

**PHALTAN EDUCATION SOCIETY'S
College of Engineering**

**Financial statements for the year
ended 31 March 2022 together with
the Independent Auditors' Report**

Independent Auditors' Report

To the Management of
Phaltan Education Society's College of Engineering

Opinion

We have audited the accompanying financial statements of the College of Engineering (Unit) which is a Unit of the Phaltan Education Society ("the Trust") which comprise the Balance Sheet as at 31 March 2022, the Income and Expenditure Account and a summary of significant accounting policies and other explanatory information which are in agreement with the books of accounts maintained by the unit.

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. in the case of the Balance Sheet, of the state of affairs of the unit as at 31 March 2022;
- ii. in the case of the Income and Expenditure Account of the deficit for the year ended on that date

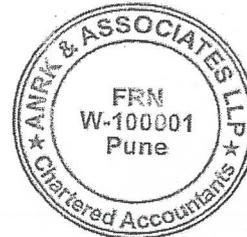
Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the unit and the trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the Financial Statements

The Management of the Unit 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 Unit in accordance with the Accounting Standards as prescribed by the Institute of Chartered Accountants of India. 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.


Principal
P.E.S.s
College of Engineering
Phaltan, Dist. Satara (M.S.)



**Phaltan Education Society's College of Engineering
Independent Auditors' Report (continued)**

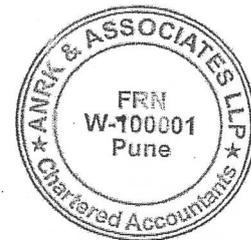
Auditor's responsibilities for the audit of Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of 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 unit'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 the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the unit to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



24
**Phaltan Education Society's College of Engineering
Independent Auditors' Report (continued)**

Auditor's responsibilities for the audit of Financial Statements (continued)

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For ANRK & Associates LLP

Chartered Accountants

Firm Registration Number: W-100001

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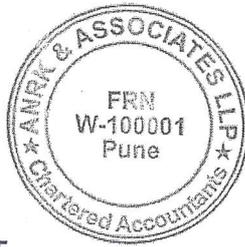
Abhijit Jadhav
Partner

Place: Pune

Membership Number: 135735

Date: 7 September 2022

UDIN: 22135735ARFOGS8495




Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)

Phaltan Education Society's
College of Engineering
Phaltan, District - Satara

Balance Sheet as at 31 March 2022

Liabilities	Sch	Amount Rs.	Assets	Sch	Amount Rs.
Earmarked funds	A	3,87,10,703	Immovable properties	G	19,91,789
Statutory dues payable	B	3,50,825	Furniture and fixtures	H	86,21,428
Trade payables	C	40,10,329	Other fixed assets	I	5,10,68,829
Short term provisions	D	9,53,007	Investments	J	61,95,703
Other liabilities	E	79,747	Deposits given	K	36,89,945
Inter unit advances accepted	F	22,32,74,755	Fee receivable	L	3,92,81,215
			Loans and advances	M	56,990
			Inter unit advances granted	N	14,63,242
			Cash and Bank balances	O	14,55,269
			Other assets	-	13,200
			Income and Expenditure Account	P	15,35,41,756
Total		26,73,79,366	Total		26,73,79,366

Subject to our separate report of even date
Summary of significant accounting policies

For ANRK & Associates LLP
Chartered Accountants
Firm Registration Number : W-100001

JADHAV
ABHIJIT
MOHAN
Abhijit Jadhav
Partner
Membership Number : 135735
Date: 7 September 2022
Place: Pune
UDIN : 22135735ARFOGS8495

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For Phaltan Education Society's,
College of Engineering

(Signature)
Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)
Date: 7 September 2022
Place: Phaltan

Phaltan Education Society's
College of Engineering

Schedules to the Balance Sheet as at 31 March 2022

Schedule A: Earmarked funds

Depreciation fund

		Balance as at 31 March 2022
Balance as per last year balance sheet		
Add: Depreciation for the year	3,61,58,332	
	<u>25,52,371</u>	3,87,10,703
Total		<u><u>3,87,10,703</u></u>

Schedule B : Statutory dues payable

Income Tax payable		
Employer's contribution to provident fund payable		1,65,175
a. Teaching		
b. Non teaching	59,400	
Employee's contribution to provident fund payable	<u>25,200</u>	84,600
a. Teaching		
b. Non teaching	59,400	
PF Admin charges payable	<u>25,200</u>	84,600
Professional tax payable		7,050
		9,400
Total		<u><u>3,50,825</u></u>

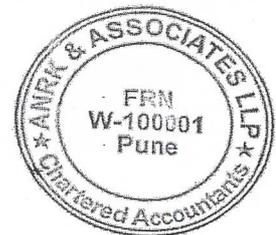
Schedule C : Trade payables

Spectra point		
Vaibhav book centre		24,90,000
Teacher and Student co-operative store		11,98,548
KB Ads and publications		3,07,066
Shri raj computers		5,000
Unity oil & transport service		850
Gandhi electricals		8,305
		560
Total		<u><u>40,10,329</u></u>

Schedule D : Short term provisions

Gratuity payable		9,53,007
Total		<u><u>9,53,007</u></u>


Principal
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Phaltan Education Society's
College of Engineering

Schedules to the Balance Sheet as at 31 March 2022

Schedule E : Other liabilities

Examination fee payable	6,310
TDS Payable	4,507
MHT CET Exam	32,490
NPTL exam	36,440
Total	79,747

Schedule F : Inter institutional advances accepted

	Balance as at 31 March 2022
College of Agriculture, Phaltan	50,00,000
Malojiraje Sheti Vidyalaya Junior College Kayam non grant	10,00,000
Malojiraje Sheti Vidyalay MCVC (Vocational)	15,00,000
Mudhoji High School and Junior College non grant division	10,00,000
Phaltan Education Society's Sheti Vibhag	1,00,000
Phaltan Education Society (HO)	18,73,02,065
School of nursing	5,00,000
Shrimant Shivajiraje College of Horticulture	26,00,000
Phaltan Education Society other nursery units (Consolidated)	1,60,75,290
Phaltan Education Society production units	80,27,400
YC mukta vidyapeeth Nashik	1,70,000
Total	22,32,74,755

Schedule G : Immovable properties

	Balance as at 1 April 2021	Additions	Deletions	Balance as at 31 March 2022
Water tank	10,01,100			10,01,100
Internal roads	9,90,689			9,90,689
Total	19,91,789	-	-	19,91,789

Schedule H : Furniture and fixtures

	Balance as at 1 April 2021	Additions	Deletions	Balance as at 31 March 2022
Furniture	86,21,428			86,21,428
Total	86,21,428	-	-	86,21,428


Principal
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Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to the Balance Sheet as at 31 March 2022

Schedule I : Other fixed assets

	Balance as at 1 April 2021	Additions	Deletions	Balance as at 31 March 2022
Laboratory Equipment				
Library Books	2,68,32,075	6,000		2,68,38,075
Fire extinguisher	55,91,517	1,00,894		56,92,411
Research lab	4,92,099			4,92,099
Sound System	1,99,626			1,99,626
Water Purifier	20,000			20,000
Xerox Machine	13,500			13,500
Computer	60,000			60,000
	1,66,47,219	11,05,899		1,77,53,118
Total	4,98,56,036	12,12,793	-	5,10,68,829

Schedule J : Investments

Fixed deposit				46,73,711
Interest receivable on Fixed deposit				15,21,992
Total				61,95,703

Schedule K : Deposits given

	Balance as at 31 March 2022
MSEB deposit	1,89,945
Security deposit	35,00,000
Total	36,89,945

Schedule L : Fee Receivable

Balance as per last balance sheet	2,52,75,339
Add: Receivable during the year	3,77,27,675
Less: Received during the year	(2,37,21,799)
Total	3,92,81,215


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Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to the Balance Sheet as at 31 March 2022

Schedule M : Loans and advances

Advance to staff:

Adsul Vikram Vasantrao	2,000
Bajare Shrikant Sudhir	1,350
Chavan Sachin Shahaji	2,000
Gorad cm Salary Recovery	20,620
Govekar N S	1,020
Jadhav Ankush	8,000
Jadhav Tejas	6,000
Jagtap Nilesh Krishnarao	2,000
Mane Dilip	6,000
Shinde Vikas	6,000
Thorat Shankar Uttam	2,000

Total

56,990

Schedule N : Inter unit advances granted

College of Engineering polytechnic

14,63,242

Total

14,63,242

Schedule O : Cash and Bank balances

Cash in hand

16

Bank of Maharashtra : 60303101770

17,319

Shreemant malojiraje co-operative bank : 816001021000442

98,897

State bank of India : 31852064758

13,39,037

Total

14,55,269

Schedule P : Income and expenditure account

Balance as per last balance sheet

15,40,64,516

Less : Surplus for the year

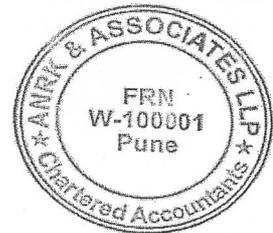
5,22,760

15,35,41,756

Total

15,35,41,756


Principal
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College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering
Phaltan, District - Satara

Income and Expenditure Account
For the year ended 31 March 2022

Expenditure	Sch	Amount Rs.	Income	Sch	Amount Rs.
Salary expenses	A	3,22,96,649	Fees	J	3,77,27,675
Honorarium charges	-	4,25,400	Bank interest	K	4,54,693
Legal and professional fees	-	11,500	Other income	L	84,860
Advertisement expenses	-	12,867	Balance written back	-	1,35,897
Bank commission	-	2,319			
Depreciation	-	25,52,371			
Office and administration expenses	B	1,25,983			
Electricity expenses	C	3,66,350			
Repairs and maintenance	D	3,71,815			
Student welfare expenses	E	9,18,263			
Printing and stationery	F	49,023			
Inspection expenses	G	4,79,269			
Operational expenses	H	94,264			
Travelling and conveyance	-	63,892			
Communication expenses	I	1,06,250			
Balance written off	-	4,150			
Surplus for the year		5,22,760			
Total		3,84,03,125	Total		3,84,03,125

Subject to our separate report of even date
Summary of significant accounting policies

For ANRK & Associates LLP
Chartered Accountants
Firm Registration Number : W-100001

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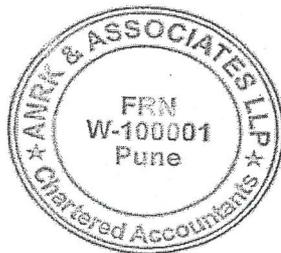
Abhijit Jadhav
Partner

Membership Number : 135735

Date: 7 September 2022

Place: Pune

UDIN : 22135735ARFOGS8495



For Phaltan Education Society's,
College of Engineering

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Principal
P.E.S's

College of Engineering
Phaltan, Dist. Satara (M.S.)

Date: 7 September 2022

Place: Phaltan

Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule A : Salary expenses

	Amount Rs.
Teaching staff :	
Salary expenses	
Provident Fund employer contribution	2,66,06,980
Provident Fund admin charges	7,29,000
	91,200
	<hr/>
	2,74,27,180
Non teaching staff :	
Salary expenses	
Provident Fund employer contribution	45,92,269
	2,77,200
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	48,69,469
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Total	3,22,96,649

Schedule B : Office and administration expenses

Meeting expenses	
Office expenses	9,786
Teacher training programme	20,497
Staff welfare expenses	85,350
	10,350
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Total	1,25,983

Schedule C : Electricity expenses

Electricity expenses	
	3,66,350
	<hr/>
Total	3,66,350

Schedule D : Repairs and maintenance

Electrical consumables	
Repairs and maintenance - building	1,000
Repairs and maintenance - others	41,730
Sanitation expenses	1,78,168
Gardening expenses	49,192
	1,01,725
	<hr/>
Total	3,71,815


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule E : Student welfare expenses

	Amount Rs.
Student training program	4,22,836 ✓
Student transportation	1,50,083 ✓
Workshop consumable expenses (net)	3,45,344 ✓
Total	9,18,263

Schedule F : Printing and stationery

Printing and stationery	49,023
Total	49,023

Schedule G : Inspection expenses

Affiliation and extension fee	4,79,269
Total	4,79,269

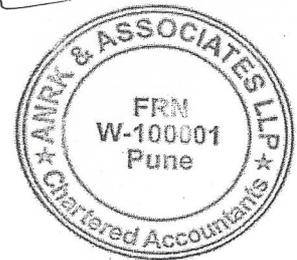
Schedule H : Operational expenses

Diesel expenses	94,264
Total	94,264

Schedule I : Communication expenses

Internet expenses	1,04,986 ✓
Postage expenses	1,264
Total	1,06,250

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Principal
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College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule J : Fees

	Amount Rs.
Tuition fees	3,40,74,493
Development fees	36,53,182
Total	<u>3,77,27,675</u>

Schedule K : Bank interest

Interest on fixed deposit	4,54,223
Bank interest	470
Total	<u>4,54,693</u>

Schedule L : Other income

Zila udyog kendra	4,875
Transfer certificate fees	5,200
Civil and cube testing income	73,985
Prizes	800
Total	<u>84,860</u>

Pune
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Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering
Phaltan, District - Satara

Receipt and Payment Account
For the year ended 31 March 2022

Receipt	Sch	Amount Rs.	Payment	Sch	Amount Rs.
Opening balances	A	17,64,379	Salary expenses	G	3,22,96,649
Fees	B	2,37,21,799	Honorarium charges	-	4,25,400
Bank interest	C	470	Legal and professional fees	-	11,500
Other income	D	84,860	Advertisement expenses	-	12,867
Inter Unit Advances Accepted	E	1,31,56,675	Bank commission	-	2,319
Indirect receipts	F	1,45,287	Office and administration expenses	H	1,25,983
			Electricity expenses	I	3,66,350
			Repairs and maintenance	J	3,71,815
			Student welfare expenses	K	9,18,263
			Printing and stationery	L	49,023
			Inspection expenses	M	4,79,269
			Operational expenses	N	94,264
			Travelling and conveyance	-	63,892
			Communication expenses	O	1,06,250
			Purchase of fixed assets	P	12,12,793
			Inter Unit Advances Granted	Q	8,22,894
			Indirect payments	F	58,670
			Closing balance	A	14,55,269
Total		3,88,73,470	Total		3,88,73,470

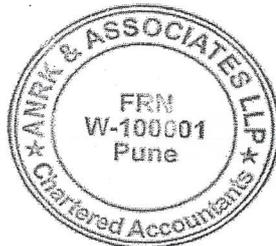
Subject to our separate report of even date
Summary of significant accounting policies

For ANRK & Associates LLP
Chartered Accountants
Firm Registration Number : W-100001

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Abhijit Jadhav
Partner
Membership Number : 135735
Date: 7 September 2022
Place: Pune
UDIN : 22135735ARFOGS8495



For Phaltan Education Society's,
College of Engineering

Principal
Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)

Date: 7 September 2022
Place: Phaltan

Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule A : Cash and bank balances

	Opening Amount	Closing Amount
Cash in hand	1	16
Bank of Maharashtra : 60303101770	16,902	17,319
Shreemant malojiraje co-operative bank : 816001021000442	6,94,569	98,897
State bank of India : 31852064758	10,52,907	13,39,037
	<u>17,64,379</u>	<u>14,55,269</u>

Schedule B : Fees

	Amount Rs.
Fees received	2,37,21,799
Total	<u>2,37,21,799</u>

Schedule C : Bank interest

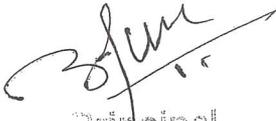
Bank interest	470
Total	<u>470</u>

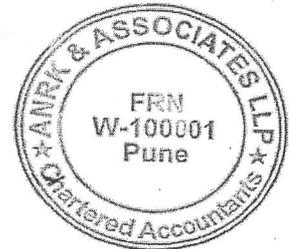
Schedule D : Other income

Zila udyog kendra	4,875
Transfer certificate fees	5,200
Civil and cube testing income	73,985
Prizes	800
Total	<u>84,860</u>

Schedule E : Inter unit advances accepted

Phaltan education society	1,31,56,675
Total	<u>1,31,56,675</u>


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule F : Indirect receipts and payment

	Indirect Receipt	Indirect Payment
Loans and advances	29,560	-
Professional Tax paid in advance	-	9,800
Sundry creditors	1,00,062	-
Other current liabilities	-	48,870
Statutory dues	15,665	-
Total	1,45,287	58,670

Schedule G : Salary expenses

Teaching staff :

	Amount Rs.
Salary expenses	2,66,06,980
Provident Fund employer contribution	7,29,000
Provident Fund admin charges	91,200
Total	2,74,27,180

Non teaching staff :

Salary expenses	45,92,269
Provident Fund employer contribution	2,77,200
Total	48,69,469
Total	3,22,96,649

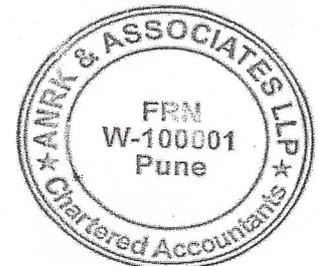
Schedule H : Office and administration expenses

Meeting expenses	9,786
Office expenses	20,497
Teacher training programme	85,350
Staff welfare expenses	10,350
Total	1,25,983

Schedule I : Electricity expenses

Electricity expenses	3,66,350
Total	3,66,350


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



Phaltan Education Society's
College of Engineering

Schedules to Income and Expenditure Account for the year ended 31 March 2022

Schedule J : Repairs and maintenance

Electrical consumables	1,000
Repairs and maintenance - building	41,730
Repairs and maintenance - others	1,78,168
Sanitation expenses	49,192
Gardening expenses	1,01,725
Total	3,71,815

Schedule K : Student welfare expenses

	Amount Rs.
Student training program	4,22,836
Student transportation	1,50,083
Workshop consumable expenses (net)	3,45,344
Total	9,18,263

Schedule L : Printing and stationery

Printing and stationery	49,023
Total	49,023

Schedule M : Inspection expenses

Affiliation and extension fee	4,79,269
Total	4,79,269

Schedule N : Operational expenses

Diesel expenses	94,264
Total	94,264

Schedule O : Communication expenses

Internet expenses	1,04,986
Postage expenses	1,264
Total	1,06,250


Principal
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Phaltan Education Society's
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Schedules to Income and Expenditure Account for the year ended 31 March 2022

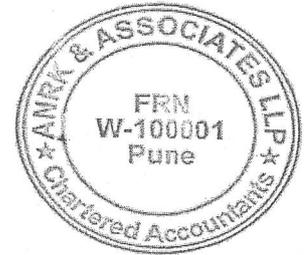
Schedule P : Purchase of Fixed assets

	Amount Rs.
Laboratory Equipment	6,000
Library Books	1,00,894
Computer	11,05,899
Total	<u><u>12,12,793</u></u>

Schedule Q : Inter unit advances granted

College of engineering, Polytechnic	4,35,782
Shreemant Nirmaladevi Mudran Sanstha	3,87,112
Total	<u><u>8,22,894</u></u>

[Signature]
Principal
P.E.S's
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Phaltan, Dist. Satara (M.S.)



Overview

Phaltan Education Society ("PES or Trust") is a public trust incorporated under the Bombay Public Trust Act, 1950. The trust formed in the year 1953 and its registered office is situated in Phaltan- District Satara in the State of Maharashtra.

The trust primarily is formed for providing basic education and operates around 75 schools and colleges in and nearby Phaltan. The individual schools, colleges and institutions are referred as 'Units'. College of Engineering is a unit formed under the Trust for providing education in the field of Engineering.

1. Significant accounting policies

Basis for preparation of financial statements

The financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention on accrual basis. GAAP comprises mandatory accounting standards notified and issued by the Institute of Chartered Accountants of India (ICAI) and other authoritative pronouncements. The financial statements are presented in Indian rupees and rounded off to the nearest rupee.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

Use of estimates

The preparation of financial statements requires the management of the Trust and the Unit to make judgments, estimates and assumptions that affects the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenditure during the year. Actual results could differ from estimates. Differences between actual results and estimates are recognized in the year in which the results are known / materialized.

1.1 Revenue recognition

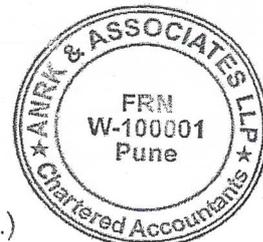
Grants- The trust and the respective units receive various grants from the Government for salaries and specific projects.

Revenue grants are credited to the Income and Expenditure Account as and when the right to receive grant is established.

Capital grants to the extent utilized are classified as Corpus. Unutilized capital grants are classified as other liabilities. Capital grants received for specific purposes are classified under Other Earmarked Funds.

Interest income is recognized on time proportion basis


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



1.2 Borrowing costs

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of that asset. All other borrowing costs are charged to the Income and Expenditure Account.

1.3 Fixed assets

Fixed assets are carried at cost of acquisition or construction less accumulated impairment loss, if any. The cost of an item of fixed asset comprises its purchase price, including import duties and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use; any trade discounts and rebates are deducted in arriving at the purchase price. Fixed assets under construction are disclosed as capital work-in-progress.

1.4 Depreciation

Depreciation on fixed assets is provided for on the written down value method at the rates mentioned below:

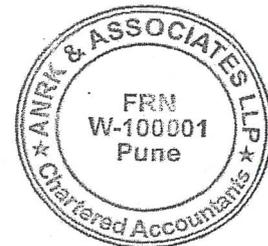
Type of asset	Rate
Buildings	10%
Furniture and fixtures, Equipment's and other assets	10%
Computers and books	25%

1.5 Impairment of fixed assets

The management periodically assesses, using external and internal sources, whether there is an indication that an asset may be impaired. Impairment loss is recognized when the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use.

Intangible assets which are not yet available for use are tested for impairment annually. Other fixed assets are reviewed at each reporting date to determine if there is any indication of impairment. For assets in respect of which any such indication exists and for intangible assets mandatorily tested annually for impairment, the asset's recoverable amount is estimated.


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)



1.6 Investments

All investments of the Unit are long term in nature. Long term investments are stated at cost less provision for diminution, other than temporary, in the value of such investments.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed.

1.7 Employee benefits

Post-employment benefit plans

Defined benefit plan

In the case of other employees, the management has estimated the gratuity provision required and classified it as a defined benefit plan and necessary provisions are made in the financial statements.

Defined contribution plan

A defined contribution plan is a post-employment benefit plan under which an entity pays specified contributions to a separate entity and has no obligation to pay any further amounts. The Unit makes specified monthly contributions towards employee provident fund to Government administered provident fund scheme which is a defined contribution plan. The contribution is recognized as an expense in the Income and Expenditure Account during the period in which the employee renders the related service.

1.8 Accounting for taxes on income

The trust is exempt from paying Income Tax under section 11 of the Indian Income Tax Act, 1961 resulting in the unit also being exempt from paying tax. Accordingly no provisions for income tax and deferred tax are considered necessary.


Principal
P.E.S's
College of Engineering
Phaltan, Dist. Satara (M.S.)

