

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

FORM NO. 10BB
[See rule 16CC]

Audit report under section 10(23C) of the Income-tax Act, 1961, in the case of any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause (vi) or sub-clause (via) of section 10(23C).

- (i) We have examined the Balance Sheet as at 31st March 2018 and the Income and Expenditure or Profit and Loss Account for the year ended on that date attached herewith of **NSHM ACADEMY**
- (ii) We certify that the Balance Sheet and the Income and Expenditure Account or Profit and Loss Account are in agreement with the books of account maintained by the head office and branches.
- (iii) Subject to comments below:
- (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of the audit.
- (b) In our opinion, proper books of account have been kept by the head office and branches of the above-named trust so far as appears from our examination of the books of account.
- (c) In our opinion and to the best of our information and according to the information given to us, the said accounts read with notes thereon, if any, give a true and fair view:

1. In the case of the Balance Sheet, of the state of affairs of the above-named trust as at 31.03.2018 and
2. In the case of Income and Expenditure Account or Profit and Loss Account, **Surplus** for the year ended 31st March 2018.

The prescribed particulars are annexed herewith :

For RUSTAGI & CO.
Chartered Accountants
Firm Registration No.301094E

Ashish Rustagi
(ASHISH RUSTAGI)
Partner
Membership No. 062982

Date : 25/06/2018

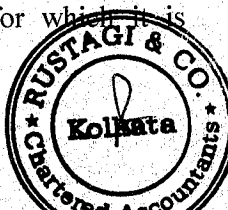


ANNEXURE
Statement of Particulars
PART: A-GENERAL

- | | | |
|----|--|---|
| 1. | Name of the trust | NSHM ACADEMY |
| 2. | Address | ARRAH, SHIVTALA.
DURGAPUR- 713 212 |
| 3 | Permanent Account Number | AAATN2471L |
| 4 | Assessment Year | 2018-19 |
| 5 | Sub-Clause of section 10(23C) under which the trust is seeking exemption | 10(23C)(vi) |
| 6 | Number and date of approval of the Trust | CCIT/DGP/10(23C)(vi)/10-11.
Dated : 28.01.2011 |

**PART: B- APPLICATION OF INCOME FOR CHARITABLE OR RELIGIOUS OR
EDUCATIONAL OR PHILANTHROPIC PURPOSES**

- | | | |
|----|--|--|
| 7 | Nature of charitable/ religious/ educational/ philanthropic activity [as referred to in sub-clauses (iv),(v),(vi) or (via) of section 10(23C)] | Educational Institution |
| 8 | Total income of the previous year of the trust | Rs. 40,93,54,225/- |
| 9 | Amount of income of the previous year applied during the year wholly and exclusively to the objects for which it is established | Rs.25,07,00,485/- has been applied for administrative expenses and day to day running of the educational institution excluding depreciation.
Rs.11,37,75,000/- of term loan has been repaid.
However during the year Rs. 32,44,941/- has been incurred for acquiring fixed assets of the educational institution but the Trust has received unsecured loan of Rs. 1,59,62,267/- (net of repayment). The Trust is carrying forward of excess expenditure of Rs.21,68,45,600/- |
| 10 | Amount of income of the previous year accumulated for application, wholly and exclusively, to the objects for which it is | Rs. 5,75,96,066/- |

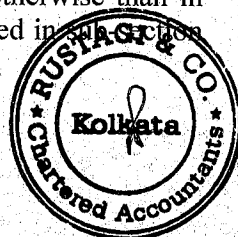


established, to the extent it does not exceed 15% of income of that year.

- | | | |
|-------|---|----------------|
| 11 | Amount of income, exceeding 15% income of the year accumulated in accordance with clause (a) of the third proviso to section 10(23C). | NIL |
| 12. a | Whether, during the previous year, any part of the income, not exceeding 15% of income accumulated in any earlier year, was applied for purposes other than to the objects for which it is established or has ceased to be accumulated for application thereto? | No |
| 12. b | If the answer to (a) above is 'yes', then give details of income so applied or ceased to be so accumulated. | Not Applicable |
| 13. a | Whether, during the previous year, any part of the income of any earlier year exceeding 15% of the income, that was accumulated in accordance with clause (a) of the third proviso to section 10(23C) in that year, was applied for purposes other than to the objects for which it is established or has ceased to be accumulated for application thereto? | No |
| 13. b | If the answer to (a) above is 'yes', then give details of income so applied or ceased to be so accumulated | Not Applicable |
| 14. a | Whether, during the previous year, any part of the income of any earlier year exceeding 15% of the income, that was accumulated in accordance with clause(a) of the third proviso to section 10(23C) in that year, was not utilised for purposes for which it was accumulated during the period for which it was to be accumulated? | No |
| 14. b | If the answer to (a) above is 'yes', then give details thereof, together with amount of income not so utilised. | Not Applicable |

PART C-OTHER INFORMATION

- | | | |
|-------|--|----|
| 15. a | Whether any funds, other than the assets or voluntary contributions referred to in clause (b) of the third proviso to section 10(23C), were invested or deposited for any period during the previous year, otherwise than in the forms and modes specified in sub-section (5) of section 11. | No |
|-------|--|----|



- 15 b If the answer to (a) above is 'yes' , then give details as under: **Not Applicable**
SI No.
Nature of investment or deposit
Amount invested or deposited
Period of investment or deposit
- 16 In relation to any income being profits and gains of business,-
(a) whether the business was incidental to the attainment of the objectives of the fund or trust or institution or university or other educational institution or hospital or other medical institution ? **Not applicable**
(b) whether separate books of account were maintained in respect of such business ? **Not Applicable**
(c) if the answer to (a) and/or (b) above is 'no' , then state the amount of such income. **Not Applicable**
- 17 a Whether during the previous year , any part of the accumulated income was paid or credited to any trust or institution registered under section 12AA or to any fund or trust or institution or any university or other educational institution or any hospital or other medical institution referred to in sub-clause (iv) or sub-clause (v) or sub-clause(vi) or sub-clause (via) of clause (23C) of section 10? **No**
- 17 b If the answer to (a) above is 'yes' , then give details thereof, together with the amount of income so paid or credited. **Not Applicable**
- 18 a Whether any voluntary contribution, other than voluntary contribution in cash or voluntary contribution of the nature referred to in clause(b) of the third proviso to sec10(23C), was held during the previous year, otherwise than in any of the forms or modes specified in sub-section(5)of section 11, after the expiry of one year from the end of the previous year in which such voluntary contribution was received ? **No**
- 18 b If the answer to (a) above is 'yes' , then give details thereof, including the amount of such income. **Not Applicable**



voluntary contribution.

- 19 a Whether any anonymous donation referred to in section 115BBC was received during the year? (See notes 2&3) No
- 19 b If the answer to (a) above is 'yes', then state the amount of such anonymous donation. Nil

Date: 25/06/2019.

For RUSTAGI & CO.
Chartered Accountants
Firm Registration No.301094E

Ashish Rustagi
(ASHISH RUSTAGI)

Partner
Membership No. 062982



BALANCE SHEET as at 31st March, 2018

(Rs. in Thousands)

		As at 31st March, 2018	As at 31st March, 2017
	Schedules		
I. SOURCES OF FUNDS :			
(1) Fund			
(a) Corpus Fund	I	3,001.50	3,001.50
(b) General Fund		152,742.00	40,743.27
(2) Loans Fund	II		
(a) Secured		973,875.00	1,083,272.28
(b) Unsecured		164,741.26	155,632.50
		1,138,616.26	1,238,904.78
(3) Gratuity Fund		16,829.62	16,605.47
TOTAL		1,311,189.37	1,299,255.02
II. APPLICATION OF FUNDS :			
(1) Fixed Assets			
(a) Fixed Assets	III		
Gross Block		948,088.41	944,843.47
Less: Accumulated Depreciation		548,780.27	502,125.26
Net Block		399,308.14	442,718.21
(b) Capital Work in Progress	IV	75,367.78	75,367.78
		474,675.92	518,085.99
(2) Investments			
Investment in LIC Group Gratuity Fund		16,829.62	16,605.47
(3) Current Assets			
(a) Loans & Advances	V	1,077,638.86	995,022.06
(b) Cash & Bank Balance	VI	23,387.99	15,643.00
Sub-Total		1,101,026.86	1,010,665.05
(c) Less: Current Liabilities & Provisions	VII	313,403.29	258,859.33
(d) Net Current Assets / (Liabilities)		787,623.56	751,805.73
(4) Sundry Debtors		14,667.58	0.00
(5) Deferred Revenue Expenses		17,292.69	12,657.83
(6) Pre-Operative Expenses		100.00	100.00
TOTAL		1,311,189.38	1,299,255.02

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 RUSTAGI & CO.
Chartered Accountants
Firm Registration No.301094E

For and on Behalf of the Trust
NSHM Academy

Adish Rustagi
(CA. ASHISH RUSTAGI)
Partner
M.No. 062982

Dileep Singh Mehta, Trustee
NSHM Academy
Cecil Antony, Trustee
Trustee

Place : Durgapur
Date : 25/06/2018


INCOME & EXPENDITURE ACCOUNT For the year ended 31st March,2018

(Rs. in Thousands)

		For the year ended 31st March,2018	For the year ended 31st March,2017
	<u>Schedules</u>		<u>A m o u n t</u>
I. INCOME			
Collection from Students	VIII	322,565.33	286,285.60
Other Income	IX	86,788.90	55,377.32
TOTAL		409,354.23	341,662.92
II. EXPENDITURE :			
Academic Expenses	X	9,556.65	10,658.31
Manpower Expenses	XI	105,858.20	104,581.12
Educational Counselling & Communication Expenses	XII	29,950.51	24,722.07
Administrative Expenses	XIII	37,089.16	29,162.93
Interest & Bank Charges	XIV	68,245.96	78,518.26
TOTAL		250,700.48	247,642.69
Excess/(Deficit) of Income over Expenditure during the period before Depreciation		158,653.74	94,020.23
Less: Depreciation		46,655.01	52,478.53
Excess/(Deficit) of Income over Expenditure during the period after Depreciation		111,998.73	41,541.71
Less: Earlier Tax Adjustment		0.00	15.10
Excess/(Deficit) of Income over Expenditure during the period after Depr. & Earlier Tax Adj.		111,998.73	41,526.61
Add: Excess of Expenditure over Income brought forward from previous years		40,743.27	(783.34)
Balance carried forward to Balance Sheet		152,742.00	40,743.27

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 RUSTAGI & CO.
Chartered Accountants
Firm Registration No.301094E

Ashish Rustagi
(CA. ASHISH RUSTAGI)
Partner
M.No. 062982

Place : Durgapur
Date : 25/06/2018



For and on Behalf of the Trust
NSHM Academy

Dileep Singh Mehta, Trustee
NSHM Academy
Cash Antony, Trustee
Trustee

SCHEDULES forming part of the Balance Sheet as at 31st March,2018

(Rs. in Thousands)

Schedule - I
CORPUS FUND

Balance as per last Account

Add : Donation Received during the year

As at 31st March,2018
Amount
Amount
As at 31st March,2017
Amount
Amount

3,001.50

3,001.50

3,001.50
3,001.50
Schedule - II
LOANS
Secured Loans

From South Indian Bank

From Yes Bank Ltd.

973,875.00

147.28

1,083,125.00

973,875.00

1,083,272.28

Unsecured Loans

164,741.26

155,632.50

1,138,616.26
1,238,904.78
Schedule - IV
CAPITAL-WORK-IN-PROGRESS :

Opening Capital-work-in-Progress

Less: Capitalised to Building

75,367.78

75,367.78

75,367.78

75,367.78

75,367.78
75,367.78
Schedule - V
LOANS & ADVANCES

(Unsecured :Considered Good)

Advance recoverable in cash or kind or value to be received

Staff Advances

Advance for Operative Expenses

Security Deposit

Advance for Project Capital Items

Advance against Joint Venture

Advance to Others

906.76

3,665.64

1,866.20

75,303.27

69,000.00

594.59

533.29

707.04

1,866.20

74,838.34

69,000.00

537.95

151,336.46

147,482.83

959.38

519.38

924,903.97

846,703.97

439.05

315.88

1,077,638.86
995,022.06
Other Receivable

Receivable against University Project

Income Tax Collected / Deducted at Source (Receivable)

Schedule - VI
CASH & BANK BALANCES

Cash in hand

Cheques In Hand

Balance with Schedule Banks

In Current Account

In Fixed Deposit Account

545.96

334.53

426.14

7,820.71

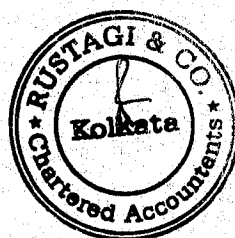
2,169.72

14,595.19

13,138.75

22,415.89

15,308.47

23,387.99
15,643.00

NSHM Academy

Trustee

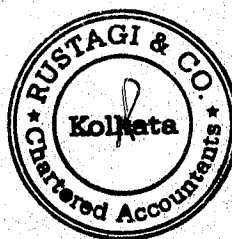
NSHM Academy

Trustee

SCHEDULES forming part of the Income & Expenditure For the year ended 31st March,2018

(Rs. in Thousands)

	For the year ended 31st March,2018	For the year ended 31st March,2017
	<u>Amount</u>	<u>Amount</u>
Schedule - VII		
CURRENT LIABILITIES & PROVISIONS		
Sundry Creditors :		
For Project Capital Expenses	3,068.03	3,668.03
For Other Capital Expenses	462.99	400.16
For Operative Expenses	28,199.93	20,330.28
For Statutory Dues	2,541.57	3,266.03
	34,272.52	27,664.51
Security Deposit Refundable to Project Creditors	158.71	144.28
Security Deposit Refundable to Students	15,039.04	12,045.28
Other Liabilities	163,469.84	142,440.50
Bank Overdraft	70,740.49	55,865.34
Interest Payable	29,722.69	20,699.42
	<u>313,403.29</u>	<u>258,859.33</u>
Schedule - VIII		
Collection from Students		
Admission Fees	25,897.20	26,758.50
Tuition Fees	261,548.59	226,191.02
Hostel Fees	25,352.75	22,755.75
Other Fees	9,766.79	10,580.33
	<u>322,565.33</u>	<u>286,285.60</u>
Schedule - IX		
Other Income		
Accrued Interest on Fixed Deposit	1,500.61	967.33
Interest Income from Savings Bank	156.61	235.51
Rent Received	0.00	100.72
Donation Received	85,000.00	47,400.00
Miscellaneous Income	131.67	6,673.77
	<u>86,788.90</u>	<u>55,377.32</u>
Schedule - X		
Academic Expenses		
Affiliation Fees	1,671.92	1,252.50
Examination Cell Expenses	50.20	168.06
Faculty Recruitment & Other Charges	0.00	27.62
Registration & Examination Fees	1,674.80	2,051.10
Membership with Association	10.00	16.90
Research & Publications	8.50	2.00
Expenses on Seminar, Workshop & Conferences	548.95	544.70
Visiting Faculty Charges	920.22	755.92
Student Welfare	393.39	356.75
Laboratory Consumables	922.90	640.33
Library Expenses	248.77	443.56
Faculty Mobile & Telephone Charges	46.72	57.82
Training & Placement Charges	776.09	876.73
Faculty Travelling & Conveyance Charges	401.67	141.02
Printing & Stationery	165.64	247.15
Refund of Fees	428.50	2,183.80
Value Added Services	1,288.39	892.35
	<u>9,556.65</u>	<u>10,658.31</u>


NSHM Academy

Trustee

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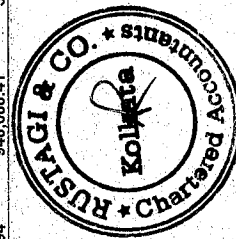
NSHM Academy
Atrah, Shivdala, Durgapur-713 212

(Rs. in Thousands)

FIXED ASSETS:

SCHEDULE-"III":

Description of Assets	Rate	Cost/Block Value as on 31st March 2017	Net of Additions/Deletions during the Year			Depreciation			Closing WDV as on 31st March 2018	Closing WDV as on 31st March 2017
			April 2017 to March 2017	Oct 2017 to Sept 2018	Apr 2017 to March 2018	Total	Opening Accumulated as on 31st March 2017	Charged During the Period	Closing Accumulated as on 31st March 2018	
Land	0%	7,806.50	-	-	-	-	-	-	-	7,806.50
Building	10%	665,056.78	165.00	-	-	165.00	315,748.58	34,947.32	350,695.90	349,308.20
Electrical Installation	10%	10,760.45	1.34	105.08	-	106.42	5,443.54	537.08	5,980.62	4,886.26
Furniture & Fixtures	10%	73,701.24	211.00	206.64	-	417.64	43,118.21	3,089.74	46,207.94	27,910.94
Equipments	15%	117,210.96	65.21	553.84	-	619.04	72,358.21	6,779.23	79,137.44	38,692.56
Computer Hardware & Software	40%	55,075.98	10.56	1,565.02	-	1,575.58	54,205.92	665.25	54,871.17	1,780.39
Books	15%	15,231.55	162.44	198.82	-	361.26	11,250.80	636.39	11,887.19	3,705.62
Grand Total		944,843.47	615.54	2,629.40		3,244.94	502,125.26	46,655.01	548,780.27	399,308.14
										442,718.21



NSHM Academy

Trustee

NSHM Academy

Trustee

SCHEDULES forming part of the Income & Expenditure For the year ended 31st March,2018

(Rs. in Thousands)

	For the year ended 31st March,2018	For the year ended 31st March,2017
	<u>Amount</u>	<u>Amount</u>
Schedule - XI		
Manpower Expenses		
Salary, Wages & Gratuity	100,620.08	99,756.50
Contributions to Provident & Other Funds	4,617.13	4,397.14
Welfare & Other Expenses	620.99	427.48
	<u>105,858.20</u>	<u>104,581.12</u>
Schedule - XII		
Educational Counselling & Communication Expenses		
Seminars, Conference & Career Fair Expenses	2,178.36	1,827.71
Communication Expenses- Print Media	7,635.29	10,126.00
Communication Expenses- Electronics Media	6,292.67	4,029.57
EC&C-Out Sourcing of Counseling	6,883.25	5,558.25
Website Branding	2,353.25	956.20
Student Referral Scholarship	1,046.00	940.50
Outdoor Branding	1,298.10	496.53
Print Production	1,990.63	550.64
Travelling & Conveyance	267.88	214.07
Telephone & Mobile Charges	5.09	20.04
Postage & Courier Charges	-	2.57
	<u>29,950.51</u>	<u>24,722.07</u>
Schedule - XIII		
Administrative Expenses		
College Campus Expenses	26,583.07	21,451.01
Hostel Expenses	3,759.86	3,275.77
Legal Charges	894.43	453.11
ITES Expenses	3,941.64	2,285.11
Printing & Stationery Expenses-Others	96.34	172.07
Professional Charges	496.68	495.63
Social Welfare & Subscriptions	89.68	153.80
Travelling Expenses on Non Academic Staff	562.04	375.10
Telephone & Communication Charges	167.08	134.34
Auditors Remuneration	236.00	143.75
Foreign Exchange Difference	0.00	0.98
General Maintenance & Upkeep	262.33	222.27
	<u>37,089.16</u>	<u>29,162.93</u>
Schedule - XIV		
Interest & Bank Charges		
Interest on Term Loan (Project)	50,391.08	56,194.63
Interest on Overdraft Balance	5,641.47	4,539.78
Bank Charges	76.87	80.14
Interest on Unsecured Loan-Expenses	12,136.53	17,703.71
	<u>68,245.96</u>	<u>78,518.26</u>


NSHM Academy

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NSHM Academy

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NSHM ACADEMY

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:

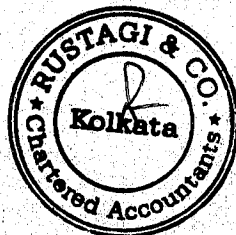
The Trust has adopted mercantile system of accounting in respect of income recognition and expenditure and as a going concern accounting policies are consistent with the generally accepted accounting principles. Owing to this change in policy during the year the income and accordingly surplus of the Trust has increased by Rs. 146.68 Lacs.

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.

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%.



NSHM Academy

Trustee

NSHM Academy

Trustee

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 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 Rajarhat vide 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. The Trust has taken initiative to enter into a Joint Venture to construct a school at A.J.C Bose Road with another Trust vide Agreement in April 2016. The amount paid by the Trust towards the same has been shown under the head advances as Joint Venture Advance.



NSHM Academy

NSHM Academy Trustee

9. 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 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.

10. 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.

11. Borrowing Cost

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

12. 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.

13. Contingent Liabilities:

As reported by trustees there are no contingent liability.

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

For **RUSTAGI & CO.**
Chartered Accountants
Firm Registration No.301094E

For **NSHM ACADEMY**
NSHM Academy

Dated : 25/06/2018

Ashish Rustagi
(ASHISH RUSTAGI)
PARTNER
Membership No. 062982



Dileep Singh Menta
Trustee

NSHM Academy

Cecil Antony
Trustee

Trustee