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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 31<sup>st</sup> March 2022, 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 conformity with the accounting principles generally accepted in India, of the financial position of the Institute as at 31<sup>st</sup> March 2022, its surplus 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: 22009525AQIBZF3646



*Ravindra Kapoor*  
(RAVINDRA KAPOOR)  
M. No. 009525

Place : GHAZIABAD  
Dated : 20 August 2022

**INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD**  
**UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**  
**BALANCE SHEET AS AT 31.03.2022**

(Amount in Rupees)

PARTICULARS	SCHEDULE		As at 31.03.2022		As at 31.03.2021
<b><u>SOURCES OF FUNDS</u></b>					
CORPUS	'A'		1,66,34,26,618		1,59,36,04,721
ALUMNI FUND	'B'		1,25,75,170		90,71,170
<b>TOTAL</b>			<b>1,67,60,01,788</b>		<b>1,60,26,75,891</b>
<b><u>APPLICATION OF FUNDS</u></b>					
<b><u>FIXED ASSETS</u></b>	'C'				
Gross Block		1,23,54,33,471		1,22,88,51,891	
Less Depreciation		<u>79,83,32,510</u>		<u>73,49,19,459</u>	
Net Block			43,71,00,961		49,39,32,432
Capital work in progress			15,24,82,069		10,82,33,922
<b><u>INVESTMENTS</u></b>	'D'				
Alumni Fund Investments		1,25,75,170		90,71,170	
Other Investments		<u>28,54,25,278</u>	29,80,00,448	<u>9,06,28,830</u>	9,97,00,000
<b><u>CURRENT ASSETS, LOANS AND ADVANCES</u></b>	'E'				
<b>A. Current Assets</b>		13,66,57,570		12,65,35,128	
<b>B. Loans and Advances</b>		<u>1,07,62,03,887</u>		<u>1,06,93,47,121</u>	
		1,21,28,61,457		1,19,58,82,249	
<b><u>LESS: CURRENT LIABILITIES &amp; PROVISIONS</u></b>	'F'	42,44,43,148		29,50,72,713	
<b>NET CURRENT ASSETS</b>		<u>42,44,43,148</u>	78,84,18,310	<u>29,50,72,713</u>	90,08,09,537
<b>TOTAL</b>			<b>1,67,60,01,788</b>		<b>1,60,26,75,891</b>

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: 22009525AQIBZF3646



(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 : 20 August 2022



**INSTITUTE OF MANAGEMENT TECHNOLOGY-GHAZIABAD**  
**UNIT OF LAJPAT RAI EDUCATIONAL SOCIETY**  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2022**

(Amount in Rupees)

PARTICULARS	SCHEDULE	THIS YEAR	PREVIOUS YEAR
<b>INCOME</b>			
ACADEMIC FEES	'G'	94,46,81,236	95,31,98,098
NON-ACADEMIC FEES	'H'	11,25,67,697	6,85,36,386
OTHER INCOME	'I'	3,53,89,113	2,48,10,585
<b>TOTAL</b>		<b>1,09,26,38,046</b>	<b>1,04,65,45,069</b>
<b>EXPENDITURE</b>			
PERSONNEL EXPENSES	'J'	38,87,43,315	36,84,12,574
INSTITUTIONAL EXPENSES	'K'	29,14,58,938	28,27,95,648
ADMINISTRATIVE EXPENSES	'L'	27,58,61,364	26,08,93,816
DEPRECIATION		6,67,52,532	7,58,10,747
<b>TOTAL</b>		<b>1,02,28,16,149</b>	<b>98,79,12,785</b>
SURPLUS TRANSFERRED TO CORPUS		<b>6,98,21,897</b>	<b>5,86,32,284</b>

Statement of significant accounting policies &  
Notes forming part of Accounts.  
Schedules referred to above form an integral Part of the Income  
& Expenditure A/C

"M"

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

Chartered Accountants

FRN 013844N

UDIN: 22009525AQIBZF3646



(RAVINDRA KAPOOR)  
**PROPRIETOR**  
M.No. 9525

(Narayan Chandra Nath)  
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(Kalyan Das Gupta)  
Group CFO

(Dr. Vishal Talwar)  
Director

Place : Ghaziabad

Dated : 20 August 2022

**Institute of Management Technology, Ghaziabad**  
**Cash Flow Statement for year ended 31st March'22**

(Amount in Rupees)

PARTICULARS	2021-22		2020-21	
<b>A.Cash flows from operating activities</b>				
Net Surplus		6,98,21,897		5,86,32,284
<b>Adjustments for:</b>				
Depreciation and Amortisation	6,67,52,532		7,58,10,747	
Interest on Investments	(2,63,02,064)		(1,64,20,710)	
(Gains)/Loss on fixed asset	3,10,995	4,07,61,463	(86,882)	5,93,03,155
<b>Operating surplus before working capital changes</b>		11,05,83,360		11,79,35,439
(Increase) / Decrease in Inventories	4,26,428		(4,83,507)	
(Increase) / Decrease in Interest accrued on Investments	(88,65,043)		(35,35,470)	
(Increase) / Decrease in Loan & Advance	1,00,45,278		2,52,77,064	
(Increase) / Decrease in Current Liabilities	11,66,80,557		4,63,16,518	
(Increase) / Decrease in Provision of Employee Benefit	1,26,89,878	13,09,77,098	91,33,928	7,67,08,533
<b>Net cash from Operating activities</b>		24,15,60,458		19,46,43,972
<b>B.Cash flows from Investing activities</b>				
Acquisition of fixed Asset including Capital Work in Progress (Net)	(5,58,76,081)		(6,71,20,488)	
Acquisition of Investments	(19,83,00,448)		(6,70,00,000)	
Interest on Investments	2,63,02,064		1,64,20,710	
Proceeds from sale of assets	13,95,878		3,75,497	
Income from Earmarked funds Investments (Net of payments)	35,04,000		24,83,000	
<b>Net Cash from Investing Activities</b>		(22,29,74,587)		(11,48,41,281)
<b>Net Increase / Decrease in cash and cash equivalents</b>		1,85,85,871		7,98,02,691
<b>Cash and Cash equivalents at the beginning of Year</b>		9,71,51,762		1,73,49,071
<b>Cash and Cash equivalents at the end of year</b>		11,57,37,633		9,71,51,762

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: 22009525AQIBZF3646



(RAVINDRA KAPOOR)  
PROPRIETOR  
M.No. 9525

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

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

Place : Ghaziabad  
Dated : 20 August 2022

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

(Amount in Rupees)

PARTICULARS	As at 31.03.2022	As at 31.03.2021
<b>SCHEDULE 'A' CORPUS</b>		
<b>A-Corpus</b>		
Opening Balance	1,59,36,04,721	1,53,49,72,437
<b>Add :</b>		
Surplus Transferred from Income and Expenditure a/c	6,98,21,897	5,86,32,284
<b>TOTAL</b>	<b>1,66,34,26,618</b>	<b>1,59,36,04,721</b>
<b>SCHEDULE 'B' ALUMNI FUND</b>		
Opening Balance	90,71,170	65,88,171
<b>Add :</b>		
Additions during the year	70,04,000	24,83,000
<b>Less:</b>		
Utilised during the year	35,00,000	-
<b>TOTAL</b>	<b>1,25,75,170</b>	<b>90,71,170</b>





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

(Amount in Rupees)

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.2021	ADDITION DURING THE YEAR	SALES/ADJUS. DURING THE YEAR	As at 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	ON ASST. SOLD DURING THE YEAR	UPTO 31.03.2022	As at 31.03.2022	As at 31.03.2021
<b>A. Tangible Assets:</b>										
1. Lease Hold Land	1,43,824	-	-	1,43,824	79,902	1,598	-	81,500	62,324	63,922
2. Building	80,16,84,208	-	-	80,16,84,208	39,28,44,667	4,08,83,955	-	43,37,28,622	36,79,55,586	40,88,39,541
3. Computer	5,37,13,040	56,59,354	98,010	5,92,74,384	5,20,35,230	43,99,001	92,515	5,63,41,716	29,32,668	16,77,810
4. Networking	4,70,58,962	-	-	4,70,58,962	4,67,90,909	1,60,832	-	4,69,51,741	1,07,221	2,68,053
5. Library Books	4,62,66,150	23,55,769	-	4,86,21,919	4,62,66,150	23,55,769	-	4,86,21,919	-	-
6. Vehicles	1,93,37,418	-	49,48,344	1,43,89,074	1,25,96,743	10,07,859	32,46,966	1,03,57,636	40,31,438	67,40,675
7. Furniture & Fixtures	4,06,56,317	21,78,969	-	4,28,35,286	2,98,76,102	19,43,878	-	3,18,19,980	1,10,15,306	1,07,80,215
8. Office Equipment	1,33,60,233	5,79,518	-	1,39,39,751	1,06,66,249	8,18,376	-	1,14,84,625	24,55,126	26,93,984
9. Teaching Aid Equipment	1,25,42,482	-	-	1,25,42,482	1,03,65,922	5,44,143	-	1,09,10,065	16,32,417	21,76,560
10. Electrical Equipment	15,75,39,234	5,22,980	-	15,80,62,214	10,68,60,685	1,28,00,382	-	11,96,61,067	3,84,01,147	5,06,78,548
11. Tube Well	10,68,626	-	-	10,68,626	9,32,084	20,481	-	9,52,565	1,16,061	1,36,542
12. Tools	1,85,895	-	-	1,85,895	1,80,510	1,346	-	1,81,856	4,039	5,385
13. Mess Equipment	55,76,386	-	-	55,76,386	43,49,457	3,06,733	-	46,56,190	9,20,196	12,26,929
14. Musical Instrument	2,18,265	-	-	2,18,265	2,13,460	1,201	-	2,14,661	3,604	4,805
15. Lease Hold Improvement	1,59,07,230	-	-	1,59,07,230	77,48,270	10,19,870	-	87,68,140	71,39,090	81,58,960
<b>B. Intangible Assets:</b>										
1. Software	1,35,93,621	3,31,344	-	1,39,24,965	1,31,13,119	4,87,108	-	1,36,00,227	3,24,738	4,80,502
<b>TOTAL CURRENT YEAR</b>	<b>1,22,88,51,891</b>	<b>1,16,27,934</b>	<b>50,46,354</b>	<b>1,23,54,33,471</b>	<b>73,49,19,459</b>	<b>6,67,52,532</b>	<b>33,39,481</b>	<b>79,83,32,510</b>	<b>43,71,00,961</b>	<b>49,39,32,432</b>
<b>TOTAL PREVIOUS YEAR</b>	<b>1,22,35,64,759</b>	<b>92,05,747</b>	<b>39,18,615</b>	<b>1,22,88,51,891</b>	<b>66,27,38,712</b>	<b>7,58,10,747</b>	<b>36,30,000</b>	<b>73,49,19,459</b>	<b>49,39,32,432</b>	
<b>C. Capital Work in Progress</b>										
1. Building/Networking	10,82,33,922	4,42,48,147	-	15,24,82,069	-	-	-	-	15,24,82,069	10,82,33,922
<b>TOTAL CURRENT YEAR</b>	<b>10,82,33,922</b>	<b>4,42,48,147</b>	<b>-</b>	<b>15,24,82,069</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,24,82,069</b>	<b>10,82,33,922</b>
<b>TOTAL PREVIOUS YEAR</b>	<b>5,03,19,181</b>	<b>5,79,14,741</b>	<b>-</b>	<b>10,82,33,922</b>					<b>10,82,33,922</b>	<b>-</b>



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

(Amount in Rupees )		
<b>PARTICULARS</b>	<b>As at 31.03.2022</b>	<b>As at 31.03.2021</b>
<b>SCHEDULE 'D' INVESTMENTS</b>		
<b>SHORT TERM INVESTMENT</b>		
Fixed deposits with scheduled banks	29,80,00,448	9,97,00,000
<b>TOTAL</b>	<b>29,80,00,448</b>	<b>9,97,00,000</b>
<b>ALLOCATED TO :</b>		
Alumni Fund	1,25,75,170	90,71,170
Other Investments	28,54,25,278	9,06,28,830
<b>TOTAL</b>	<b>29,80,00,448</b>	<b>9,97,00,000</b>
<b>SCHEDULE 'E' CURRENT ASSETS LOANS AND ADVANCES</b>		
<b>(A) CURRENT ASSETS</b>		
A. Interest Accrued on Investments	1,26,40,830	37,75,787
<b>B. Inventories</b>		
- Stock of diesel	5,35,000	9,61,428
<b>C. Accounts Receivable</b>		
considered good	77,44,107	2,46,46,151
<b>D. Cash &amp; bank balances</b>		
(i) Cash in hand including Cheques in hand	1,02,699	28,264
(ii) Balances with scheduled banks		
- In saving Bank Accounts	11,51,75,089	9,66,62,551
- In Current Bank Accounts	4,59,845	4,60,947
<b>TOTAL</b>	<b>13,66,57,570</b>	<b>12,65,35,128</b>
<b>(B) LOANS AND ADVANCES</b>		
Advances recoverable in cash or in kind or for value to be received- unsecured considered good		
Advances to LES	90,00,90,556	89,98,93,560
Advances to Suppliers	1,28,77,861	93,31,507
Advances to Staff and students	31,91,682	49,15,965
Others-advances and prepayments	9,13,41,307	9,75,40,663
Security Deposit	3,50,81,239	3,11,50,999
Tax Deducted at Source	3,36,21,242	2,65,14,427
<b>TOTAL</b>	<b>1,07,62,03,887</b>	<b>1,06,93,47,121</b>





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

(Amount in Rupees )

PARTICULARS	As at 31.03.2022	As at 31.03.2021
<b>SCHEDULE 'F' CURRENT LIABILITES &amp; PROVISIONS</b>		
<b>(a) CURRENT LIABILITIES</b>		
Sundry Creditors	16,23,62,691	9,98,75,368
Security Deposits	2,82,47,249	2,53,01,033
Fees received in advance	11,74,19,111	6,92,04,129
Other Liabilities	1,85,48,230	1,55,16,194
<b>(b) PROVISIONS</b>		
For Earned / Medical Leave encashment	9,78,65,867	8,51,75,989
<b>TOTAL</b>	<b>42,44,43,148</b>	<b>29,50,72,713</b>



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

(Amount in Rupees )

PARTICULARS	THIS YEAR	PREVIOUS YEAR
<b>SCHEDULE 'G' ACADEMIC FEE</b>		
Course Fees	94,46,81,236	95,31,98,098
<b>TOTAL</b>	<b>94,46,81,236</b>	<b>95,31,98,098</b>
<b>SCHEDULE 'H' NON ACADEMIC FEE</b>		
Registration Fees	3,14,98,000	3,34,30,000
Journal and publication Income	-	64,968
MDP & Consultancy	8,10,69,697	3,50,41,418
<b>TOTAL</b>	<b>11,25,67,697</b>	<b>6,85,36,386</b>
<b>SCHEDULE 'I' OTHER INCOME</b>		
Interest Received	2,63,02,064	1,64,20,710
Profit on sale of fixed assets	1,80,863	96,463
Miscellaneous Income	89,06,186	82,93,412
<b>TOTAL</b>	<b>3,53,89,113</b>	<b>2,48,10,585</b>





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

(Amount in Rupees )

<b>PARTICULARS</b>	<b>THIS YEAR</b>	<b>PREVIOUS YEAR</b>
<b>SCHEDULE 'J' PERSONNEL EXPENSES</b>		
Salary & Wages	29,65,66,829	28,37,19,410
Honorarium	3,36,34,791	3,03,36,126
Gratuity, leave encashment, LTC	2,79,43,740	2,48,21,437
Other Allowances	27,96,113	30,74,584
Staff Welfare Expenses	40,82,748	40,01,812
Employer's Contribution to PF & ESI	2,37,19,094	2,24,59,205
<b>TOTAL</b>	<b>38,87,43,315</b>	<b>36,84,12,574</b>
<b>SCHEDULE 'K' INSTITUTIONAL EXPENSES</b>		
Faculty recruitment Expenses	20,23,030	3,10,000
Research & Development Expenses	38,24,047	13,28,092
Admission Expenses	3,21,34,382	2,33,04,728
Consultancy & MDP. Expenses	65,97,981	34,76,079
Placement Expenses	38,80,641	39,91,681
Course Expenses	8,65,61,287	6,49,92,677
Student Activity and scholarship Expenses	3,62,58,482	1,87,97,875
Library Expenses	3,85,79,235	2,84,38,826
student relief	4,15,99,853	13,56,55,690
Donations	4,00,00,000	25,00,000
<b>TOTAL</b>	<b>29,14,58,938</b>	<b>28,27,95,648</b>
<b>SCHEDULE 'L' ADMINISTRATIVE EXPENSES</b>		
Legal & Professional Expenses	3,78,75,929	3,38,58,164
Office and General Expenses	18,38,861	10,47,801
Security & Housekeeping Expenses	3,43,98,998	3,69,41,144
Rent	10,57,81,164	10,62,03,984
Travelling & Conveyance	69,06,119	40,17,915
Bank Charges	1,32,786	1,06,131
Rate & Taxes	46,41,665	41,32,179
Advertising & Publicity Expenses	32,93,581	48,49,224
Payment to Auditors*	8,26,000	8,26,000
Insurance	1,03,12,808	94,79,606
Printing & Stationary	22,61,679	16,48,947
Postage & Telephone	49,65,670	46,24,592
Electricity & Generator Fuel	2,38,45,499	2,16,16,668
Guest / Mess expenses	1,35,61,912	56,87,220
Foreign Currency Fluctuation	-	8,438
Loss on sale of Fixed Assets	4,91,858	9,581
Repair & Maintenance	2,25,39,522	2,55,50,187
Prior period Expenses	21,87,313	2,86,035
<b>TOTAL</b>	<b>27,58,61,364</b>	<b>26,08,93,816</b>
<b>* Details of Payments to Auditors</b>		
Audit Fee	7,00,000	7,00,000
Add: Reimbursement of GST	1,26,000	1,26,000
<b>TOTAL</b>	<b>8,26,000</b>	<b>8,26,000</b>



**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.

<b>Class of Assets</b>	<b>Rate of Depreciation</b>
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. 383.50 Lakhs (Previous Year Rs. 491.88 Lakhs).

- 1.2 An amount of Rs.416 Lakh ( previous year Rs. 1356.56 Lakh ) is included in the Income and Expenditure Account towards financial relief granted to the eligible students for the period of non occupancy in campus.



1.3 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.

1.4 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.

1.5 During the year the Institute has given a Donation of Rs. 400 lakh to Centre For Advanced Education, a society registered and set up with similar aims and objectives ( Previous year Rs. 25 lakh paid to IMT Alumni Association ).

1.6 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 31/03/2022 stands at Rs. 275.67 Lakhs (previous year Rs. 223.67 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, 2022			For the Year ended March 31, 2021		
	Gratuity	Leave encashment / compensated Absences	Medical Leave encashment/ compensated Absences	Gratuity	Leave encashment/ compensated Absences	Medical Leave encashment/ compensated Absences
Obligations at year beginning	79476343	62807998	22367991	73883635	56659000	19383061
Service Cost – Current	5933469	6460092	2785692	6352740	9566317	3123834
Interest Cost	5404391	4270944	1521023	5024087	3852812	1318048
Actuarial (gain) / Loss	(156216)	5314646	2015669	3407870	(2654061)	586428
Benefit Paid	(10765774)	(8554449)	(1123739)	(9191989)	(4616070)	(2043380)
Obligations at year end	<b>79892213</b>	<b>70299231</b>	<b>27566636</b>	<b>79476343</b>	<b>62807998</b>	<b>22367991</b>
<b>Change in Plan assets</b>						
Plan assets at year beginning, at fair value	90379922			93276078		
Expected return on plan assets	5843204			6529325		
Actuarial gain / (loss)	(237234)			(717963)		
Contributions	202909			-		
Benefits paid	(10765774)			(9191989)		
Plan assets at year end, at fair value	<b>85423027</b>			<b>89895451</b>		
<b>Reconciliation of present value of the obligation and the fair value of plan assets:</b>						
Present value of the defined benefit obligations at the end of the year	79892213			79476343		
Fair value of the plan assets at the end of the year	85423027			89895451		
<b>Liability recognized in the balance sheet</b>	<b>(5530814)</b>			<b>(10419108)</b>		
<b>Defined benefit obligations cost for the year</b>						
Service Cost – Current	5933469	6460092	2785692	6352740	9566317	3123834
Interest Cost	5404391	4270944	1521023	5024087	3852812	1318048
Expected Return on Plan Assets	(5843204)			(6529325)		
Actuarial (gain) / loss	81018	5314646	2015669	4125833	(2654061)	586428
<b>Net defined benefit obligations cost</b>	<b>5575674</b>	<b>16045682</b>	<b>6322384</b>	<b>8973335</b>	<b>10765068</b>	<b>5028310</b>



**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:

	<b>This Year</b>	<b>Previous Year</b>
Discounting Rate	7.18%	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. 237.19 Lakhs (Previous Year Rs. 224.59 Lakhs) which has been charged to Revenue Account.

1.7 Details of prior period expenditure included in Administrative Expenses are given below:

**Prior Period Expenditure**

Particulars	This Year	Previous Year
Advertisement & Publicity Exp.	4,53,981	-
Brochure Printing	2,04,910	-
Accreditation Exp.	1,47,434	1,18,000
Housekeeping Exp.	72,288	-
Honorarium Exp.	1,10,000	-
Insurance Expenses	-	7,869
Legal/Professional Exp.	29,500	41,890
Membership Fee Exp.	31,938	-
Networking Exp.	-	97,803
Office & General Exp.	-	10,470
Online Data Exp.	7,91,784	-
Security Exp.	-	10,003
Student Misc. Exp.	3,45,478	-
<b>Total Amount</b>	<b>21,87,313</b>	<b>2,86,035</b>



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

1.9 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: 22009525AQIBZF3646



*Ravindra Kapoor*  
(RAVINDRA KAPOOR)  
PROPRIETOR  
Membership No.9525

FOR AND BEHALF OF INSTITUTE  
OF MANAGEMENT TECHNOLOGY

*Kalyan Das Gupta*  
(Kalyan Das Gupta)  
Group CFO

*Vishal Talwar*  
(Dr. Vishal Talwar)  
(Director)

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

Place: Ghaziabad  
Date: 20<sup>th</sup> August 2022