



Yadu & Co.,
Chartered Accountants
No. 25, Muddappa Road,
Maruthi Seva Nagar
Bangalore – 560 033

AUDIT REPORT

2019-20

1. We have examined the Balance Sheet of the **Presidency University, Bangalore** as on 31-03-2020 and the annexed Income and Expenditure Account for the year ended that date. These financial statements are the responsibility of the management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted the audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. Our audit included, examining on a test basis, evidence supporting amounts and disclosures in the financial statements. Our audit also included assessing the accounting principles used and significant estimates made by the management, as well as evaluating the over all financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We further 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 as required by law have been kept by the University , so far as appears from the examination of those books.
 - c. The Balance Sheet and Income & Expenditure account dealt with by this report are in agreement with the books of account.
 - d. In our opinion and to the best of our information and according to the explanations given to us during our audit, the said accounts give a true and fair view of the state of affairs of the University as on 31.3.2020.

Dated: 28th December 2020

CHARTERED ACCOUNTANTS



**PRESIDENCY UNIVERSITY, BANGALORE
BALANCE SHEET AS AT 31-MARCH 2020**

(AMOUNT IN RS)

| SOURCE OF FUNDS | Sch | 2020 |
|--|------------|--------------------|
| CORPUS/CAPITAL FUND | 2 | (238,921,583) |
| DESIGNATED/ EARMARKED / ENDOWMENT FUNDS | 3 | 165,000,000 |
| SECURED LOANS | 4 | 2,642,182 |
| UNSECURED LOANS | 5 | 333,949,381 |
| CURRENT LIABILITIES & PROVISIONS | 6 | 239,836,136 |
| TOTAL | | 502,506,115 |
| APPLICATION OF FUNDS | | |
| FIXED ASSETS | | |
| TANGIBLE FIXED ASSETS | 7 | 248,658,988 |
| INVESTMENTS FROM EARMARKED / ENDOWMENT FUNDS | 8 | 165,000,000 |
| CURRENT ASSETS | 9 | 36,069,261 |
| LOANS, ADVANCES & DEPOSITS | 10 | 52,777,866 |
| TOTAL | | 502,506,115 |
| SIGNIFICANT ACCOUNTING POLICIES | 1 | |
| CONTINGENT LIABILITIES AND NOTES TO ACCOUNTS | 22-29 | |

As per my report of even date attached

For Yadu & Co.,

FRN:0047955

Chartered Accountants

V.N. Yadunath



V.N.YADUNATH

Proprietor

Membership No. 021170

Place: Bangalore

Date : 28/12/2020

Nissar Ahmed

NISSAR AHMED

Chancellor

PRESIDENCY UNIVERSITY, BANGALORE
INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31-MARCH 2020

AMOUNT IN RS

| INCOME | Sch | 2020 |
|--|-----|----------------------|
| Academic Receipts | 11 | 1,253,669,962 |
| Income from investments | 12 | 10,823,934 |
| Interest earned | 13 | 3,709,332 |
| Other Income | 14 | 303,254,927 |
| TOTAL INCOME | | 1,571,458,155 |
| EXPENDITURE | | |
| Staff Payments & Benefits (Establishment expenses) | 15 | 449,755,350 |
| Academic Expenses | 16 | 32,393,451 |
| Administrative and General Expenses | 17 | 432,324,850 |
| Repairs & Maintenance | 18 | 76,472,952 |
| Transportation Expenses | 19 | 136,848,358 |
| Hostel Expenses | 20 | 202,864,595 |
| Finance costs | 21 | 143,095,323 |
| Depreciation | 7 | 59,385,480 |
| TOTAL EXPENSES | | 1,533,140,359 |
| BALANCE BEING SURPLUS CARRIED TO CAPITAL FUND | | 38,317,798 |

SIGNIFICANT ACCOUNTING POLICIES 1
CONTINGENT LIABILITIES AND NOTES TO ACCOUNTS 22-29

As per my report of even date attached

For Yadu & Co.,

FRN:0047955

Chartered Accountants

V.N. Yadunath



V.N.YADUNATH

Proprietor

Membership No. 021170

Place: Bangalore

Date : 28/12/2020

Nissar Ahmed

NISSAR AHMED

Chancellor

PRESIDENCY UNIVERSITY, BANGAI ORE
SCHEDULES FORMING PART OF BALANCE SHEET AND INCOME AND EXPENDITURE ACCOUNT

| | | YTD-March-2020 |
|----------|--|----------------------|
| | | Rs. |
| 2 | CORPUS/CAPITAL FUND | |
| | Balance at the beginning of the year | 11,494,683 |
| | Add: Contributions towards Corpus/Capital Fund | |
| | Assets Purchased out of Earmarked Funds | |
| | Assets Purchased out of Sponsored Projects, where ownership vests In the Institution | |
| | Assets Donated/Gifts Received | |
| | Other Additions | |
| | Excess of income over expenditure transferred from the Income & Expenditure Account | |
| | Total | 11,494,683 |
| | (Deduct) Deficit transferred from the Income & expenditure Account | |
| | Opening Balance | (288,734,064) |
| | Transferred from Income and Expenditure Account | 38,317,798 |
| | | (250,416,266) |
| | Balance At the year end | (238,921,583) |
| 3 | DESIGNATED/ EARMARKED / ENDOWMENT FUNDS | |
| | Opening balance | 162,000,000 |
| | Additions during the year | |
| | Income from Investments made of the funds | 3,000,000 |
| | Total (A) | 165,000,000 |
| | Utilisation/Expenditure towards objectives of funds | |
| | Capital Expenditure | |
| | Revenue Expenditure | |
| | Total (B) | |
| | Closing Balance (A-B) | 165,000,000 |
| | Represented by : | |
| | Cash and Bank Balances (Placed In fixed deposit) | 165,000,000 |
| 4 | SECURED LOANS | |
| | Vehicle Loans | 2,642,182 |
| | (Secured by the hypothication of the respective vehicles) | |
| 5 | UNSECURED LOANS - Refer Note 26 for details) | |
| | From AHMET - Sponsoring Body | |
| | Towards financial support for operating expenses by Sponsoring Body | 141,537,055 |
| | Towards Interest expenditure | 192,412,326 |
| | | 333,949,381 |
| 6 | CURRENT LIABILITIES AND PROVISIONS | |
| | CURRENT LIABILITIES | |
| | Sundry Creditors | |
| | For Goods | 201,331,286 |
| | For Services | |
| | Statutory Liabilities | |
| | TDS Payable | 8,457,617 |
| | Professional tax payable | 104,400 |
| | PF Payable | 1,935,843 |
| | PF Administration Charges Payable | 38,690 |
| | Other Current Liabilities | |
| | Fees Received in Advance | |
| | Presidency Undergraduate College | |
| | Forfeited Fees Payable | |
| | Liabilities for Expenses | |
| | Salaries Payable | 33,550,820 |
| | Leave Encashment Payable | 15,973 |
| | Professional Charges Payable | 77,750 |
| | Rent Payable | 961,764 |
| | Counselling Charges Payable | (30,726,734) |
| | Electricity Charges Payable | 796,446 |
| | Water Charges Payable | |
| | Telephone Charges Payable | 4,358 |
| | Concession and Scholarship Payable | 490,430 |
| | Internet Charges Payable | 49,955 |
| | Placement expenses Payable | 52,650 |
| | Advertisement and Marketing Charges Payable | 5,968 |
| | Audit Fees Payable - Statutory Audit | |
| | Legal Charges Payable | |
| | Postage and Courier | |
| | Exam Fees Payable | |
| | Others | 166,100 |
| | Retention Money Payable | 70,947 |
| | Outstanding Expenses Liabilities | |
| | Caution Deposit | 23,306,142 |
| | Arivu Loan Received | 100,000 |
| | Grant Received for VGST Project / Research Project | (894,170) |
| | | 239,836,136 |

| | | |
|----|--|--|
| 8 | INVESTMENTS FROM EARMARKED / ENDOWMENT FUNDS Term Deposits with Banks | 165,000,000 |
| 9 | CURRENT ASSETS Fees Receivable Tuition Fees Receivable Hostel Fees Receivable Other Fees Receivable Cash and Bank Balances Cash on hand Balance with Banks on Term Deposit Accounts Balance with Banks on Savings Accounts | 34,911,190 1,583,981 (425,909) |
| 10 | LOANS, ADVANCES & DEPOSITS Deposits: Lease Rental Deposits AICTE Deposit Telephone Fuel Deposit Gas Deposit Advances and other amounts recoverable in cash or in kind or for value to be received: Advance to Suppliers - For Goods Advance to Suppliers - For Services Staff Advance General Advance Travel Advance Accrued Interest on Fixed Deposit (Endowment Fund) Prepaid Expenses (Advt. and Marketing Expenses & BG Charges) TDS Receivable | 3,555,000 5,200,000 11,000 100,000 3,400 25,887,925 4,396,769 3,834,971 419,856 6,097,993 1,181,416 2,089,535 |
| 11 | ACADEMIC RECEIPTS FEES FROM STUDENTS Tuition fee - SOM PG Tuition fee - SOL Tuition fee - SOE UG Tuition fee - SOD Tuition fee - SOE PG Tuition fee - SOIS Tuition fee - SOC Tuition fee - SOM UG Tuition fee - Ph D Application Fees Forfeited Fees Total (A) Less Concession and Scholarships (B) TOTAL ACADEMIC RECEIPTS (A-B) | 232,787,706 70,576,625 959,177,037 7,750,000 6,128,000 5,070,000 5,090,000 48,905,000 14,080,000 1,349,564,368 195,894,406 1,253,669,962 |
| 12 | INCOME FROM INVESTMENTS Interest on Term Deposits Placed towards Endowment Fund Transferred to Earmarked/Endowment Funds - 25% of Endowment Fund | 10,823,934 10,823,934 |
| 13 | INTEREST EARNED Interest on Savings Bank Accounts with Scheduled Banks | 3,709,332 |
| 14 | OTHER INCOME Hostel Fees Transportation Fees Miscellaneous Income | 198,766,000 73,684,410 30,804,517 303,254,927 |
| 15 | STAFF PAYMENTS & BENEFITS (ESTABLISHMENT EXPENSES) Basic Pay, Academic grade pay and consolidated salary Dearness Allowance Allowances Contribution to Provident Fund PF Administration Charges Leave Encashment Staff Welfare Expenses Performance Incentive Payment In Lieu of Notice | 172,377,332 131,059,400 128,617,727 10,676,178 887,464 1,341,988 3,546,761 125,000 1,173,300 449,755,350 |
| 16 | ACADEMIC EXPENSES Participation In Conferences (Student Activity) Expenses on Seminars/Workshops/Industrial Trips Research Payment to Visiting faculty Student Welfare expenses Membership and Subscription Discontinued students written off Student Handbook Uniform Expenses Student Function and Celebration Exam Expenses | 210,876 2,840,611 511,143 5,502,970 6,986,802 5,209,313 11,131,736 32,393,451 |

| | | | |
|----|---|-------------|-------|
| 17 | ADMINISTRATIVE AND GENERAL EXPENSES | | |
| | Infrastructure | | |
| | Electricity and power | 8,748,197 | 4.4.1 |
| | Water charges | 20,240 | |
| | Communication | | |
| | Postage and Courier Charges | 998,755 | |
| | Telephone charges | 344,198 | 4.4.1 |
| | Internet charges | | |
| | ERP Costs | | |
| | Others | | |
| | Advertisement and Publicity | 98,908,101 | |
| | Counselling and Branding charges | 147,225,547 | |
| | Rent, rates and taxes | 18,208,318 | |
| | Security Expenses | 22,808,883 | |
| | Professional charges | 90,739,754 | 4.4.1 |
| | Legal Expenses | 486,450 | |
| | Printing and Stationery (consumption) | 10,391,705 | |
| | Travelling Expenses | 4,295,451 | |
| | Conveyance Expenses | 561,326 | |
| | Hospitality - gifts and articles | 872,707 | |
| | Meeting Expenses | 305,956 | |
| | Auditors Remuneration - Internal Audit | 1,011,850 | |
| | Library Magazines & Journals | 894,023 | |
| | Donation and Charity | 1,067,296 | |
| | Placement Expenses | 3,277,793 | |
| | Recruitment Expenses | 5,007,765 | |
| | Miscellaneous expenses | 16,350,535 | |
| | | 432,324,850 | |
| 18 | REPAIRS & MAINTENANCE | | |
| | Buildings | 6,038,691 | |
| | Furniture & Fixtures | 1,450 | |
| | Plant & Machinery - DG Set | 518,787 | |
| | Office Equipment, Electronics and Electrical Equipment | 2,383,637 | |
| | Computers | 439,186 | |
| | Laboratory & Scientific equipment | 184,400 | |
| | Laboratory Consumable | 93,383 | |
| | Cleaning Material | | |
| | Outsourced Cleaning Services | 59,139,779 | |
| | Annual Maintenance Contracts | 1,400,144 | |
| | Garden Maintenance | 4,851,885 | |
| | Repairs Others | 1,421,610 | |
| | | 76,472,952 | 4.4.1 |
| 19 | TRANSPORTATION EXPENSES | | |
| | Vehicles owned by institution | | |
| | Running expenses | 5,744,850 | |
| | Repairs & maintenance | 1,245,435 | |
| | Vehicles taken on rent/lease | | |
| | Rent/lease expenses | 179,858,673 | |
| | | 186,848,958 | 4.4.1 |
| 20 | HOSTEL EXPENSES | | |
| | Rent expenses | 113,517,527 | |
| | Food Expenses | 42,814,648 | |
| | Security Expenses | 11,211,058 | |
| | Telephone charges | 6,558 | |
| | Internet expenses | 1,125,764 | |
| | Repairs and Maintenance | 17,431,249 | |
| | House keeping expenses | 13,895,176 | |
| | Water charges | 2,654,725 | |
| | Commission and Brokerage (Rental) | 200,302 | |
| | Miscellaneous Expenses | 57,636 | |
| | | 202,864,595 | 4.4.1 |
| 21 | FINANCE COSTS | | |
| | Interest paid on Vehicle Loans | 327,669 | |
| | Interest paid by sponsoring body on loan taken towards endowment fund charged to University | | |
| | Interest on Term Loan paid by Sponsoring Body charged back to University | 142,580,732 | |
| | Bank Charges | 186,922 | |
| | Interest on TDS | | |
| | | 143,095,323 | |
| 22 | CONTINGENT LIABILITIES: | | |
| | CAPITAL COMMITMENTS | | |
| | The Value of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) amounted to Rs. Nil - as on 31-3-2020 | | |
| | Bank Guarantee provided by the Bank on behalf of the University and outstanding as on 31-3-2020 - Rs. 10 crores | | |

| 23 | CURRENT ASSETS, LOANS, ADVANCES AND DEPOSITS | | | | | | | | | | | | | | | | | | |
|----------------------------------|--|----------------------------------|----------|----------------------------------|------------------|----------------------------------|------------|----------------------------------|-----------|----------------------------------|-----------|----------------------------------|-----------|----------------------------------|-----------|----------------------------------|-----------|--|--------------------|
| | 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 | | | | | | | | | | | | | | | | | | |
| 24 | ENDOWMENT FUND INVESTMENT | | | | | | | | | | | | | | | | | | |
| | As per the conditions stipulated in clause 47, para 1 of the Presidency University Act, the University has placed Rs.15 crores in the form of Term Deposit renewable every year and Rs.10 crores in Bank Guarantee renewable every year towards Endowment Fund Requirement. As per para 4 of the clause 47 of the act, the interest earned on the term deposit is reinvested in the Fund to the extent of 25% of such interest. Details are given under | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th data-bbox="231 504 837 526">Particulars of investment</th> <th data-bbox="845 504 1029 526"></th> </tr> </thead> <tbody> <tr> <td data-bbox="231 526 837 548">Fixed Deposit No.11890300104206,</td> <td data-bbox="845 526 1029 548">120,000,000</td> </tr> <tr> <td data-bbox="231 548 837 571">Fixed Deposit No. 11890300104222</td> <td data-bbox="845 548 1029 571">30,000,000</td> </tr> <tr> <td data-bbox="231 571 837 593">Fixed Deposit No. 11890400068228</td> <td data-bbox="845 571 1029 593">3,000,000</td> </tr> <tr> <td data-bbox="231 593 837 616">Fixed Deposit No. 11890300109122</td> <td data-bbox="845 593 1029 616">3,000,000</td> </tr> <tr> <td data-bbox="231 616 837 638">Fixed Deposit No. 11890300109080</td> <td data-bbox="845 616 1029 638">3,000,000</td> </tr> <tr> <td data-bbox="231 638 837 660">Fixed Deposit No. 11890300111789</td> <td data-bbox="845 638 1029 660">3,000,000</td> </tr> <tr> <td data-bbox="231 660 837 683">Fixed Deposit No. 11890400075637</td> <td data-bbox="845 660 1029 683">3,000,000</td> </tr> <tr> <td></td> <td data-bbox="845 683 1029 716">165,000,000</td> </tr> </tbody> </table> | Particulars of investment | | Fixed Deposit No.11890300104206, | 120,000,000 | Fixed Deposit No. 11890300104222 | 30,000,000 | Fixed Deposit No. 11890400068228 | 3,000,000 | Fixed Deposit No. 11890300109122 | 3,000,000 | Fixed Deposit No. 11890300109080 | 3,000,000 | Fixed Deposit No. 11890300111789 | 3,000,000 | Fixed Deposit No. 11890400075637 | 3,000,000 | | 165,000,000 |
| Particulars of investment | | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No.11890300104206, | 120,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890300104222 | 30,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890400068228 | 3,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890300109122 | 3,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890300109080 | 3,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890300111789 | 3,000,000 | | | | | | | | | | | | | | | | | | |
| Fixed Deposit No. 11890400075637 | 3,000,000 | | | | | | | | | | | | | | | | | | |
| | 165,000,000 | | | | | | | | | | | | | | | | | | |
| | Interest earned during the year on term deposit was Rs. 30 lakhs being 25% of the interest earned has been reinvested in compliance with the provisions of the Act, stated above. | | | | | | | | | | | | | | | | | | |
| 25 | RETIREMENT BENEFITS | | | | | | | | | | | | | | | | | | |
| | The University is in the process of carrying out an actuarial valuation of the retirement benefits as at 1st March 2020 and in the opinion of the Board of Governors, the liability is not expected to be significant. | | | | | | | | | | | | | | | | | | |
| 26 | SPONSORING BODY SUPPORT | | | | | | | | | | | | | | | | | | |
| | Abdul Hameed Memorial Education Trust, the Sponsoring Body to the University has provided Financial and Human Resources for the Development of the University from its inception. | | | | | | | | | | | | | | | | | | |
| | The financial support provided by Sponsoring Body and related Securities collateralised are given below | | | | | | | | | | | | | | | | | | |
| | Borrowing for the Purpose of Developing Infrastructure within the University Campus | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <thead> <tr> <th data-bbox="231 1108 837 1131">1) Borrowing from Federal Bank</th> <th data-bbox="845 1108 1029 1131">Amount</th> </tr> </thead> <tbody> <tr> <td data-bbox="231 1131 837 1153">1st Tranche</td> <td data-bbox="845 1131 1029 1153">35 Crore</td> </tr> <tr> <td data-bbox="231 1153 837 1176">2nd Tranche</td> <td data-bbox="845 1153 1029 1176">50 Crore</td> </tr> <tr> <td data-bbox="231 1176 837 1198">3rd Tranche</td> <td data-bbox="845 1176 1029 1198">50 Crore</td> </tr> <tr> <td data-bbox="231 1198 837 1220">4th Tranche</td> <td data-bbox="845 1198 1029 1220">30 Crore</td> </tr> </tbody> </table> | 1) Borrowing from Federal Bank | Amount | 1st Tranche | 35 Crore | 2nd Tranche | 50 Crore | 3rd Tranche | 50 Crore | 4th Tranche | 30 Crore | | | | | | | | |
| 1) Borrowing from Federal Bank | Amount | | | | | | | | | | | | | | | | | | |
| 1st Tranche | 35 Crore | | | | | | | | | | | | | | | | | | |
| 2nd Tranche | 50 Crore | | | | | | | | | | | | | | | | | | |
| 3rd Tranche | 50 Crore | | | | | | | | | | | | | | | | | | |
| 4th Tranche | 30 Crore | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <tbody> <tr> <td data-bbox="231 1220 837 1243">2) Borrowing From Indus Ind Bank</td> <td data-bbox="845 1220 1029 1243">72 Crore</td> </tr> <tr> <td></td> <td data-bbox="845 1243 1029 1288">237 Crore</td> </tr> </tbody> </table> | 2) Borrowing From Indus Ind Bank | 72 Crore | | 237 Crore | | | | | | | | | | | | | | |
| 2) Borrowing From Indus Ind Bank | 72 Crore | | | | | | | | | | | | | | | | | | |
| | 237 Crore | | | | | | | | | | | | | | | | | | |
| | Borrowing for the Purpose of constructing Hostel for University Students | | | | | | | | | | | | | | | | | | |
| | <table border="1"> <tbody> <tr> <td data-bbox="231 1332 837 1355">3) Borrowing from HDFC Bank</td> <td data-bbox="845 1332 1029 1355">47 crore</td> </tr> </tbody> </table> | 3) Borrowing from HDFC Bank | 47 crore | | | | | | | | | | | | | | | | |
| 3) Borrowing from HDFC Bank | 47 crore | | | | | | | | | | | | | | | | | | |
| | Sponsoring Body Support from its internal Accruals | | | | | | | | | | | | | | | | | | |
| | 149.23 crore | | | | | | | | | | | | | | | | | | |
| | TOTAL INVESTMENT COMMITTED BY SPONSORING BODY UPTO 31-3-2020 | | | | | | | | | | | | | | | | | | |
| | 433.23 crore | | | | | | | | | | | | | | | | | | |
| | Apart from this, Land measuring 40.3504 Acres have been purchased by Sponsoring Body and vested with the University as per clause Chapter - II, Section 4(1)(ii)(b) of the University Act. The infrastructure has been built on the vested land by the Sponsoring body and for which Borrowing has been contracted as noted above. The land parcel has been securitised in relation to the term loan contracted. The servicing of interest and principal amount is done by the Sponsoring body, which will be reimbursed by the University, as and when they fall due | | | | | | | | | | | | | | | | | | |

27

DETAILS OF INVESTMENT IN FIXED ASSETS HELD BY SPONSORING BODY ON BEHALF OF THE UNIVERSITY

As at 31st March 2020, the following assets are held in the books of the Sponsoring Body which are developed within the Premises of the University.

Building

| | |
|---|-------------|
| University - B School Block- New | 47,926,841 |
| University - Hostel Block Paripoorna Layout | 133,032,263 |
| University-Engineering Block Phase - 1 | 54,555,604 |
| University-Hard Scaping | 56,863,706 |
| University - Admin Block | 103,380,824 |
| University-Admin Canopy Block | 56,921,570 |
| University-Cafeteria/seminar Hall | 48,492,866 |
| University-Engineering Block Phase II | 34,188,012 |
| Building University(2016-17) | 292,077,344 |
| Building University(2015-16) | 173,998,009 |
| University-Engineering Block Phase III | 782,763,991 |

Computer and Software

42,770,455

Vehicles

467,818

Office Equipments

3,773,411

Lab Equipments

33,588,351

Furniture and Fixtures

71,473,585

Capital Advance and Capital Work in Progress

62,877,528

Capital Working Progress pending Completion

686,299,711

Advance Paid to Suppliers towards Project work

58,093,781

Depreciation amortised on the assets till date

762,021,260

Total Investment in infrastructure excluding value of land till 31-3-2020

3,318,566,930

Invested as follows:**Internal Funding By Sponsoring Body**

976,359,295

Draw down of Borrowing less repaid

2,342,207,635

OTHER FINANCIAL SUPPORT PROVIDED BY SPONSORING BODY AND OUTSTANDING AS ON

31-03-2020

Towards Endowment Fund Contribution

150,000,000

Towards Working Capital Support

135,097,217

Towards unserviced Term Loan Interest

230,867,827

515,965,044

28

BORROWING BY SPONSORING BODY ON BEHALF OF UNIVERSITY AND RELATED SECURITY COLLATERISATION**1) From Federal Bank - Rs.165 Crore and Indus Ind Bank Rs.72 Crore**

The Sponsoring Body has provided the following securities as collateral against the Loan Taken on behalf of the University for the purpose as noted above

Primary Security:

1) First Paripassu charge by way of equitable mortgage on the landed property owned by Trust and vested to the University measuring 31.65 acres

2) First exclusive charge on the Fixed Assets created out of the Loan taken

3) First Paripassu charge on the entire cash flow of the University

Collateral Security

1) First Paripassu charge by way of equitable mortgage on the landed property owned by Trust and vested to the University measuring 9.39 acres

2) First Paripassu charge by way of equitable mortgage on the Leasehold Rights of Land and Building belonging to a running School Owned the Sponsoring Body

3) First Paripassu Charge on the Current Assets owned by the Sponsoring Body other than those encumbered with other banks

4) Personal Guarantees of the Trustees of the Sponsoring Body

The responsibility for servicing of the Interest and repayment of principal as and when they fall due rests with the University. The Sponsoring Body has, at periodic intervals provided financial support in the servicing obligations of the University which has been shown as outstanding under current liabilities.

29 LIABILITY TOWARDS ENDOWMENT FUND INFUSION BY SPONSORING BODY

As specified in Note -4 the University has created a Permanent Endowment Fund amounting to Rs 15 Crore. The Amount has been provided by the Sponsoring Body to the University. This amount is shown by the University under the current liability as being owed to the Sponsoring Body.

PRESIDENCY UNIVERSITY, BANGALORE
Financial Statement for the year ending 31 March 2020

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

A Background

University is incorporated under Presidency University Act, 2013 and received the assent of the Governor on the Twenty second day of March, 2013. This is an Act to establish and incorporate in the state of Karnataka, a University of unitary nature in the private sector by A H Memorial Education Trust, Bangalore, to promote and undertake the advancement of applied University education in Business & Management Studies, Life Sciences, Computer Science & Information Technology and other Technical courses, Medical Sciences and allied sectors and for the matters connected therewith or incidental thereto.

B. Significant Accounting Policies

1 Basis of preparation of Financial Statements

The financial statements are prepared under the historical cost convention and on the accrual basis of accounting in accordance with Generally Accepted Accounting Principles (GAAP) in India. These financial statements comply with the Accounting Standards issued by The Institute of Chartered Accountants of India (ICAI).

2 Revenue Recognition

Fees from Students (except Tuition Fees), Sale of Admission Forms, Royalty and Interest on Savings Bank account are accounted on cash basis. Tuition Fees collected separately for each semester is accounted on accrual basis.

Income from Land, Buildings and Other Property and Interest on Investments are accounted on accrual basis.

3 Fixed Assets and Depreciation

Fixed assets are stated at cost of acquisition including inward freight, duties and taxes and incidental and direct expenses related to acquisition, installation and commissioning

Infrastructure constructed under work order contracts are capitalised when substantial work is completed and virtual completion of the project is obtained from the Architect

Fixed assets are valued at cost less accumulated depreciation. Depreciation on fixed assets is provided on written down value method, at the following rates

| Particulars of Assets | Rate of Depreciation |
|---------------------------------------|----------------------|
| Land | 0 |
| Site under Development | 0 |
| Buildings | 10% |
| Plant and Machinery | 15% |
| Electrical Installation | 15% |
| Tube Wells and Water Supply System | 15% |
| Office Equipments | 15% |
| Laboratory and Science Equipments | 15% |
| Audio Visual Equipments | 15% |
| Furniture and Fixtures and Fittings | 10% |
| Computer and Pheripherals | 40% |
| Sports Equipments | 15% |
| Vehicles | 30% |
| Library Books and Scientific Journals | 15% |
| Intangible Assets | 15% |

Assets, the individual value of each of which is Rs. 2000 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

Interest on borrowed money allocated to and utilized for qualifying assets, pertaining to the period up to the date of capitalization is capitalized. Assets acquired on finance lease is capitalised at the gross value and interest there on is charged to Income Statement.

Advances paid towards acquisition of fixed assets outstanding as of each Balance Sheet date and the cost of fixed assets not ready for use before such date are disclosed under capital work in progress. Lease payments under operating lease are recognized as an expense in the Income Statement.

Payment for lease hold land is amortised over the period of lease.

4 Retirement benefits

Retirement benefits i.e., gratuity and leave encashment are accounted on cash basis

5 Use of Estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires managements to make judgements, estimates and assumptions that affect the application of a Accounting Policies and reported amounts of assets, liabilities, income and expenditure and disclosure of contingent liabilities on the date of the Balance Sheet. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognized prospectively in current and future periods.

6 Borrowing Cost Capitalisation

Borrowing costs are interests and other costs incurred by the sponsoring body on behalf of the University in connection with the borrowing of funds. The funds are used for the purpose of developing infrastructure and purchase of fixed assets for the University and for operating expenses. Borrowing costs directly attributable to construction or acquisition of those fixed assets which essentially take substantial period of time to get ready for their intended use are capitalised. Other borrowing costs are expensed in the period in which these are incurred.

7 Provislon and Contingencies

A provision is recognized when the Institution has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Contingent liabilities are not recognized but disclosed in the notes to the financial statements.

8 Accounting for Leases

Assets acquired under leases where a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Income and Expenditure on accrual basis.

9 Segment Reporting

The University is engaged in the activity of imparting education through its educational institutions. Accordingly, separate primary and secondary segment reporting disclosures as envisaged in Accounting Standard (AS-17) on Segment Reporting issued by the ICAI are not applicable to the present activities of the University

10 The balances of advances, deposits, accounts payable and receivable are subject to confirmation

11 Previous year's figures have been regrouped and rearranged wherever necessary, to confirm current year's classifications

As per my report of even date attached

For Yadu & Co.,
Chartered Accountants
FRN:0047955

V.N.YADUNATH
Proprietor
Membership No. 021170



Place: Bangalore
Date : 28/12/2020

Note-7 : Fixed Assets

AMOUNT IN RS

| Particulars | Gross Block | | | | Depreciation Block | | | Net Block | |
|---|--------------------|--|--|----------|---------------------|------------|---------------------|---------------------|---------------------|
| | As at 1 April 2019 | Additions during the year - before 30-9-2019 | Additions during the year - after 9-2019 | Deletion | As at 31 March 2020 | Depn. Rate | Charge for the year | As at 31 March 2020 | As at 31 March 2019 |
| Tangible Assets | | | | | | | | | |
| Land - (See Note Below) | | | | | | | | | |
| Buildings Including Other Civic Amenities | 135,546 | 18,107,972 | 8,012,887 | | 26,256,405 | 10% | 2,224,996 | 24,031,409 | 135,546 |
| Electrical Equipments and Electrical Fixtures | 5,514,982 | 4,614,365 | 4,535,498 | | 14,664,845 | 15% | 1,859,564 | 12,805,280 | 5,514,982 |
| Office Equipments and Other Appliances | 5,167,755 | 2,571,301 | 7,209,124 | | 14,948,180 | 15% | 1,701,543 | 13,246,638 | 5,167,755 |
| Laboratory and Science Equipments | 23,856,467 | 13,905,700 | 4,345,320 | | 42,107,487 | 15% | 5,990,224 | 36,117,263 | 23,856,467 |
| Furniture and Fixtures and Fittings | 28,702,535 | 39,430,754 | 2,879,050 | | 71,012,339 | 10% | 6,957,281 | 64,055,057 | 28,702,535 |
| Computers including Accessories and Software | 15,039,024 | 46,913,071 | 2,853,994 | | 64,806,089 | 40% | 25,351,637 | 39,454,452 | 15,039,024 |
| Sports Equipments | 1,118,761 | 1,276,190 | 1,807,375 | | 4,202,326 | 15% | 494,796 | 3,707,530 | 1,118,761 |
| Motor Vehicles | 39,034,683 | 1,016,499 | 1,902,198 | | 41,953,380 | 30% | 12,300,684 | 29,652,695 | 39,034,683 |
| Library Books and Journals | 14,118,017 | 1,705,057 | 1,402,855 | | 17,225,929 | 15% | 2,478,675 | 14,747,253 | 14,118,017 |
| Musical Instruments | 173,861 | | | | 173,861 | 15% | 26,079 | 147,782 | 173,861 |
| Capital Work in Progress | 8,697,843 | 1,759,784 | 236,000 | | 10,693,627 | | | 10,693,627 | 8,697,843 |
| | 141,559,473 | 131,300,693 | 35,184,301 | | 308,044,467 | | 59,385,480 | 248,658,987 | 141,559,473 |

Land measuring 40.3504 Acres have been purchased by Sponsoring Body and vested with the University as per clause Chapter - II, Section: 4(i)(ii)(b) of the University Act