

SREE EDUCATIONAL SOCIETY
1-2-288/23/1 DOMALGUDA HYDERABAD - 500 029

BALANCE SHEET AS AT 31ST MARCH, 2019

S.No	LIABILITIES	SCHEDULE	31/03/2019	31/03/2018
			AMOUNT Rs.	AMOUNT Rs.
1	Corpus Fund	A	1,75,22,313.50	1,75,22,313.50
2	Reserves and Surplus	B	8,53,14,108.12	20,85,89,223.13
3	Loans & Borrowings Secured Loans	C	36,58,95,451.73	31,98,25,999.23
4	Current Liabilities	D	39,71,97,860.69	26,51,23,443.89
5	Provisions	E	16,10,43,995.25	14,33,27,792.25
	TOTAL		102,69,73,729.29	95,43,88,772.00
	ASSETS			
1	Fixed Assets	F		
	Gross Block		110,58,16,878.53	103,13,65,603.13
	Less: Depreciation		64,99,57,250.88	57,58,74,849.88
	Net Block		45,58,59,627.65	45,54,90,753.25
	Capital Work in Progress		32,77,692.00	73,37,770.00
2	Current Assets - Loans & Advances			
	Current Assets			
	Stock	G	2,74,564.46	-
	Receivables	H	17,40,49,750.00	21,21,09,570.00
	Cash & Bank Balance	I	23,68,67,903.02	20,97,14,068.69
	Total		41,11,92,217.48	42,18,23,638.69
	Loans, Advances & Deposits			
	Loans & Advances	J	5,96,35,305.40	1,48,24,174.50
	Deposits	K	9,70,08,886.76	5,49,12,435.56
	Total		15,66,44,192.16	6,97,36,610.06
	TOTAL		102,69,73,729.29	95,43,88,772.00

Notes and Accounting Policies

V

AS PER BOOKS OF ACCOUNTS
For RAMANATHAM & RAO
Chartered Accountants
(FRN - S 2934)

(C. KAMESHWAR RAO)
Partner
M.No: 024363

Place: Hyderabad
Date: 6th November, 2019

For SREE EDUCATIONAL SOCIETY



Mahie
(DR. K. T. MAHI)
Secretary & Correspondant



SREE EDUCATIONAL SOCIETY
1-2-288/23/1 DOMALGUDA HYDERABAD - 500 029

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2019

PARTICULARS	SCHEDULE	31/03/2019	31/03/2018
		AMOUNT Rs.	AMOUNT Rs.
[A] INCOME			
Fee Income	L	90,65,04,870.34	90,51,70,972.00
Other Income	M	1,57,33,207.12	2,50,97,608.65
Revenue Grant Receipts	N	16,21,204.00	41,18,871.00
TOTAL [A]		92,38,59,281.46	93,43,87,451.65
[B] EXPENSES			
Employee Payments & Benefits	O	47,96,20,023.07	43,45,80,038.60
Power & Fuel	P	49,66,352.00	59,73,478.00
Administrative Expenses	Q	20,43,23,180.51	22,51,61,180.14
Repairs & Maintenance	R	4,58,77,147.39	4,35,79,310.85
Institutional Promotional & Other Expenses	S	1,20,80,354.00	1,28,51,536.00
Interest	T	3,44,64,938.50	4,09,26,132.99
Depreciation	F	7,40,82,401.00	7,70,42,662.00
TOTAL [B]		85,54,14,396.47	84,01,14,338.58
Excess of Income Over Expenditure [A-B]		6,84,44,884.99	9,42,73,113.07
Add: Extra Ordinary Items of Earlier Years	U	19,17,20,000.00	-
Transfer to Reserves [A-B]+U		-12,32,75,115.01	9,42,73,113.07

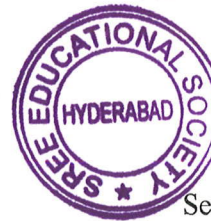
Notes and Accounting Policies

V

AS PER BOOKS OF ACCOUNTS
For RAMANATHAM & RAO
Chartered Accountants
(FRN - S 2934)

For SREE EDUCATIONAL SOCIETY


(C. KAMESHWAR RAO)
Partner
M.No: 024363



Mahe
(DR. K. T. MAHI)
Secretary & Correspondant

Place: Hyderabad
Date: 6th November, 2019



SREE EDUCATIONAL SOCIETY

SCHEDULES

**FORMING PART OF THE BALANCE SHEET AND INCOME & EXPENDITURE ACCOUNT
FOR THE YEAR ENDED AND AS AT 31.03.2019**

	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - A</u>		
<u>CORPUS FUND</u>		
Opening Balance	1,75,22,313.50	1,75,22,313.50
Add: Additions during the year		
Total	1,75,22,313.50	1,75,22,313.50
<u>SCHEDULE -B</u>		
<u>RESERVES & SURPLUS</u>		
Income & Expenditure Account Opening Balance	20,85,89,223.13	11,43,16,110.06
Add: Surplus/ Less:(Deficit) During the year	-12,32,75,115.01	9,42,73,113.07
Total	8,53,14,108.12	20,85,89,223.13
<u>SCHEDULE- C</u>		
<u>SECURED LOANS</u>		
(i) Loan from World Bank under TEQIP-Phase I	8,31,09,800.00	8,31,09,800.00
(ii) Secured Bank Overdraft		
Andhra Bank, Sultan Bazar Branch, Hyd	6,17,18,947.23	6,67,73,269.23
Andhra Bank, Uppal, Hyderabad	48,64,435.00	40,07,199.00
(iii) Term Loan		
Andhra Bank, Sultan Bazar Branch, Hyd	1,63,73,258.00	2,47,44,294.00
(iv) a) Demand Loan		
Andhra Bank, Sultan Bazar Branch, Hyd	14,98,73,802.00	10,17,24,780.00
b) Demand Loan		
Andhra Bank, Uppal, Hyderabad	-	50,69,344.00
(v) Vehicle Loans		
Kotak Mahindra Bank Ltd., Hyderabad	3,11,88,621.50	1,33,15,662.00
Kotak Mahindra Prime Ltd, Hyderabad	1,51,84,420.00	1,44,42,877.00
DCB Bank	4,34,056.00	14,03,874.00
TATA Finance	31,48,112.00	52,34,900.00
Total	36,58,95,451.73	31,98,25,999.23



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	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - D</u>		
<u>CURRENT LIABILITIES</u>		
Creditors for Expenses	3,75,91,645.24	5,89,26,184.10
Other Creditors	69,359.00	2,41,505.00
Refundable Deposits		
Student Deposits	22,45,728.00	59,49,033.00
Staff Deposits	1,11,42,633.00	1,55,70,284.00
Other Deposits	37,65,000.00	38,06,471.00
Vaughn College of Aeronotics	5,06,130.00	5,06,130.00
Payable Expenses	5,94,80,770.86	11,01,23,260.00
Scholarship	11,40,104.00	4,71,334.00
JNTU Accounts	2,29,22,430.00	3,09,89,700.00
Advance Receipts R&D works	10,72,440.00	10,72,440.00
Grants Unutilised	63,35,286.59	54,57,358.79
Deposit for Awards	1,21,000.00	1,21,000.00
Advance Receipts		
Fee Receipts	25,07,92,434.00	3,18,88,744.00
Other Advance Receipts	12,900.00	-
Total	39,71,97,860.69	26,51,23,443.89
<u>SCHEDULE - E</u>		
<u>PROVISIONS</u>		
Provisions - WB Interest	10,31,38,772.25	9,48,27,792.25
Provisions - Gratuity	5,79,05,223.00	4,85,00,000.00
Total	16,10,43,995.25	14,33,27,792.25
<u>SCHEDULE - F</u>		
<u>Fixed Assets</u>		
Gross Block	110,58,16,878.53	103,13,65,603.13
Depreciation	64,99,57,250.88	57,58,74,849.88
Net Block	45,58,59,627.65	45,54,90,753.25
Capital Work in Progress	32,77,692.00	73,37,770.00
Depreciation for the Period	7,40,82,401.00	7,70,42,662.00
<u>SCHEDULE -G</u>		
Stock	2,74,564.46	-
Total	2,74,564.46	-



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**SCHEDULE -F
FIXED ASSETS**

PARTICULARS	GROSS BLOCK					DEPRECIATION					NET BLOCK		
	Opening as on 01.04.2018	Additions during the year			Total as on 31.03.2019	Up to 31.03.2018	Rate	During the year			Up to 31.03.2019	WDV as on 31.03.2019	WDV as on 31.03.2018
		Up to 30.09.2018	After 30.09.2018	Deletion during the year				100%	50%	Total			
A. SNIST													
Buildings	38,23,26,714.39	10,00,000.00	3,59,02,784.00	-	41,92,29,498.39	19,56,51,024.14	10%	1,87,67,570.00	17,95,140.00	2,05,62,710.00	21,62,13,734.14	20,30,15,764.25	18,66,75,690.25
Solar Plant	2,28,99,175.00	-	-	-	2,28,99,175.00	91,59,670.00	40%	54,95,802.00	-	54,95,802.00	1,46,55,472.00	82,43,703.00	1,37,39,505.00
Vehicles	19,11,28,472.95	87,15,277.00	33,85,332.00	-	20,32,29,081.95	9,29,63,406.95	15%	1,60,32,098.00	2,53,900.00	1,62,85,998.00	10,92,49,404.95	9,39,79,677.00	9,81,65,066.00
Furniture & Fixtures	7,45,06,566.35	11,22,404.00	5,78,144.00	-	7,62,07,114.35	3,12,93,207.35	10%	43,93,238.00	28,911.00	44,22,149.00	3,57,15,356.35	4,04,91,758.00	4,32,13,359.00
Office Equipment	5,57,71,002.06	64,72,073.80	62,56,316.00	-	6,84,99,391.86	2,60,36,628.06	15%	54,31,001.00	4,69,230.00	59,00,231.00	3,19,36,859.06	3,65,62,532.80	2,97,34,374.00
Library	4,03,66,285.94	28,69,195.00	12,36,865.00	-	4,44,72,345.94	2,36,42,001.94	15%	29,35,778.00	92,766.00	30,28,544.00	2,66,70,545.94	1,78,01,800.00	1,67,24,284.00
Lab	5,33,02,892.04	18,81,894.00	18,98,324.58	-	5,70,83,110.62	3,17,28,335.04	15%	35,18,506.00	1,42,379.00	36,60,885.00	3,53,89,220.04	2,16,93,890.58	2,15,74,557.00
Computers - CSE Deptt.	10,19,18,962.00	6,21,264.00	22,44,193.02	-	10,47,84,419.02	7,17,66,890.00	40%	1,23,09,336.00	4,48,839.00	1,27,58,175.00	8,45,25,065.00	2,02,59,354.02	3,01,52,072.00
Generator	35,43,765.00	-	-	-	35,43,765.00	14,98,695.00	15%	3,06,761.00	-	3,06,761.00	18,05,456.00	17,38,309.00	20,45,070.00
Sports Equipment	4,22,570.00	1,27,209.00	1,40,000.00	-	6,89,779.00	3,66,022.00	15%	27,564.00	10,500.00	38,064.00	4,04,086.00	2,85,693.00	56,548.00
Dispensary Equipment	16,926.00	-	-	-	16,926.00	11,874.00	15%	758.00	-	758.00	12,632.00	4,294.00	5,052.00
Electrical Fixtures	50,48,540.65	-	-	-	50,48,540.65	27,63,644.65	10%	2,28,490.00	-	2,28,490.00	29,92,134.65	20,56,406.00	22,84,896.00
TOTAL (A)	93,12,51,872.38	2,28,09,316.80	5,16,41,958.60	-	100,57,03,147.78	48,68,81,399.13		6,94,46,902.00	32,41,665.00	7,26,88,567.00	55,95,69,966.13	44,61,33,181.65	44,43,70,473.25

B. WORLD BANK TEQIP PROGRAMME

Bio Tech - Equipment	13,71,516.00	-	-	-	13,71,516.00	11,33,938.00	15%	35,636.50	-	35,636.50	11,69,574.50	2,01,941.50	2,37,578.00
CSE - Equipment	33,55,350.00	-	-	-	33,55,350.00	27,93,854.00	15%	84,224.05	-	84,224.05	28,78,078.05	4,77,271.95	5,61,496.00
CSE - Computers & Accessories	4,06,10,639.00	-	-	-	4,06,10,639.00	4,06,07,504.00	40%	1,254.40	-	1,254.40	4,06,08,758.40	1,880.60	3,135.00
CSE - Software	37,39,878.00	-	-	-	37,39,878.00	37,39,643.00	40%	62.40	-	62.40	37,39,705.40	172.60	235.00
ECE - Equipment	56,00,738.00	-	-	-	56,00,738.00	46,62,658.00	15%	1,40,712.25	-	1,40,712.25	48,03,370.25	7,97,367.75	9,38,080.00
ECE - Software	19,32,637.00	-	-	-	19,32,637.00	19,32,516.00	40%	48.40	-	48.40	19,32,564.40	72.60	121.00
ECM - Equipment	5,30,770.00	-	-	-	5,30,770.00	4,41,949.00	15%	13,323.25	-	13,323.25	4,55,272.25	75,497.75	88,821.00
EEE - Equipment	14,57,295.00	-	-	-	14,57,295.00	12,11,823.00	15%	36,821.15	-	36,821.15	12,48,644.15	2,08,650.85	2,45,472.00
EEE - Software	3,49,168.00	-	-	-	3,49,168.00	3,49,146.00	40%	8.60	-	8.60	3,49,154.60	13.40	22.00
MECH - Equipment	92,29,212.00	-	-	-	92,29,212.00	76,75,013.00	15%	2,33,129.50	-	2,33,129.50	79,08,142.50	13,21,069.50	15,54,199.00
Mech - Software	20,85,130.00	-	-	-	20,85,130.00	20,84,999.00	40%	52.00	-	52.00	20,85,051.00	79.00	131.00
SC & Humanities	3,64,256.00	-	-	-	3,64,256.00	3,03,301.00	15%	9,142.55	-	9,142.55	3,12,443.55	51,812.45	60,955.00
Library	46,85,522.00	-	-	-	46,85,522.00	38,58,744.00	15%	1,24,017.05	-	1,24,017.05	39,82,761.05	7,02,760.95	8,26,778.00
Office Equipment	46,68,821.00	-	-	-	46,68,821.00	38,71,092.00	15%	1,19,658.75	-	1,19,658.75	39,90,750.75	6,78,070.25	7,97,729.00
Equipment	13,53,703.00	-	-	-	13,53,703.00	11,23,079.00	15%	34,593.85	-	34,593.85	11,57,672.85	1,96,030.15	2,30,624.00
Furniture	95,07,302.00	-	-	-	95,07,302.00	64,20,126.00	10%	3,08,718.10	-	3,08,718.10	67,28,844.10	27,78,457.90	30,87,176.00
Civil Works	76,92,896.00	-	-	-	76,92,896.00	52,78,785.00	10%	2,41,443.20	-	2,41,443.20	55,20,228.20	21,72,667.80	24,14,111.00
TOTAL (B)	9,85,34,833.00	-	-	-	9,85,34,833.00	8,74,88,170.00		13,82,846.00	-	13,82,846.00	8,88,71,016.00	96,63,817.00	1,10,46,663.00

C. TECHNOLOGY DEVELOPMENT & TEST CENTRE

Computers & Accessories	2,900.00	-	-	-	2,900.00	2,900.00	40%	0.00	-	0.00	2,900.00	0.00	0.00
Furniture & Fixtures	5,441.75	-	-	-	5,441.75	4,354.75	10%	109.00	-	109.00	4,463.75	978.00	1,087.00
Hydraulic System	15,52,932.00	-	-	-	15,52,932.00	14,81,609.00	15%	10,698.00	-	10,698.00	14,92,307.00	60,625.00	71,323.00
Office Equipment	832.00	-	-	-	832.00	767.00	15%	10.00	-	10.00	777.00	55.00	65.00
Tools	16,792.00	-	-	-	16,792.00	15,650.00	15%	171.00	-	171.00	15,821.00	971.00	1,142.00
TOTAL (C)	15,78,897.75	-	-	-	15,78,897.75	15,05,280.75		10,988.00	-	10,988.00	15,16,268.75	62,629.00	73,617.00
GRAND TOTAL (A+B+C)	103,13,65,603.13	2,28,09,316.80	5,16,41,958.60	-	110,58,16,878.53	57,58,74,849.88		7,08,40,736.00	32,41,665.00	7,40,82,401.00	64,99,57,250.88	45,58,59,627.65	45,54,90,753.25
Previous Year	90,08,35,059.63	7,87,54,796.00	5,17,75,747.50	-	103,13,65,603.13	49,88,32,187.88		7,09,02,032.00	61,40,630.00	57,58,74,849.88	65,29,17,511.88	45,54,90,753.25	43,50,54,371.75



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	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - H</u>		
<u>RECEIVABLES</u>		
Tuition Fee Receivables	17,40,49,750.00	21,21,09,570.00
Total	17,40,49,750.00	21,21,09,570.00
<u>SCHEDULE - I</u>		
<u>CASH & BANK BALANCES</u>		
<u>Cash in Hand</u>		
Cash Balances	28,41,798.48	10,14,128.48
<u>Bank Balances</u>		
Bank Balances	5,23,53,885.54	3,51,17,221.21
Fixed Deposits	18,16,72,219.00	17,35,82,719.00
Total	23,68,67,903.02	20,97,14,068.69
<u>SCHEDULE - J</u>		
<u>LOANS & ADVANCES</u>		
Advances for Parties	57,82,788.90	1,12,465.00
Staff Loans	6,33,153.70	-
Other Advances	69,40,707.00	3,27,822.00
Capital Advances	3,07,70,996.00	0.00
Income Tax Receivables	1,55,07,659.80	1,43,83,887.50
Total	5,96,35,305.40	1,48,24,174.50
<u>SCHEDULE - K</u>		
<u>DEPOSITS</u>		
General Deposits	18,85,681.68	16,16,669.56
Rental Deposits	9,51,23,205.08	5,32,95,766.00
Total	9,70,08,886.76	5,49,12,435.56
<u>SCHEDULE - L</u>		
<u>FEE INCOME</u>		
Tuition Fee	78,74,02,700.00	77,77,87,800.00
Miscellaneous Fee	3,84,14,698.34	4,95,20,082.00
Transportation Fee	4,86,95,980.00	4,67,16,273.00
Examination Fee	3,19,91,492.00	3,11,46,817.00
Total	90,65,04,870.34	90,51,70,972.00



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	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - M</u>		
<u>OTHER INCOME</u>		
Seminar Receipts	4,49,350.00	12,41,478.00
Interest on Bank Deposits	93,53,384.12	1,28,70,170.65
Library Fees	55,98,935.00	61,15,886.00
Miscellaneous Receipts	3,31,538.00	48,70,074.00
Total	1,57,33,207.12	2,50,97,608.65
<u>SCHEDULE - N</u>		
<u>Grant Receipts</u>		
Revenue Grant Receipts	16,21,204.00	41,18,871.00
Total	16,21,204.00	41,18,871.00
<u>SCHEDULE - O</u>		
<u>EMPLOYEE PAYMENTS & BENEFITS</u>		
Staff Salaries	45,25,90,756.00	40,02,55,529.00
Gratuity	94,05,223.00	1,32,00,571.00
Staff Beneficial Expenses	1,06,31,262.07	1,23,59,046.60
Staff Training Expenses	27,60,949.00	29,32,804.00
Remuneration to staff/professionals	42,31,833.00	58,32,088.00
Total	47,96,20,023.07	43,45,80,038.60



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	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - P</u>		
<u>POWER & FUEL</u>		
Electricity charges	49,66,352.00	59,73,478.00
Total	49,66,352.00	59,73,478.00
<u>SCHEDULE - Q</u>		
<u>ADMINISTRATIVE EXPENSES</u>		
Travelling Expenses	1,21,71,775.00	65,42,088.00
Conveyance	45,43,120.95	31,76,114.50
Books & Periodicals	7,69,758.00	13,35,405.00
Bank Charges	13,05,466.20	13,12,244.35
Exam Branch Expenses	80,05,591.00	1,12,53,267.20
Membership Fee	10,21,290.00	7,90,014.00
Lab consumables	38,50,332.34	54,86,170.00
Professional charges	3,24,90,011.68	1,60,73,933.00
Long Term Lease Rent	7,79,21,521.00	8,65,50,054.00
Donations	14,15,000.00	13,10,000.00
Seminars and refresher courses	32,57,930.00	23,67,278.00
Student Welfare Exp.	76,12,295.00	1,15,32,343.00
R & D Project Expenses	26,65,899.00	16,20,169.00
Printing and Stationery	1,11,21,697.80	79,47,345.50
Software & Licencing Charges	1,55,54,365.00	50,59,240.00
Post & Courier	75,371.00	89,805.00
Rates Taxes & Fees	42,68,528.00	3,60,51,923.00
Insurance	51,38,551.01	43,88,496.00
JNTU Service Fees	6,59,600.00	1,33,48,900.00
Telephones	41,08,150.43	29,13,442.34
Water charges	7,68,818.00	6,50,313.00
TDS Interest	3,48,287.00	25,42,316.00
General Expenses	25,82,226.10	8,55,207.25
Sports	7,18,343.00	-
Meeting Expenses	17,71,073.00	17,97,582.00
Audit Fee	1,78,180.00	1,67,530.00
Total	20,43,23,180.51	22,51,61,180.14
<u>SCHEDULE - R</u>		
<u>REPAIRS AND MAINTENANCE</u>		
Repairs and Maintenance	1,85,92,366.42	1,91,22,388.85
Vehicle maintenance	2,64,23,267.97	2,23,66,857.00
Lease Rental Vehicle	8,61,513.00	20,90,065.00
Total	4,58,77,147.39	4,35,79,310.85



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	AS AT 31.03.2019	AS AT 31.03.2018
	Rs.	Rs.
<u>SCHEDULE - S</u>		
<u>INSTITUTIONAL PROMOTIONAL AND OTHER EXPENSES</u>		
Institutional Promotional Expenses	1,20,80,354.00	1,28,51,536.00
Total	1,20,80,354.00	1,28,51,536.00
<u>SCHEDULE - T</u>		
<u>INTEREST</u>		
Interest on Term Loan	32,68,258.00	50,82,379.00
Interest on Working Capital Loan	1,13,55,658.00	58,74,982.00
Interest on Vehicle Loans	37,51,042.50	62,01,178.99
Other Interest	77,79,000.00	1,54,56,613.00
Interest on World Bank Loan through TEQIP	83,10,980.00	83,10,980.00
Total	3,44,64,938.50	4,09,26,132.99
<u>SCHEDULE - U</u>		
<u>Extra Ordinary Item of Earlier Years</u>		
Extra Ordinary Item of Earlier Years	19,17,20,000.00	-
Total	19,17,20,000.00	-



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SCHEDULE -V
NOTES AND ACCOUNTING POLICIES

A. ACCOUNTING POLICIES:

1. **Method of Accounting**

The Society is following mercantile system of Accounting.

2. **Revenue Recognition:**

- a. The Fee income is recognized every year on the event of it has become due to the institution.
- b. Revenue Grants are recognized as Income during the Grant Period.
- c. As per the requirement of Project, any interest accrued on the deposits which are made from such grant is also treated as grant and it used for the said purposes. Hence not recognized as Income.
- d. Unutilised Grant is treated as Current Liability.
- e. The Infrastrucutre fee, Caution Deposit and ISTE Membership fee collected from students which are payable to JNTUH, Students and ISTE respectively are treated as Current Liability.

3. **Fixed Assets:**

- a. Fixed Assets are accounted for at the cost of acquisition, installation and other incidental expenses.
- b. Fixed Assets acquired through Government Grants are shown at their Cost of acquisition in the Balance Sheet. No depreciation has been provided on the assets purchased through Government Grant as these are the property of the Government and it has been held by the Society on its behalf which as per the terms of the Grant to be returned to Government after the completion of the projects for which the Capital Grant is sanctioned.
- c. Capital Grants received are adjusted from the cost of Fixed Assets

4. **Depreciation on Fixed Assets:**

- a. Depreciation on Fixed Assets is provided on WDV Method at the rate and in the manner prescribed under IT Act, 1961.
- b. No depreciation has been provided on the Fixed Assets purchased through Government/Institutional agencies Grant, as these are properties of respective funding agencies.
- c. Library Books are treated as Plant and depreciation is provided @15% applicable to Plant & Machinery under the Income Tax Act, 1961.

5. **Valuation of Inventories:**

Inventories held are in the nature of Lab Consumables, Stationery & Publications and Other items, which are valued at cost.

6. **Employee Benefits:**

Gratuity: The Gratuity Liability under Payment of Gratuity Act, 1972, has been assessed as per Acturial Method as at the end of the year and the necessary provision for the same is made in the books of accounts by charging the accrued current year additional liability through Income and Expenditure Account.



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7. **Prior Period Items:**

Income or Expenditure below Rs.1,00,000 pertaining to Previous Years are not treated as Prior Period Income or Expenditure in view of materiality concept.

B. NOTES ON ACCOUNTS:

1. The Society is running the college in the name of "SREENIDHI INSTITUTE OF SCIENCE & TECHNOLOGY" (SNIST), situated at Yamnampet Village, Ghatkesar Mandal, R.R.District, Andhra Pradesh.
2. The College-SNIST is affiliated to Jawaharlal Nehru Technological University, Hyderabad (JNTUH).
3. The various Under Graduate and Post Graduate courses run by the college have approval of All India Council for Technical Education (AICTE), New Delhi vide its latest approval letter No F.No. South-Central/1-3516023497/2018/EOA Dated 16.04.2018.
4. The College has been accorded the Autonomous Status by UGC vide their letter F-22-1/2010(AC) dated 25.05.2010 for a period of six years from the academic year 2010-11 to 2015-16. This is further extended up to academic year 2021-22 vide JNTU letter no. D1/960/2017 dated 26-05-2017.
5. The Term Loan and Secured Overdraft facility from Andhra Bank is secured by the mortgage of the Collateral Security belonging to the Society's members and their associate companies.
6. The Vehicle Loans obtained from various Banks and NBFCs are secured by Hypothecation of the Vehicles.
7. Confirmation of Balance is not received from parties therefore the balances are as per the books of accounts.
8. Vide MOU dated 24.02.2005 between Govt. of Andhra Pradesh and Sreenidhi Institute of Science & Technology, Yamnampet, Ghatkesar Mandal, R.R.Dist. (A.P.), State Govt. of Andhra Pradesh has agreed to implement all academic and non-academic reforms as committed under the Technical Education Quality Improvement Programme (TEQIP) in pursuance of the National Policy Education 1986 as revised in 1992 and cause the college Sreenidhi Institute of Science & Technology to be part of such programme. The Government of India has secured an IDA Credit (World Bank) for the purpose of financing the expenditure under the TEQIP. Under the scheme the State Government of Andhra Pradesh through its State Facilitatitin Unit (SFU) has disbursed the complete eligible amount under the scheme for Rs.10,93,55,000/- to SNIST up to 31.03.2010.
9. 76% of the disbursed amount i.e Rs.8,31,09,800 is the loan component which has to be repaid to Government of Telangana (Earlier Govt. of Andhra Pradesh) over a period of 25 years along with the applicable interest. The remaining amount of Rs.2,62,45,200/- is the grant to SNIST under the scheme.



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10. The Government of Telangana has not yet notified the rate of interest applicable to the loan component. Therefore the Society has made a provision of interest worked out @10% simple interest on the loan component each year.
11. The Loan from World Bank under TEQIP-Phase I, is secured by the mortgage of title deeds of the Leasehold Land of the Society.
12. The Hon'ble High Court of Judicature at Hyderabad for the State of Telangana and the State of Andhra Pradesh vide its order dated 24.08.2018 under W.A. No. 801, has fixed the tuition fee of B. Tech Courses at Rs.1,37,000/- per annum per student and permitted the institution to collect the said fee from the students. Thus the tuition fee income has been accounted at Rs. 1,37,000/- during the financial year 2016-17 and 2017-18.
13. The State Govt. of Telangana has preferred an SLP before the Hon'ble Supreme Court of India against the above W.A. No. 801 of 2017. The Hon'ble Supreme Court of India vide its order dated 01.07.2019 in SLP (Civil) No. 5134 of 2019 has set aside the orders of the High Court and the recommendations of the Telangana Admission and Fee Regulatory Committee (TAFRC) dated 04.02.2017 for the block period 2016-17 to 2018-19 is restored. The Govt. of Telangana vide its G. O. Ms No. 3 Higher Education dated 04.02.2017 has notified a tuition fee of Rs. 97,000/- per annum per student.
14. Thus based on the above judgement of the Apex Court, the tuition fee income per annum per student for the financial year 2016-17 and 2017-18 is to be now recognized at Rs. 97,000/- instead of Rs. 1,37,000/-. Accordingly the differential amount of Rs. 40,000/- (Rs. 1,37,000/- minus Rs. 97,000/-) per student which has been considered during the current financial year as excess income accounted in earlier years has been reversed during the current financial year. This excess income of earlier years amounting to Rs. 19,17,20,000/- reversed during the current financial year is shown in the Income & Expenditure Account as "Extra Ordinary Items Relating to Earlier Years".

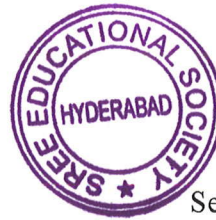
for RAMANATHAM & RAO
Chartered Accountants
(Firm No.S-2934)



(C. Kameshwara Rao)
Partner
Membership No. 024363

Place: Hyderabad
Date: 6th November, 2019

For, SREE EDUCATIONAL SOCIETY



(Dr. K.T. Mahi)
Secretary & Correspondant

