement

Cash flows are reported using indirect method, whereby net surplus is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipt or payment. The cash flows from operating, investing and financing activities are segregated on the basis of their nature.



4

Revenue Recognition

a) Fee:

- i) Fee from regular courses is recognized on the basis of fee structure approved by the management and on a time proportion basis with reference to the duration of each course.
- ii) Whenever there is uncertainty about the collection of fees, revenue recognition is postponed till such time when no uncertainty about its collection exists.
- iii) Prospectus sale and related admission expenses are recognized in the year when these are incurred.

b) Income from Investments:

Income on interest bearing securities and fixed deposits is recognized on a time proportion basis taking into the account the amount outstanding and the applicable rate.

5

Fixed Assets

- a) Fixed Assets are stated at cost less accumulated depreciation and impairment losses (if any).

The cost of fixed assets includes the purchase cost of assets and any directly attributable costs for making the asset ready for its intended use. Subsequent expenditure relating to tangible fixed assets are capitalized only if such expenditure results in an increase in the future benefits from such assets beyond its previously assessed standard of performance.

- b) Cost of Leasehold land includes the amount paid for acquiring leasehold rights. Leasehold land is amortized over the primary lease period. Leasehold improvements are amortized over the remaining period of the lease agreement.

- c) Licensed Software are amortized over the period of license.

- d) Depreciation on fixed assets is provided on written down value method based on estimated useful life at the following rates as approved by the management.

Class of Assets	Rate of Depreciation
Buildings	10%
Furniture & Fixture	15%
Computers & Software	60%
Vehicles	20%
Electrical Equipment, Mess Equipment, Teaching Aids, & Office Equipment	25%
Tube well	15%



d) Depreciation on additions is provided for full year irrespective of the date of acquisition/put to use.

e) Library books are depreciated at the rate of 100% in the year of purchase.

f) Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any), under capital work in progress. The cost includes purchase cost including any directly attributable cost.

6 Investments

a) Long term investments are carried at cost and diminution in value, other than temporary, is provided for.

b) Current investments are carried at lower of cost or fair value.

7 Inventories

Stock of Diesel is valued at cost.

8 Foreign Currency Transactions

a) Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount, the exchange rate prevailing on the date of transaction.

b) Any Gain or Loss on account of exchange difference is recognized in the Income and expenditure account.

9 Employee Benefits

The Institute makes regular contributions to the state administered provident fund which is charged against revenue. Provision for Long Term defined benefit schemes of gratuity and compensated absences is made on the basis of actuarial valuation on the Balance Sheet date based on projected unit credit method.

In respect of Gratuity, the Institute funds the benefit through annual contribution to life Insurance Corporation of India (LIC) under its Group Gratuity Scheme. The actuarial valuation of the liability towards the defined benefits of the employees is made on the basis of assumptions with respect to the variable elements affecting the computation including estimation of interest rate of



earnings on contribution to LIC. The actuarial gains and losses are recognized in the income and expenditure account in the period in which they occur.

10 Impairment of Assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognized for an asset in an earlier accounting period no longer exists or may have decreased, such reversal of impairment loss is recognized in the income and expenditure account.

11 Provisions and Contingent Liabilities

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

12 Provision for Advances

Provision for Advances to various parties is made on the management's analysis of the recoverability of such advances outstanding as at each Balance sheet date.

B. NOTES FORMING PART OF THE ACCOUNTS:

1.1 OUTSTANDING CAPITAL COMMITMENTS:

- (a) Estimated amount of contracts remaining to be executed on capital account and not provided for Rs. 491.88 Lakhs (Previous Year Rs. 981.10 Lakhs).

1.2 The Lajpat Rai Educational Society is registered under section 12A of the Income Tax Act 1961 as a charitable society and therefore its income is not subject to Tax.



1.3 Income Tax Department had assessed Hostel Income of IMT, Ghaziabad as business income in the assessment Years 2010-11 & 2011-12 and raised a total demand of Rs. 242.95 Lakhs. Against the said demand, Rs. 133.54 Lakhs in respect of refund of TDS and interest accrued thereon for assessment years 2010-11, 2011-12 was adjusted by the income tax department. The Society's appeal with ITAT relating to both Assessment Years 2010-2011 & 2011-12 has been settled in favour of the Society but the refund is still to be recovered.

1.4 The details of liabilities recognized by the Institute in respect of long term defined benefits and contribution schemes in accordance with Accounting Standard 15 for its employees are as under:

a) Defined Benefits Schemes

i) Gratuity

The employees are entitled to gratuity that is computed at half-month's salary, for every completed year of service and is payable on retirement/termination after completion of 5 (five) years of service. The Institute makes provision of such gratuity liability in the books of account on the basis of actuarial valuation. The Institute contributes to life Insurance Corporation of India to fund its plan.

ii) Leave Encashment/ Compensatory absences

The employees are entitled for leave for each year of service and part thereof subject to the limits specified, the un-availed portion of such leaves can be accumulated or encashed during/at the end of the service period. The plan is not funded.

iii) Medical Leave

Employees are also entitled to medical leave of 10 days each year and the un-availed portion of such leave can be accumulated and can be encashed only on separation from the Institute. The plan is not funded. The accumulated provision for medical leave as per actuarial valuation as at 31/03/2021 stands at Rs. 223.67 Lakhs (previous year Rs. 193.83 Lakhs).



The reconciliation of opening and closing balances of the present value of the defined benefit obligations are as below:

(Figure in Rs.)

Particulars	For the Year ended March 31, 2021			For the Year ended March 31, 2020		
	Gratuity	Leave encashment / compensated Absences	Medical Leave encashment/ compensated Absences	Gratuity	Leave encashment/ compensated Absences	Medical Leave encashment/ compensated Absences
Obligations at year beginning	73883635	56659000	19383061	67700423	46040783	14878798
Service Cost – Current	6352740	9566317	3123834	6305550	6298915	2063416
Interest Cost	5024087	3852812	1318048	5185852	3526724	1139716
Actuarial (gain) / Loss	3407870	(2654061)	586428	(2834827)	5252558	2304498
Benefit Paid	(9191989)	(4616070)	(2043380)	(2473363)	(4459980)	(1003367)
Obligations at year end	79476343	62807998	22367991	73883635	56659000	19383061
Change in Plan assets						
Plan assets at year beginning, at fair value	93276078			77065245		
Expected return on plan assets	6529325			5849252		
Actuarial gain / (loss)	(717963)			(446347)		
Contributions	-			13281291		
Benefits paid	(9191989)			(2473363)		
Plan assets at year end, at fair value	89895451			93276078		
Reconciliation of present value of the obligation and the fair value of plan assets:						
Present value of the defined benefit obligations at the end of the year	79476343			73883635		
Fair value of the plan assets at the end of the year	89895451			93276078		
Liability recognized in the balance sheet	(10419108)			(19392443)		
Defined benefit obligations cost for the year						
Service Cost – Current	6352740	9566317	3123834	6305550	6298915	2063416
Interest Cost	5024087	3852812	1318048	5185852	3526724	1139716
Expected Return on Plan Assets	(6529325)			(5849252)		
Actuarial (gain) / loss	4125833	(2654061)	586428	(2388480)	5252558	2304498
Net defined benefit obligations cost	8973335	10765068	5028310	3253670	15078197	5507630

Investment details of plan assets

100% of the plan assets are lying in the Gratuity fund administered through life Insurance Corporation of India (LIC) under its Group Gratuity Scheme.



The principal assumptions used in determining post employment benefit obligations are shown below:

	This Year	Previous Year
Discounting Rate	6.80%	6.80%
Future salary increases	6.00%	6.00%

The estimates of future salary increases, considered in actuarial valuation, taking into account inflation, seniority, promotion and other relevant factors such as supply and demand factors in the employment market.

(b) Defined Contribution Schemes

The Institute deposits an amount determined at a fixed percentage of basic pay and dearness allowance (wherever applicable) every month to the state administered Provident Fund and Employees state Insurance (ESI), as applicable, for the benefit of the employees. During the year IMT, Ghaziabad has contributed an amount of Rs. 224.59 Lakhs (Previous Year Rs. 221.44 Lakhs) which has been charged to Revenue Account.

1.5 Details of Prior Period Income/Expenditure included in other Income & Administrative Expenses are given below:

Prior Period Income

Particulars	This Year	Previous Year
Interest from Bank	-	52,240
Total Amount	-	52,240

Prior Period Expenditure

Particulars	This Year	Previous Year
Advertisement & Publicity Exp.	-	4,59,973
AMC of Generator	-	43,660
AMC of Mobile App	-	25,047
AMC of UPS	-	4,481
Accreditation Exp.	1,18,000	-
Convocation Exp.	-	8,251
Depreciation	-	13,89,535
Guest Entertainment Exp.	-	207



Honorarium Exp.	-	2,40,878
Insurance Expenses	7,869	-
Legal/Professional Exp.	41,890	34,500
MDP & Consultancy Exp.	-	20,00,000
Membership Fee Exp.	-	1,50,000
Networking Exp.	97,803	-
Office & General Exp.	10,470	17,900
Online Data Exp.	-	21,24,970
Printing & Stationery Exp.	-	5,600
Repair & Maintenance Building Admin Block	-	4,17,713
Repair & Maintenance Electrical	-	5,08,000
Security Exp.	10,003	-
Student Misc. Exp.	-	5,800
Traveling Expenses	-	4,62,302
Total Amount	2,86,035	78,98,823

1.6 The Institute operates in India and in one operating segment i.e. Education in Management Programme.

1.7 Previous year's figures have been regrouped and/or rearranged in order to make them comparable with the current year's figure.

As per our report of even date attached


For RAVINDRA NITIN KAPOOR & CO.
Chartered Accountants
FRN No.013844N
UDIN : 21009525AAAABN4967

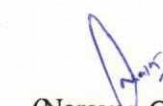


(RAVINDRA KAPOOR)
PROPRIETOR
Membership No.9525

FOR AND BEHALF OF INSTITUTE
OF MANAGEMENT TECHNOLOGY


(Kalyan Das Gupta)
Group CFO


(Dr. Vishal Talwar)
(Director)


(Narayan Chandra Nath)
Asstt. General Manager (F&A)

Place: Ghaziabad
Date: 31 August 2021