

**SORAB S. ENGINEER & CO. (Regd.)**  
**CHARTERED ACCOUNTANTS**

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OPP. OLD RESERVE BANK OF INDIA,  
ASHRAM ROAD,  
AHMEDABAD-380 009

**INDEPENDENT AUDITORS' REPORT**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **CEPT UNIVERSITY ("the University")** which comprise the Balance Sheet as at March 31, 2016, and the Income and Expenditure Account for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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 University in accordance with the accounting principles generally accepted in India, including the applicable Accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the University and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial 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 give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether The University has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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**SORAB S. ENGINEER & CO. (Regd.)**

**Opinion**

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 of the state of affairs of the University as at 31<sup>st</sup> March, 2016 and its deficit for the year ended on that date.

For **Sorab S. Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

*ml*  
*Chokshi Shreyas B.*  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892  
Ahmedabad  
July 22, 2016



*NB*

**CEPT UNIVERSITY , AHMEDABAD  
INCOME AND EXPENDITURE ACCOUNT**

	Sch. No	For the year ended on	
		March 31, 2016	March 31, 2015
<b>INCOME</b>			
Fees (Net of Fee Waiver)	10	259,549,134	206,704,202
Educational Grants	11		
From Government of Gujarat		40,665,022	40,433,000
Donations	12	160,000	5,376,850
Project/Programme Contribution	13	25,247,513	37,133,528
Interest Income (Net)	14	12,588,763	7,400,315
Other Income	15	8,337,006	8,667,694
Transfer from Earmarked/Endowment Fund	16	27,384,466	28,685,418
<b>Total A</b>		<b>373,931,904</b>	<b>334,401,007</b>
<b>EXPENDITURE</b>			
Employee Emoluments	17	238,630,345	237,431,965
Educational Expenses	18	52,519,341	32,222,881
Administrative Expenses	19	63,873,880	87,787,184
Depreciation	3	27,157,389	27,515,305
Transfer to Earmarked/Endowment Fund		232,268	237,285
<b>Total B</b>		<b>382,413,223</b>	<b>385,194,620</b>
<b>Surplus / (Deficit) for the year (A-B)</b>		<b>(8,481,319)</b>	<b>(50,793,613)</b>
<b>Significant Accounting Policies</b>	20		
<b>Notes forming part of Accounts</b>	21		

As per our report of even date  
**For Sorab S. Engineer & Co.**  
 Firm Registration No. 110417W  
 Chartered Accountants



*Chokshi Shreyas B.*

**CA. Chokshi Shreyas B.**  
 Partner  
 Membership No. 100892  
 Date :- 22/07/2016  
 Place :- Ahmedabad

*Ashok Gandhi*  
**Ashok Gandhi**  
 Member  
 Governing Body

*Bimal Patel*  
**Bimal Patel**  
 President

CEPT UNIVERSITY, AHMEDABAD

Amount Rs.

Schedule 10

FEEs INCOME

Particulars	31-03-2016	31-03-2015
Programme Fees	235,568,523	206,174,883
Other Fees	23,980,611	529,319
<b>Total</b>	<b>259,549,134</b>	<b>206,704,202</b>

Schedule 11

EDUCATIONAL GRANTS

Particulars	31-03-2016	31-03-2015
From Govt. of Gujarat	40,665,022	40,433,000
<b>Total</b>	<b>40,665,022</b>	<b>40,433,000</b>

Schedule 12

DONATION

Particulars	31-03-2016	31-03-2015
Donation	160,000	5,376,850
<b>Total</b>	<b>160,000</b>	<b>5,376,850</b>

Schedule 13

PROJECT/PROGRAMME CONTRIBUTION

Particulars	31-03-2016	31-03-2015
Contribution from Projects/Programmes	25,247,513	37,133,528
<b>Total</b>	<b>25,247,513</b>	<b>37,133,528</b>

Schedule 14

INTEREST

Particulars	31-03-2016	31-03-2015
Interest on Fixed Deposits	46,917,212	37,851,630
Interest on Savings Bank Account	1,866,658	1,854,847
Interest on Bond	761,778	832,778
Interest on TDS Refund	1,179,228	-
Interest on Torrent Power Deposit	10,865	-
<b>Gross Interest</b>	<b>50,735,741</b>	<b>40,539,255</b>
Less:- Interest allocated to Projects	30,564,779	25,704,113
Less:- Interest allocated Earmarked Fund	7,582,199	7,434,827
<b>NET INTEREST</b>	<b>12,588,763</b>	<b>7,400,315</b>

Schedule 15

OTHER INCOME

Particulars	31-03-2016	31-03-2015
Campus Facility Income	736,828	755,303
Credit Balances Appropriated	10,341	30,415
Fine/Library Fine	169,010	289,219
Library Service Charges	170,050	127,847
Miscellaneous Income	2,678,953	879,047
Sale of Publication Book (Net)	66,770	112,865
Sale of Admission Forms	4,014,621	6,098,390
Sale of Scrap	475,433	-
Seminar Workshop Fees	15,000	374,608
Tender Fees	-	-
<b>Total</b>	<b>8,337,006</b>	<b>8,667,694</b>

Schedule 16

TRANSFERRED FROM EARMARKED/ENDOWMENT FUND

Particulars	31-03-2016	31-03-2015
To the Extent of Depreciation	15,304,516	17,173,123
To the Extent of Recurring Expenditure	12,079,950	11,512,295
<b>Total</b>	<b>27,384,466</b>	<b>28,685,418</b>



CEPT UNIVERSITY, AHMEDABAD  
Schedule 17  
EMPLOYEES EMOLUMENTS

Particulars	Amount Rs.	
	31-03-2016	31-03-2015
<b>Teaching Staff</b>		
Basic Salary	50,128,100	46,749,744
Compensatory Allowance	63,360	65,113
Dearness Allowances	38,484,845	38,044,670
Fees to Visiting Faculty	33,256,335	28,322,914
Grade Pay	5,653,361	6,231,219
Gratuity	6,672,489	20,735,295
House Rent Allowance	7,084,106	6,988,216
Leave Encashment to Staff	8,388,660	16,338,107
Medical Allowance	321,381	56,473
PF Contribution	8,069,992	7,213,669
Remuneration to Academic Associate	6,580,272	3,974,819
Remuneration Coordinator	715,000	1,427,586
Remuneration to Teaching Asst.	5,076,501	3,214,977
Special Allow to Admn. Staff	1,028,440	1,674,270
Transport Allowance	2,137,065	1,698,614
6th Pay Commission Arrears	4,867,135	2,988,591
<b>Total (A)</b>	<b>178,527,042</b>	<b>185,724,277</b>
<b>Non Teaching Staff</b>		
Adhoc Payment	522,448	358,998
Basic Salary	29,637,464	17,686,479
Cash Allowance	900	1,200
Compensatory Allowance	22,080	25,920
Dearness Allowances	3,712,245	3,356,266
Grade Pay	482,000	512,800
Gratuity Expense to Staff	2,854,741	11,310,844
House Rent Allowance	3,411,076	730,461
Leave Encashment to Staff	4,659,726	8,845,321
Leave Travel Concession	20,000	52,430
Medical Allowance	735,086	51,173
PF Contribution	2,472,249	2,268,324
Reimbursement of Medical Expense	-	14,131
Remuneration to President	3,500,000	3,103,000
Special Allow to Admn. Staff	6,765,508	2,926,544
Transport Allowance	988,701	107,439
Washing Allowance	105,307	79,677
6th Pay Commission Arrears	213,772	276,681
<b>Total (B)</b>	<b>60,103,303</b>	<b>51,707,688</b>
<b>Total Employees Emoluments</b>	<b>238,630,345</b>	<b>237,431,965</b>



**CEPT UNIVERSITY, AHMEDABAD**  
**Schedule 18**  
**EDUCATIONAL EXPENDITURE**

Particulars	Amount Rs.	
	31-03-2016	31-03-2015
Advertisement Expenses(Admission)	5,047,048	2,987,611
Awariness Programme Exps	75,000	-
Affiliation Exp	-	300,000
Board of Studies Expense	49,626	108,149
Catalogue Exp.	337,418	190,935
Documentation Expense	908,131	72,353
Elective Course Expense	55,000	-
Examination Expense	5,060,620	4,149,729
Faculty Development Expense	146,563	242,024
International Outreach Mission Exps	1,499,940	-
Library Expenses	3,943,122	2,511,664
Membership/Accreditation Expense	111,735	133,462
Photographic Expenses	163,000	119,153
Publication Deptt	16,000	39,900
Registration Expense	-	11,436
Related Study/Site Expense	436,134	1,077,120
Scholarship to Students	6,527,965	2,826,978
Seminar & Conference	3,034,749	1,653,726
Software Expense	5,362,433	3,001,288
Stipend to Students	1,635,439	485,452
Student Activity Expenses	4,154,148	3,782,162
Student Assistantship	1,999,880	943,694
Teaching Material	272,407	241,464
Travelling Expense to Visiting Faculty	2,797,550	2,220,057
Valedictory Function Expense	2,297,560	1,514,517
Website Expenses	1,752,511	711,737
Workshop/Lab Expense	4,835,362	2,898,270
<b>Total Education Expenses</b>	<b>52,519,341</b>	<b>32,222,881</b>



CEPT UNIVERSITY, AHMEDABAD  
Schedule 19  
ADMINISTRATIVE EXPENSES

Particulars	31-03-2016	31-03-2015
Audit Fees	563,500	571,876
Campus Cleaning	2,896,391	2,189,103
Electricity Charges	8,010,915	6,239,307
Expense in Respect of Properties	17,364,811	21,113,494
Foundation Day	154,462	50,766
Insurance Expense	24,635	23,208
Interest Expenses	1,794,880	128,229
Internal Audit Fees	243,229	218,152
LOGO Registration Expense	147,625	562,872
PF Admin Charges	894,066	937,704
Postage & Telephone Expense	742,858	687,401
Professional Fees	2,458,128	2,743,117
Recruitment Expense	446,763	198,910
Repairs & Maintenance	8,753,629	13,876,982
Security Charge	2,644,633	2,505,025
Stationery & Printing	2,311,381	1,484,176
Student Insurance	398,834	394,469
Travelling & Conveyance	5,223,293	4,502,702
Miscellaneous Expenses	4,065,211	2,778,944
<b>Total (a)</b>	<b>59,139,245</b>	<b>61,206,437</b>
Provision for Projects/ Project Debtors	4,734,635	26,580,747
<b>Total (b)</b>	<b>4,734,635</b>	<b>26,580,747</b>
<b>Total Administrative Expenses (a+b)</b>	<b>63,873,880</b>	<b>87,787,184</b>



CEPT UNIVERSITY, AHMEDABAD  
BALANCE SHEET

	Sch. No.	As at March 31, 2016	As at March 31, 2015
<b>FUNDS AND LIABILITIES</b>			
<b>Corpus Fund</b>			
Balance as per last financial statements		10,000,000	10,000,000
<b>Earmarked / Endowment Funds</b>	1	138,227,390	142,752,659
<b>Reserve and Surplus</b>	2	(8,748,748)	(267,429)
<b>Depreciation Fund</b>	3	145,866,433	118,829,259
<b>Total</b>		<b>285,345,075</b>	<b>271,314,489</b>
<b>ASSETS</b>			
<b>Fixed Assets (Gross)</b>	3		
Tangible & Intangible Assets		199,989,814	176,432,162
Library Books		10,506,892	8,824,998
Intangible Asset under Development		1,810,157	1,478,695
Capital Work-in-Progress		-	1,108,868
<b>Investments</b>	4	10,000,000	10,000,000
<b>Current Assets, Loans &amp; Advances</b>			
Stock	5	3,907,731	-
Income Outstanding	6	66,996,113	47,799,214
Loans & Advances	7	152,363,625	170,943,341
Cash & Bank Balances	8	377,908,302	357,482,062
Project Balances in Deposits With Bank		128,469,046	146,948,046
Other Cash & Bank Balances			
		<b>729,644,817</b>	<b>723,172,663</b>
Less : Current Liabilities & Provisions	9	666,606,605	649,702,897
<b>Net Current Assets</b>		<b>63,038,212</b>	<b>73,469,766</b>
<b>Total</b>		<b>285,345,075</b>	<b>271,314,489</b>
<b>Significant Accounting Policies</b>	19		
<b>Notes forming part of Accounts</b>	20		

As per our report of even date  
For Sorab S. Engineer & Co.  
Firm Registration No. 110417W  
Chartered Accountants



*Sorab S. Engineer*  
CA. Chokshi Shreyas B.  
Partner  
Membership No. 100892  
July 22, 2016  
Ahmedabad

*Ashok Gandhi*  
Ashok Gandhi  
Member  
Governing Body

*Bimal Patel*  
Bimal Patel  
President



CEPT UNIVERSITY, AHMEDABAD

Schedule 1... Earmarked / Endowment Funds

Particulars	Balance as at 01/04/15	Credited During the Year					Debited During the Year				Balance as at 31/3/16		
		Grant/Donation received	Interest received	Transferred from Income & Expenditure A/c	Fees & other income	Fund Created for Capital Expenditure	Revenue Expenditure	Capital Expenditure	Trans.to I&E A/c to the extent of Recurring Expenditure	Trans.to I&E A/c to the extent of Depreciation		Trans.to I&E A/c	Grant Surrender
Grant Fund	72,521,789	4,972,000	6,808,251	232,268	-	-	-	-	-	-	-	-	72,454,358
Fund for Capital Expenditure	42,516,942	1	-	-	-	7,733,452	-	-	-	480,859	-	-	34,465,020
Fund for Earmarked Donations	8,630,661	2,455,000	746,327	-	-	-	-	-	-	-	-	-	11,811,988
Awards Fund	344,104	-	-	-	-	-	-	-	-	-	-	-	344,104
Students Activity Fund	6,428,741	-	-	-	-	-	-	-	-	-	-	-	6,428,741
Other Earmarked Funds	10,374,424	4,231,833	27,621	-	-	-	-	-	-	-	-	-	10,994,099
<b>Total</b>	<b>140,816,661</b>	<b>11,658,834</b>	<b>7,582,199</b>	<b>232,268</b>	<b>7,733,452</b>	<b>2,665,897</b>	<b>-</b>	<b>-</b>	<b>12,079,950</b>	<b>15,304,516</b>	<b>480,859</b>	<b>993,882</b>	<b>136,498,310</b>
<b>Previous Year</b>	<b>145,561,798</b>	<b>18,477,009</b>	<b>7,434,827</b>	<b>237,285</b>	<b>15,326,955</b>	<b>16,377,295</b>	<b>-</b>	<b>-</b>	<b>11,512,295</b>	<b>17,173,123</b>	<b>-</b>	<b>1,731,928</b>	<b>140,816,661</b>

Amount in Rs.

Particulars	2016	2015
Earmarked Fund Credit Balance	136,227,390	142,752,659
Earmarked Fund Debit Balance ( Schedule 6)	1,729,080	1,935,998
	<b>136,498,310</b>	<b>140,816,661</b>



**CEPT UNIVERSITY, AHMEDABAD**

<b>Schedule 2. Reserve and Surplus</b>	<b>Amount Rs.</b>
<b>PARTICULARS</b>	<b>As at 31-03-2016</b>
<b>Income and Expenditure Account</b>	<b>As at 31-03-2015</b>
Balance as per last financial statement	50,525,404
Add: Surplus/(Deficit) for the year	(50,792,833)
<b>Balance as at 31-03-2016</b>	<b>(8,748,748)</b>
	<b>(267,429)</b>
	<b>(50,792,833)</b>
	<b>(267,429)</b>



CEPT UNIVERSITY, AHMEDABAD		Schedule 3. Fixed Assets & Depreciation Fund										Amount Rs.	
Particulars	Gross Block					Depreciation Fund					Net Block		
	As at 01/04/2015	Addition during the year	Sale/ Transfer during the year	As at 31/03/2016	As at 01/04/2015	For the year	Deduction during the year	As at 31/03/2016	As at 31/03/2016	As at 31/03/2016	As at 31/03/2015		
<b>Tangible &amp; Intangible Assets</b>													
Scientific Lab Equipments	46,822,037	6,922,293	-	53,744,330	29,053,505	9,802,202	-	38,855,707	14,888,623	17,768,532			
Furniture & Fixtures	38,144,479	2,181,778	-	40,326,257	24,880,877	3,861,354	-	28,742,231	11,584,026	13,263,602			
Office Equipments	22,255,750	2,369,839	601,074	24,024,515	11,847,434	2,669,457	120,215	14,396,676	9,627,839	10,408,316			
Softwares	9,093,583	74,486	-	9,168,069	6,475,108	1,077,184	-	7,552,292	1,615,777	2,618,475			
Audio- Visual Equipments	4,318,351	994,305	-	5,312,656	1,953,288	671,873	-	2,625,161	2,687,495	2,365,063			
Air Conditioners	7,840,767	4,195,265	-	12,036,032	3,329,326	1,741,340	-	5,070,666	6,965,366	4,511,441			
Computer	22,397,382	6,474,319	-	28,871,701	18,024,595	4,338,842	-	22,363,437	6,508,264	4,372,787			
Vehicle/Bicycle	50,540	-	-	50,540	50,540	-	-	50,540	-	-			
Assets with full Depreciation	354,148	867,691	-	1,221,839	354,148	867,691	-	1,221,839	59,062	-			
Electrical Furniture & Fixture	-	78,750	-	78,750	-	19,688	-	19,688	-	-			
<b>TOTAL 1</b>	<b>151,277,037</b>	<b>24,158,726</b>	<b>601,074</b>	<b>174,834,689</b>	<b>95,968,821</b>	<b>25,049,631</b>	<b>120,215</b>	<b>120,898,237</b>	<b>53,936,452</b>	<b>55,308,216</b>			
<b>Purchased out of Government Grants</b>													
Furniture and Fixtures	2,347,104	-	-	2,347,104	1,902,661	111,111	-	2,013,772	333,332	444,443			
Office Equipments	2,968,864	-	-	2,968,864	2,522,454	89,919	-	2,612,373	356,491	446,410			
FP - IAPP Building	9,346,413	-	-	9,346,413	467,321	467,321	-	9,346,442	8,411,771	8,879,092			
Computer/Softwares	10,492,744	-	-	10,492,744	9,779,384	280,266	-	10,059,650	433,094	713,360			
<b>TOTAL 2</b>	<b>25,155,125</b>	<b>-</b>	<b>-</b>	<b>25,155,125</b>	<b>14,671,820</b>	<b>948,617</b>	<b>-</b>	<b>15,620,437</b>	<b>9,534,688</b>	<b>10,483,305</b>			
<b>TOTAL A (1+2)</b>	<b>176,432,162</b>	<b>24,158,726</b>	<b>601,074</b>	<b>199,989,814</b>	<b>110,640,641</b>	<b>25,998,248</b>	<b>120,215</b>	<b>136,518,674</b>	<b>63,471,140</b>	<b>65,791,521</b>			
<b>Library Books</b>													
Library Books	3,712,899	1,681,894	-	5,394,793	3,096,277	1,149,262	-	4,245,539	1,149,254	616,622			
Library Books (Out of Grant)	5,112,099	-	-	5,112,099	5,092,341	9,879	-	5,102,220	9,879	19,758			
<b>TOTAL B</b>	<b>8,824,998</b>	<b>1,681,894</b>	<b>-</b>	<b>10,506,892</b>	<b>8,188,618</b>	<b>1,159,141</b>	<b>-</b>	<b>9,347,759</b>	<b>1,159,133</b>	<b>636,380</b>			
<b>GROSS TOTAL (A+B)</b>	<b>185,257,160</b>	<b>25,840,620</b>	<b>601,074</b>	<b>210,496,706</b>	<b>118,829,259</b>	<b>27,157,389</b>	<b>120,215</b>	<b>145,866,433</b>	<b>64,630,273</b>	<b>66,427,901</b>			
Previous Year	148,111,413	37,145,747	-	185,257,160	93,313,954	27,515,305	-	118,829,259	66,427,901	32,220,611			



**CEPT UNIVERSITY, AHMEDABAD**

<b>Schedule 4. Investments</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
8% RBI Bonds	10,000,000	10,000,000
<b>Total</b>	<b>10,000,000</b>	<b>10,000,000</b>
<b>Schedule 5. Stock</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Stock of Publications	3,907,731	-
<b>Total</b>	<b>3,907,731</b>	<b>-</b>
<b>Schedule 6. Income Outstanding</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
(Considered Good unless otherwise stated)		
DTE Grant Receivable	30,716,088	18,786,067
AICTE Grant Receivable	305,352	305,352
AICTE Grant Receivable (Considered Doubtful)	86,716,924	86,716,924
Less:- Provision for Doubtful Grant Receivable	(86,716,924)	(86,716,924)
<b>Net Receivable</b>	<b>-</b>	<b>-</b>
Other Grant Receivable	1,729,080	2,654,453
Interest Accrued on Fixed Deposits	21,396,956	13,594,269
Project Contribution Receivable	12,034,137	12,202,823
Fees Receivable	814,500	256,250
<b>Total</b>	<b>66,996,113</b>	<b>47,799,214</b>
<b>Schedule 7. Loans &amp; Advances</b>	<b>31-03-2016</b>	<b>31-03-2015</b>
Advances/Loans to Staff	1,362,058	889,337
Advances to Others	12,292,591	8,153,214
Prepaid Expenses	3,847,243	5,752,933
Projects Debit Balances (Considered Good)	45,673,484	46,370,250
Projects Debit Balances (Considered Doubtful)	3,604,810	141,424
Less:-Provision for Doubtful Project Debit Balances	(3,604,810)	(141,424)
Projects Debtors (Considered Good)	36,046,397	65,075,388
Projects Debtors (Considered Doubtful)	27,710,572	26,439,323
Less:-Provision for Doubtful Project Debtor Balances	(27,710,572)	(26,439,323)
Service Tax Receivable	811,196	39,397
CRDF	10,804,834	-
Security Deposits	423,900	423,900
Tax Deducted at Source	41,101,922	44,165,463
Credit Card Advance	-	73,459
<b>Total</b>	<b>152,363,625</b>	<b>170,943,341</b>


  
 CEPT UNIVERSITY, AHMEDABAD

**CEPT UNIVERSITY, AHMEDABAD**  
**Schedule 8. Cash & Bank Balances**

	<b>Amount Rs.</b>	
	<b>31-03-2016</b>	<b>31-03-2015</b>
<b>Project Balances - with Bank</b>	377,908,302	357,482,062
<b>Other Cash &amp; Bank Balances</b>		
Cash on Hand	9,891	4,842
Bank Balances		
In Current Account	11,642,696	24,103,183
In Savings Account	23,579,271	77,301,351
In Term Deposit	93,237,188	45,538,670
<b>Total</b>	<b>506,377,348</b>	<b>504,430,108</b>

**Schedule 9. Current Liabilities & Provisions**

	<b>31-03-2016</b>	<b>31-03-2015</b>
<b>Deposits:</b>		
Student Deposit	43,948,015	39,229,515
Library Deposit	689,950	632,950
<b>Statutory Liabilities:</b>		
Tax Deducted at Source	4,882,580	3,863,361
Provident Fund	2,106,040	1,874,668
Service Tax	-	990
Professional Tax	35,180	31,040
<b>Amount received in Advance</b>		
Grants	6,320	6,320
Fees Received in Advance	11,874,426	13,560,796
<b>Provisions</b>		
Gratuity Payable	35,274,000	29,458,820
Leave Encashment Payable	33,081,753	22,097,518
Salary Payable	14,356,630	2,000,000
<b>Secured Loans</b>		
Bank Overdraft Secured against Bank Fixed Deposits	16,911,404	223
<b>Other Payables</b>		
Other Liabilities	4,729,165	8,867,664
CRDF	-	1,249,247
CEPT Trust	23,372,808	27,835,116
<b>Creditors for Goods and Services</b>	34,625,853	37,208,970
<b>Project Unutilised Balances</b>	440,712,481	461,785,699
<b>Total</b>	<b>666,606,605</b>	<b>649,702,897</b>



**SCHEDULE 20: SIGNIFICANT ACCOUNTING POLICIES**

**1. ACCOUNTING CONVENTION**

The financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention, and on the accrual method of accounting.

**2. USE OF ESTIMATES**

The preparation of Financial Statements in conformity with Indian GAAP requires the management to make estimates and assumptions in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and the reported income and expenses during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known or materialize.

**3. FIXED ASSETS**

**Tangible Assets**

Tangible Fixed Assets are stated at cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties and taxes and incidental and direct expenses related to acquisition, installation and commissioning.

Fixed Assets received by way of Donation are capitalized at token value, by corresponding credit to Capital Fund.

Capital Work in Progress includes cost of fixed assets that are not ready for intended use as at Balance Sheet date and is disclosed under Fixed Assets.

**Intangible Assets**

Intangible assets are stated at their cost of acquisition, less accumulated amortization and impairment losses. An intangible asset is recognized, where it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its value/cost can be reliably measured.

The University capitalizes software and related implementation costs where it is reasonably estimated that the software has an enduring useful life.



**CEPT UNIVERSITY**

**SCHEDULE 20: SIGNIFICANT ACCOUNTING POLICIES**

**4. DEPRECIATION**

Depreciation on Tangible and Intangible Assets has been provided on Written Down Value Method at the rates specified in Guidance Note on Accounting by School issued by the Institute of Chartered Accountants of India.

Depreciation is provided for the whole year on additions during the year.

Assets, the individual value of each of which is Rs. 5,000/- or less (except Library Books) are treated as Small Value Assets, 100% depreciation is provided in respect of such assets at the time of their acquisition.

**5. INVESTMENTS**

Investments classified as "Long term investments" are carried at cost. Provision for Decline, other than temporary, is made in carrying cost of such investments.

Cost includes acquisition expense like brokerage, transfer stamps.

**6. REVENUE RECOGNITION**

Fees from Students are recognized on accrual basis.

Interest on Fixed Deposit is recognized on accrual basis.

Interest on Investment out of Corpus Fund has been recognized on accrual basis and credited to Income and Expenditure Account.

Interest on Investments out of Earmarked, Endowment and other Funds has been recognized on accrual basis and allocated to respective Fund Account.

**7. GOVERNMENT GRANTS**

Government grants are accounted on realization basis. However, where a sanction for release of grant pertaining to the financial year is received before 31<sup>st</sup> March and the grant is actually received in the next financial year, the grant is accounted on accrual basis and an equal amount is shown as recoverable from the Grantor.

Grant/Donation for Non-recurring Capital Expenditure are treated as Capital Grant and shown under the head Earmark Fund.



Capital Grants / Funds related to Fixed Assets are treated as Deferred Income and recognized in the Income and Expenditure Account on a systematic and rational basis over the useful life of the assets, i.e. Capital grants / Funds are allocated to Income over the periods and in the proportion in which depreciation is charged.

#### **8. RETIREMENT BENEFITS**

Accumulated Leave encashment benefit, Gratuity payable on death/retirement and pension are accounted on accrual basis as per the Actuarial Valuation report.

#### **9. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the accounts by way of a note. Contingent assets are neither recognized nor disclosed in the financial statements.

### **SCHEDULE 21: NOTES FORMING PART OF ACCOUNTS**

#### **1. CONTINGENT LIABILITIES**

- (a) Disputed Demands - Rs. Nil (Previous year Rs. Nil)
- (b) Claims against the University not acknowledged as debts - Rs. Nil (Previous year Rs. Nil)

#### **2. UNEXECUTED CAPITAL CONTRACT**

Gross Capital Contract Rs. 40,53,957 (Previous year Rs. 7,39,851) of which Unexecuted Capital Contract (Net of Advances of Rs. 6,77,017/-, previous year Rs. Nil) is Rs. 33,76,950 (Previous year Rs. 7,39,851).

#### **3. CURRENT ASSETS, LOANS AND ADVANCES**

In the opinion of the Management, the current assets, loans, advances and deposits have a value on realization in the ordinary course, equal at least to the aggregate amount shown in the Balance Sheet.

#### **4. TAXATION**

The Institute is exemption from Income Tax u/s. 10 (23C) (iiab) of the Income Tax Act, 1961. In view of this, no provision for Income tax has been considered necessary.





5. EXPENDITURE IN FOREIGN CURRENCY

(Amount in Rs.)

Particulars	2015-2016	2014-2015
a) Honorarium	12,93,503	5,25,675
b) Membership Fees	50,475	-
c) Books	66,595	35,015
d) Purchase of Materials	1,95,052	-
d) Registration Fees	19,15,600	12,75,465
e) Travelling	11,09,293	3,75,485
f) Scholarship	33,430	-
g) Subscription Charges	17,60,291	8,95,375
h) Software License	3,06,706	1,25,045

6. EARNING IN FOREIGN CURRENCY

Amount in Rs.

2015-16	2014-15
Nil	Nil

7. Corresponding figures for the previous year have been regrouped/ rearranged, wherever necessary to make them comparable with those of current year.


Signature to Schedules 1 to 21

  
**Ashok Gandhi**  
Member Governing Body

  
**Bimal Patel**  
President

As per our Report of even date

For **Sorab S. Engineer & Co.**  
Firm Registration No. 110417W  
Chartered Accountants

  
**CA. Chokshi Shreyas B.**  
Partner  
Membership No. 100892  
Ahmedabad  
July 22, 2016



