

A N N U A L R E P O R T

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RUSTAGI & CO.
Chartered Accountants
19, R.N. Mukherjee Road
1st Floor, Eastern Building
Kolkata-700 001

NSHM ACADEMY

Arrah, Shivtala, Durgapur-713212

NSHM Academy

Arrah, Shivtala, Durgapur-713 212

BALANCE SHEET as at 31st March, 2020

| | | As at 31st March, 2020 | | As at 31st March, 2019 | |
|--|-----------|------------------------|--------------|------------------------|--------------|
| | Schedules | Rs. | | Rs. | |
| I. SOURCES OF FUNDS : | | | | | |
| (1) Fund | | | | | |
| (a) Corpus Fund | I | | 3,001.50 | | 3,001.50 |
| (b) General Fund | | | 2,54,743.98 | | 2,14,035.82 |
| (2) Loans Fund | II | | | | |
| (a) Secured | | 8,09,375.00 | | 9,03,125.00 | |
| (b) Unsecured | | 1,52,546.44 | | 1,73,450.78 | |
| | | | 9,61,921.44 | | 10,76,575.78 |
| (3) Gratuity Fund | | | 15,126.70 | | 15,360.07 |
| | TOTAL | | 12,34,793.62 | | 13,08,973.17 |
| II. APPLICATION OF FUNDS : | | | | | |
| (1) Fixed Assets | | | | | |
| (a) Fixed Assets | III | | | | |
| Gross Block | | 10,37,043.66 | | 10,36,085.81 | |
| Less: Accumulated Depreciation | | 6,29,965.80 | | 5,91,461.50 | |
| Net Block | | 4,07,077.86 | | 4,44,624.30 | |
| (b) Capital Work in Progress | IV | - | | - | |
| | | | 4,07,077.86 | | 4,44,624.30 |
| (2) Investments | | | | | |
| Investment in LIC Group Gratuity Fund | | | 15,126.70 | | 15,360.07 |
| (3) Current Assets | | | | | |
| (a) Loans & Advances | V | 12,64,960.03 | | 12,37,041.96 | |
| (b) Cash & Bank Balance | VI | 9,314.94 | | 3,256.54 | |
| | Sub-Total | 12,74,274.97 | | 12,40,298.50 | |
| (c) Less: Current Liabilities & Provisions | VII | 5,10,689.42 | | 4,27,474.86 | |
| (d) Net Current Assets / (Liabilities) | | | 7,63,585.55 | | 8,12,823.64 |
| (4) Sundry Debtors | | | 19,373.26 | | 15,096.95 |
| (5) Deferred Revenue Expenses | | | 29,630.25 | | 21,068.21 |
| | TOTAL | | 12,34,793.62 | | 13,08,973.17 |

Notes on Accounts

N.B.: Notes on Accounts, Statement on Accounting Policies and Schedule I to XV

form an integral part of "Balance Sheet" and "Income & Expenditure Account"

Signed in Terms of our attached report of even date

For G A R V & Associates

(Formerly RUSTAGI & CO.)

Chartered Accountants

Firm Registration No.301094E

Ashish Rustagi

(CA. ASHISH RUSTAGI)

Partner

M.No. 062982

Place : Durgapur

Date : 11-04-2021



For and on Behalf of the Trust

NSHM Academy

Trustee

Dileep Singh Mehta, Trustee

NSHM Academy

Trustee

Cecil Antony, Trustee

INCOME & EXPENDITURE ACCOUNT For the year ended 31st March,2020

| | | For the year ended 31st March,2020 | For the year ended 31st March,2019 |
|---|------------------|---------------------------------------|---------------------------------------|
| | <u>Schedules</u> | | <u>Rs.</u> |
| I. INCOME | | | |
| Collection from Students | VIII | 3,50,736.38 | 3,26,432.02 |
| Other Income | IX | 77,538.39 | 66,155.06 |
| TOTAL | | 4,28,274.76 | 3,92,587.08 |
| II. EXPENDITURE : | | | |
| Academic Expenses | X | 10,368.92 | 15,101.76 |
| Manpower Expenses | XI | 1,22,405.26 | 1,11,366.36 |
| Educational Counselling & Communication Expenses | XII | 50,698.45 | 38,360.89 |
| Administrative Expenses | XIII | 33,303.58 | 36,790.68 |
| Interest & Bank Charges | XIV | 1,32,286.09 | 86,992.34 |
| TOTAL | | 3,49,062.30 | 2,88,612.03 |
| Excess/(Deficit) of Income over Expenditure during the period before Depreciation | | 79,212.46 | 1,03,975.06 |
| Less: Depreciation | | 38,504.30 | 42,681.24 |
| Excess/(Deficit) of Income over Expenditure during the period after Depreciation | | 40,708.16 | 61,293.82 |
| Add: Excess of Expenditure over Income brought forward from previous years | | 2,14,035.82 | 1,52,742.00 |
| Balance carried forward to Balance Sheet | | 2,54,743.98 | 2,14,035.82 |

Notes on Accounts

N.B.: Notes on Accounts, Statement on Accounting Policies and Schedule I to XV

form an integral part of "Balance Sheet" and "Income & Expenditure Account"

Signed in Terms of our attached report of even date

For G A R V & Associates

(Formerly RUSTAGI & CO.)

Chartered Accountants

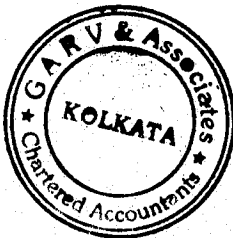
Firm Registration No.301094E

Ashish Rustagi

(CA. ASHISH RUSTAGI)

Partner

M.No. 062982



For and on Behalf of the Trust
NSHM Academy

Trustee
Dileep Singh Mehta, Trustee
NSHM Academy

Trustee
Cecil Antony, Trustee

Place : Durgapur

Date : 11-01-2021

SCHEDULES forming part of the Balance Sheet as at 31st March,2020

| | As at 31st March,2020 | | As at 31st March,2019 | |
|---|-----------------------|---------------------|-----------------------|---------------------|
| | Amount | Rs. | Amount | Rs. |
| Schedule - I | | | | |
| CORPUS FUND | | | | |
| Balance as per last Account | | 3,001.50 | | 3,001.50 |
| Add : Donation Received during the year | | - | | - |
| | | <u>3,001.50</u> | | <u>3,001.50</u> |
| Schedule - II | | | | |
| LOANS | | | | |
| Secured Loans | | | | |
| From Yes Bank Ltd. | 8,09,375.00 | 8,09,375.00 | 9,03,125.00 | 9,03,125.00 |
| Unsecured Loans | | 1,52,546.44 | | 1,73,450.78 |
| | | <u>9,61,921.44</u> | | <u>10,76,575.78</u> |
| Schedule - IV | | | | |
| CAPITAL-WORK-IN-PROGRESS : | | | | |
| Opening Capital-work-in-Progress | - | - | 75,367.78 | 75,367.78 |
| Less: Capitalised to Building | - | - | - | - |
| | | <u>-</u> | | <u>-</u> |
| Schedule - V | | | | |
| LOANS & ADVANCES | | | | |
| (Unsecured :Considered Good) | | | | |
| Advance recoverable in cash or kind or value to be received | | | | |
| Staff Advances | 2,080.99 | 2,080.99 | 1,007.63 | 1,007.63 |
| Advance for Operative Expenses | 7,971.71 | 7,971.71 | 3,414.44 | 3,414.44 |
| Security Deposit | 3,643.96 | 3,643.96 | 7,526.46 | 7,526.46 |
| Advance for Project Capital Items | 1,75,174.01 | 1,75,174.01 | 1,50,847.04 | 1,50,847.04 |
| Advance against Joint Venture | 69,000.00 | 69,000.00 | 69,000.00 | 69,000.00 |
| Advance to Others | 512.83 | 512.83 | 504.36 | 504.36 |
| | | 2,58,383.49 | | 2,32,299.94 |
| Other Receivable | | 3,049.79 | | 1,379.03 |
| Receivable against University Project | | 10,03,042.60 | | 10,02,892.60 |
| Income Tax Collected / Deducted at Source (Receivable) | | 484.15 | | 470.39 |
| | | <u>12,64,960.03</u> | | <u>12,37,041.96</u> |
| Schedule - VI | | | | |
| CASH & BANK BALANCES | | | | |
| Cash in hand | | 6,087.91 | | 117.94 |
| Balance with Schedule Banks | | | | |
| In Current Account | 1,064.95 | 1,064.95 | 1,064.35 | 1,064.35 |
| In Fixed Deposit Account | 2,162.08 | 2,162.08 | 2,074.25 | 2,074.25 |
| | | 3,227.03 | | 3,138.59 |
| | | <u>9,314.94</u> | | <u>3,256.54</u> |



NSHM Academy

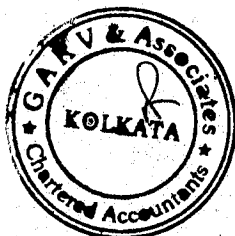
Trustee

NSHM Academy

Trustee

SCHEDULES forming part of the Income & Expenditure For the year ended 31st March,2020

| | As at 31st March,2020 | | As at 31st March,2019 | |
|--|-----------------------|--------------------|-----------------------|--------------------|
| | <u>Amount</u> | <u>Rs.</u> | <u>Amount</u> | <u>Rs.</u> |
| Schedule - VII | | | | |
| CURRENT LIABILITIES & PROVISIONS | | | | |
| Sundry Creditors : | | | | |
| For Project Capital Expenses | 3,330.54 | | 2,867.31 | |
| For Other Capital Expenses | 1,831.07 | | 2,109.95 | |
| For Operative Expenses | 98,611.81 | | 46,531.99 | |
| For Statutory Dues | 10,152.79 | | 6,131.19 | |
| | | 1,13,926.21 | | 57,640.43 |
| Security Deposit Refundable to Project Creditors | | 152.41 | | 160.41 |
| Security Deposit Refundable to Students | | 26,761.84 | | 19,047.83 |
| Other Liabilities | | 2,91,326.75 | | 2,67,185.79 |
| Bank Overdraft | | 53,849.00 | | 56,163.85 |
| Interest Payable | | 24,673.22 | | 27,276.54 |
| | | <u>5,10,689.42</u> | | <u>4,27,474.86</u> |
| Schedule - VIII | | | | |
| Collection from Students | | | | |
| Admission Fees | | 26,474.00 | | 27,001.80 |
| Tuition Fees | | 2,91,900.40 | | 2,57,626.09 |
| Hostel Fees | | 24,530.35 | | 33,293.37 |
| Other Fees | | 7,831.62 | | 8,510.76 |
| | | <u>3,50,736.38</u> | | <u>3,26,432.02</u> |
| Schedule - IX | | | | |
| Other Income | | | | |
| Accrued Interest on Fixed Deposit | | 97.60 | | 655.16 |
| Interest Income from Savings Bank | | 85.22 | | 174.11 |
| Donation Received | | 76,700.00 | | 65,000.00 |
| Miscellaneous Income | | 655.56 | | 325.79 |
| | | <u>77,538.39</u> | | <u>66,155.06</u> |
| Schedule - X | | | | |
| Academic Expenses | | | | |
| Affiliation Fees | | 2,331.21 | | 3,106.60 |
| Examination Cell Expenses | | 40.88 | | 81.07 |
| Faculty Recruitment & Other Charges | | 23.98 | | 52.53 |
| Registration & Examination Fees | | 2,903.05 | | 1,591.25 |
| Membership with Association | | 23.00 | | 400.68 |
| Research & Publications | | 179.89 | | 156.86 |
| Expenses on Seminar, Workshop & Conferences | | 904.33 | | 3,326.36 |
| Visiting Faculty Charges | | 1,037.25 | | 1,233.27 |
| Student Welfare | | 364.97 | | 417.59 |
| Laboratory Consumables | | 579.41 | | 811.05 |
| Library Expenses | | 320.18 | | 431.25 |
| Faculty Mobile & Telephone Charges | | 54.60 | | 77.77 |
| Training & Placement Charges | | 401.96 | | 727.32 |
| Faculty Travelling & Conveyance Charges | | 273.75 | | 532.64 |
| Printing & Stationery | | 217.12 | | 265.42 |
| Refund of Fees | | - | | 225.00 |
| Value Added Services | | 713.34 | | 1,665.10 |
| | | <u>10,368.92</u> | | <u>15,101.76</u> |



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SCHEDULES forming part of the Income & Expenditure For the year ended 31st March,2020

| | As at 31st March,2020 | | As at 31st March,2019 | |
|---|-----------------------|--------------------|-----------------------|--------------------|
| | <u>A m o u n t</u> | <u>R s.</u> | <u>A m o u n t</u> | <u>R s.</u> |
| Schedule - XI | | | | |
| Manpower Expenses | | | | |
| Salary, Wages & Gratuity | | 1,16,805.82 | | 1,05,765.05 |
| Contributions to Provident & Other Funds | | 4,943.48 | | 4,911.96 |
| Welfare & Other Expenses | | 655.96 | | 689.35 |
| | | <u>1,22,405.26</u> | | <u>1,11,366.36</u> |
| Schedule - XII | | | | |
| Educational Counselling & Communication Expenses | | | | |
| Seminars, Conference & Career Fair Expenses | | 4,126.13 | | 3,314.56 |
| Communication Expenses- Print Media | | 14,698.34 | | 10,122.88 |
| Communication Expenses- Electronics Media | | 11,861.17 | | 8,636.97 |
| EC&C-Out Sourcing of Counseling | | 10,724.51 | | 8,200.74 |
| Webside Branding | | 2,498.48 | | 2,334.43 |
| Student Referral Scholarship | | 2,206.00 | | 1,302.50 |
| Outdoor Branding | | 2,316.03 | | 1,782.92 |
| Print Production | | 1,612.14 | | 2,309.33 |
| Travelling & Conveyance | | 625.28 | | 339.33 |
| Telephone & Mobile Charges | | 25.17 | | 15.55 |
| Postage & Courier Charges | | 5.19 | | 1.68 |
| | | <u>50,698.45</u> | | <u>38,360.89</u> |
| Schedule - XIII | | | | |
| Administrative Expenses | | | | |
| College Campus Expenses | | 22,876.97 | | 22,598.22 |
| Hostel Expenses | | 2,945.71 | | 5,339.49 |
| Legal Charges | | 861.29 | | 729.71 |
| ITES Expenses | | 3,876.86 | | 4,312.88 |
| Printing & Stationery Expenses-Others | | 202.71 | | 205.83 |
| Professional Charges | | 987.39 | | 1,804.39 |
| Social Welfare & Subscriptions | | 53.57 | | 53.09 |
| Travelling Expenses on Non Academic Staff | | 675.56 | | 516.90 |
| Telephone & Communication Charges | | 166.28 | | 244.31 |
| Auditors Remuneration | | 236.00 | | 236.00 |
| General Maintenance & Upkeep | | 421.25 | | 749.85 |
| | | <u>33,303.58</u> | | <u>36,790.68</u> |
| Schedule - XIV | | | | |
| Interest & Bank Charges | | | | |
| Interest on Term Loan (Project) | | 1,07,306.96 | | 29,485.21 |
| Interest on Overdraft Balance | | 5,352.78 | | 5,505.38 |
| Bank Charges | | 52.00 | | 68.56 |
| Finance Charges | | - | | 25,960.00 |
| Interest on Unsecured Loan-Expenses | | 19,574.35 | | 25,973.19 |
| | | <u>1,32,286.09</u> | | <u>86,992.34</u> |



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FIXED ASSETS:
SCHEDULE E-"III":

NSHM Academy
Atrah, Shivdala, Durgapour-713 212

(Rs. in Thousands)

| Description of Assets | Rate | Net of Additions/Deletions during the Year | | | | Depreciation | | | | Closing WDV as on 31st March 2019 | Closing WDV as on 31st March 2020 |
|------------------------------|------|--|-------------------------|------------------------|---------------|--|---|---------------------------|---|-----------------------------------|-----------------------------------|
| | | Cost/Block Value as on 31st March 2019 | April 2019 to Sept 2019 | Oct 2019 to March 2020 | Total | Cost/Block Value as on 31st March 2020 | Opening Accumulated as on 31st March 2019 | Charged During the Period | Closing Accumulated as on 31st March 2020 | | |
| Land | 0% | 83,174.29 | - | - | - | 83,174.29 | - | - | - | 83,174.29 | 83,174.29 |
| Building | 10% | 6,74,065.76 | - | - | - | 6,74,065.76 | 3,82,661.46 | 29,141.43 | 4,11,792.89 | 2,62,272.87 | 2,91,414.30 |
| Electrical Installation | 10% | 11,223.61 | 58.00 | 252.98 | 310.98 | 11,534.59 | 6,496.38 | 491.17 | 6,987.55 | 4,547.03 | 4,727.23 |
| Furniture & Fixtures | 10% | 75,468.90 | 8.85 | 107.38 | 116.23 | 75,585.13 | 49,071.56 | 2,645.99 | 51,717.55 | 23,867.69 | 26,397.34 |
| Equipments | 15% | 1,19,461.64 | 64.95 | 247.58 | 312.53 | 1,19,774.17 | 85,122.81 | 5,179.13 | 90,301.95 | 29,472.22 | 34,338.83 |
| Computer Hardware & Software | 40% | 57,047.19 | - | 5.30 | 5.30 | 57,052.48 | 55,672.38 | 550.98 | 56,223.36 | 829.12 | 1,374.80 |
| Books | 15% | 15,644.43 | - | 212.82 | 212.82 | 15,857.25 | 12,446.91 | 495.59 | 12,942.50 | 2,914.75 | 3,197.52 |
| Grand Total | | 10,36,085.81 | 131.80 | 826.06 | 957.85 | 10,37,043.66 | 5,91,461.50 | 38,504.30 | 6,29,965.80 | 4,07,077.86 | 4,44,624.30 |



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SCHEDULE: XV

Significant Accounting Policies & Notes on Accounts:

1. Accounting Concept:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the rationales laid down by Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable.

The Trust is not engaged in commercial, industrial or business activities and is not established for any profit motive and is established purely for charitable purposes.

2. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

3. Recognition of Income and Expenditure:

The Trust has adopted mercantile system of accounting in respect of income recognition and expenditure and as a going concern accounting policies are consistent with the generally accepted accounting principles.

4. Fixed Assets and Depreciation:

Fixed Assets are stated at their original cost of acquisition and/or construction and cost of improvements thereon inclusive of inward freight, duties and taxes, cost of installation, preoperational expenses including finance charges and other incidental expenses in relation such acquisition/ construction/improvements.

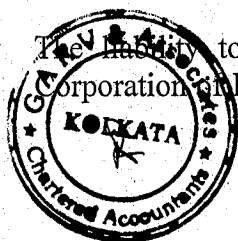
The costs of fixed assets which are not ready for their intended use before such date are disclosed under Capital Work in Progress. The amount incurred towards acquisition of land in Lavasa which is registered in the name of the Trust is shown under Capital Work in Progress.

Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date and the cost of fixed assets not ready to use before such date are disclosed under capital work in progress or advances as applicable.

Depreciation on fixed assets is charged on written down value method at the rates prescribed in Income Tax Act, 1961 except on Library Books where it is charged at the rate of 15%.

5. Retirement Benefits:

The liability towards gratuity is covered by Group Gratuity Policy with Life Insurance Corporation of India. Contribution to the fund is based on actuarial valuation carried at the end



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of the year. Leave encashment is accounted for as per rules of the Trust. Leave encashment has been provided during this year.

6. Secured & Unsecured Loans:

Secured Loans:

Loans from Yes Bank Ltd. :

Address: Stephen House, 56A Hemanta Basu Sarani,
Ground Floor, Kolkata-700001

Term Loan Limit :

- a) Loan No. 1 Rs. 60 Crore
- b) Loan No. 2 Rs. 65 Crore

Overdraft Limit : Rs. 5 Crore

a) Loan from Yes Bank is secured against –

- (i) Exclusive charge on all current assets and movable fixed assets (both present & future) of the borrower;
- (ii) Exclusive charge on the immovable properties as following -
 - a. 16.5 acre land (including built-up area of 4 lac sq.ft.) and structures (present & future) located at Durgapur and owned by the NSHM Academy;
 - b. 2.4 acre land (including built-up area of 2 lacs sq. ft) and structures (present & future) located at Kolkata owned by the Hari Charan Garg Charitable Trust;
- (iii) 7.5 acres land and structure located at Durgapur.
- (iv) Personal guarantees of present Trustees as per Loan Sanctioned Letters.
- (v) Other conditions as per Loan Sanctioned Letters.

b) Year ended balance on Unsecured Loan is inclusive of Interest Accrued and due.

7. The Trust as coventurer with another Charitable Trust has taken initiative to enter into a Joint Venture to construct a School / College at Rajarhatvide Agreement in April, 2016. The amount paid by the Trust towards the same has been shown under the head advances as Joint Venture Advance.

8. Current Assets, Current Liabilities

Balances shown under Receivables, Advances, some of the Sundry Creditors are subject to confirmation / reconciliation and consequential adjustment, if any. However the Trust has been sending letters for confirmation to these parties. In the opinion of trustees, the value of receivables, Advances, and Sundry Creditors



NSHM Academy

[Signature]
Trustee

NSHM Academy

Trustee

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on realization/payment in the ordinary course of operations will not be less/ more than the value at which these balances are stated in the Balance Sheet.

The Trust has filed insolvency proceedings in NCLT against SPS Ispat & Power Limited for recovery of advances given in respect of allotment of land for the educational projects in view of the fact that SPS Ispat & Power Limited failed in its obligation to deliver the commitments. The Trust had filed application to initiate corporate insolvency proceedings on 18.01.2019. During the year under review the case was admitted for hearing vide Order No. C.P.(IB) No. 265/KB/2019 dated 08.07.2019. The adjustment if any will be done at the time of final settlement.

9. Income Tax

The Trust is registered U/s. 12A of the Income-tax Act, 1961 and is entitled to exemption U/s. 11 of the Income-tax Act, 1961. The trust is also registered u/s 10(23C)(vi) of Income Tax Act, 1961. Hence no provision for Income-tax is required to be made.

10. Borrowing Cost

Interest Expenses incurred on acquisition of qualifying assets has been capitalized till the date the asset has been put to use.

11. Deferred Expenditures

Educational Counseling and Communication Expenses is being amortized over a period two years as in the opinion of management the benefit for the same will be accruing over a period of two years.

12. Contingent Liabilities:

As reported by trustees there are no contingent liability.

19. R.N.Mukherjee Road
Kolkata-700 001

For G A R V & ASSOCIATES

(Formerly Rustagi & Co.)
Chartered Accountant
Firm Registration No.301094

Ashish Rustagi
(ASHISH RUSTAGI)
PARTNER
Membership No. 062982



Dated : 11-01-2021

For NSHM ACADEMY
NSHM Academy

Dileep Singh Mehta
Trustee
Trustee
NSHM Academy

Cecil Antony
Trustee
Trustee