

INDEPENDENT AUDITORS'S REPORT
TO THE COUNCIL OF TRUSTEES
BMS Educational Trust

Qualified Opinion:

We have audited the accompanying financial statements of **BMS College of Engineering, Bangalore Department of Post Graduate Studies MBA a unit of B.M.S Educational Trust**, which comprise the Balance Sheet as at March 31, 2023, the Income and Expenditure Account for the year then ended and a summary of the significant accounting policies and other explanatory information. (Collectively considered as "Financial statements")

In our opinion, and to the best of our information and according to the explanation given to us, the financial statements give a true and fair view of the financial position except for the effects of matter described in the Basis for Qualified Opinion Section of our report of the college as at March 31, 2023 and of its financial performance for the year then ended, in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs at March 31, 2023
- b) In the case of the Income & Expenditure Account, of the excess of expenditure over income for the period ended on that date.

Basis for Qualified Opinion:

1. As referred to in Note 3 of Schedule – P share of expenditure in respect of use of infrastructure facility of BMS College of Engineering is not identifiable separately. Further, tuition fee of management quota students being accounted for in BMSET and that of international students is partly accounted in International Co-operation Division as referred to in Note 2(d) of Schedule - P. Consequential effect on the financial statements not ascertained at this stage.
2. As referred to in Note 4 of Schedule – P Physical verification of fixed asset was completed during the year. However, reconciliation of fixed asset to book records is pending any further impact on the financial statement are not ascertainable at this stage.
3. As referred to Note 2(e)(iii) of Schedule - P no provision being made for employee retirement benefit at the unit since the same is dealt with at the consolidated entity level and amount not ascertained separately. Consequential effect on the financial statements not ascertained at this stage.

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the entity in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ("ICAI") and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter:

As referred to in Note No. 5 of Schedule – P and according to the management relevant Accounting Standards prescribed by the Institute of Chartered Accountants of India are not mandatory and hence not applicable for the reasons stated in the said note. The consequential impact thereof on these financial statements has not been identified. Our opinion is not qualified in this matter.

Other Matter:

This report is furnished solely for use in consolidation of the Financial Statements of BMS educational Trust for the year ended March 31, 2023 and is not to be used for any other purpose or referred to in any document or distributed to anyone without our prior consent.

Management Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the aforesaid Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Trust's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Trust or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the entity's financial reporting process.

Auditors' Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional scepticism through the audit. We also:

- Identify and assess the risks of material misstatement of the balance sheet and income and expenditure account, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Trust to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Trust to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

For B.K.RAMADHYANI & CO LLP
Chartered Accountants
Firm Registration No: 0028785/S200021

Vasuki H S
Partner
Membership No:212013

Date: *October 13, 2023*
Place: Bangalore.

B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE
BALANCE SHEET AS AT MARCH 31, 2023

LIABILITIES	SCH	As at March 31, 2023	As at March 31, 2022	ASSETS	SCH	(Amount in Rs.)	
						As at March 31, 2023	As at March 31, 2022
Sundry Creditors	A	56,868	21,11,604	Fixed Asset	F	44,95,734	35,76,859
Inter College Accounts	B	13,35,44,835	11,03,80,947	Loans & Advances	G	5,61,572	5,59,689
Other Liabilities	C	19,85,588	20,35,593	<u>Balance with Banks:</u>			
Scholarship	D	4,30,821	5,42,791	Savings Bank Account	H	12,42,397	15,35,126
VTU reg..MISC & OTHER	E	10,95,470	7,29,230	Fees Arrears	I	35,27,370	35,52,560
				Income & Expenditure B/F		10,65,75,931	9,12,08,646
				Add: Excess of Expenditure over Income for the year		2,07,10,578	1,53,67,285
				Sub Total		12,72,86,509	10,65,75,931
TOTAL		13,71,13,582	11,58,00,165	TOTAL		13,71,13,582	11,58,00,165

Accounting Policies and Notes to Accounts - Schedule P

Vide our report attached of even date
For B.K.Ramadhani & Co. LLP
Chartered Accountants
Firm Registration No. 0028785/S200021

Vasuki H.S.
Vasuki H.S.
Partner
Membership No. 212013

Place: Bangalore

Date: October 13, 2023

B.K. RAMADHANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

For BMS College of Engineering
Department of Post Graduation

Dr. Muradidhara S
Dr. Muradidhara S
Principal
B.M.S. College of Engineering
BANGALORE - 560 019

Prakash D. Rao
Prakash D. Rao
Senior Manager (Finance - 1)

Senior Manager (Finance-1)
BMSET

B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE
INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED MARCH 31, 2023

EXPENDITURE	SCH	CURRENT YEAR	PREVIOUS YEAR	INCOME	SCH	CURRENT YEAR	PREVIOUS YEAR
To Contingency and Others	J	5,46,470	1,57,724	By Fee Income	N	1,03,85,747	93,27,616
To Department Recurring	K	21,65,011	6,37,811	By Other Income	O	62,347	37,942
To Establishment Charges	L	2,74,09,734	2,29,67,517	By CD/LD Income		30,500	30,500
To Staff Development Expenditure	M	1,27,500	52,500	By Smart Card Income		61,000	60,500
To Prior Period Expenses		5,727	1,50,000				
To Depreciation		9,95,730	8,58,291	By Excess of Expenditure Over Income for the year		2,07,10,578	1,53,67,285
TOTAL		3,12,50,172	2,48,23,843	TOTAL		3,12,50,172	2,48,23,843

Accounting Policies and Notes to Accounts - Schedule P

Vide our report attached of even date
For B.K.Ramadhyan & Co. LLP
Chartered Accountants
Firm Registration No. 0028785/S200021

Vasuki H.S.
Partner

Membership No. 212013

Place: Bangalore
Date: October 13, 2023

Dr. Muralidhara S
Principal

For BMS College of Engineering
Department of Post Graduation

Prakash D. Rao
Senior Manager (Finance - 1)

Senior Manager (Finance-1)
BMSET

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B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE

SCHEDULE - A Sundry Creditors

(Amount in Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
B R Shakuntala	5,000	2,000
Salary Payable	-	16,78,400
Suresh Patrika Agency	-	4,597
MGT ESIC Payable	-	325
BHOOMI TECHNOLOGIES	15,022	-
DR. S. MANOHARAN	18,697	-
M/S. CAMPUS BOOK MART	5,543	-
M/S. HARSHITHA NEWS AGENCY	3,874	-
P BHAKTAVATSALA	8,732	-
Sri. Venkateshwara Furntiures	-	1,22,720
M/S. L N ENTERPRISES	-	9,003
M/S. MICROLINE INDIA PVT LTD	-	2,80,001
M/S. PAN OFFICE SYSTEMS PVT LTD	-	9,177
M/S. SRI BOOK WORLD	-	5,381
TOTAL	56,868	21,11,604

SCHEDULE B - Inter College Accounts

(Amount in Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
BMS College of Engineering	12,95,69,481	10,59,88,094
M.Tech Account	53,93,660	67,03,290
M.C.A Account	67,45,527	73,70,255
BMSCE Training & Placement	8,74,995	8,74,995
PH.D / M.Sc., Engg	75,49,633	62,39,433
BMS Trust	(1,63,38,461)	(1,62,95,120)
BMSET ICD Account	(2,50,000)	(5,00,000)
TOTAL	13,35,44,835	11,03,80,947

SCHEDULE - C Other Liabilities

(Amount in Rs.)

PARTICULARS	As at March 31, 2023	As at March 31, 2022
Flag Fee	58,775	40,925
Security Deposit	6,444	6,444
BMSET Employees Credit Co- Operative Society	11,000	11,000
Vehicle Loan Recovery	-	1,865
MGT EPF Payable	39,000	40,300
MGT FWF Payable	3,000	2,700
OTHER LIABILITIES (HOD-MBA ACCT)	2,33,103	-
EPF	-	35,400
FWF	-	2,700
ESIC	-	(785)
LIC Recovery	-	13,726
Professional Tax	-	3,800
Stamp Duty Recovery	-	18
Income tax	266	2,43,500
Alumni Fees	16,17,000	16,17,000
Education Loan	17,000	17,000
TOTAL	19,85,588	20,35,593



B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE

SCHEDULE -D - SCHOLARSHIP

(Amount in Rs.)		
PARTICULARS	As at March 31, 2023	As at March 31, 2022
Fee Concession	3,64,626	3,64,626
DSW Scholarship	66,195	1,78,165
TOTAL	4,30,821	5,42,791

SCHEDULE -E- VTU REG.MISC & OTHER

(Amount in Rs.)		
PARTICULARS	As at March 31, 2023	As at March 31, 2022
VTU MISC.,& Registration Fee	8,57,470	6,33,730
VTU Eligibility Fee	2,38,000	95,500
TOTAL	10,95,470	7,29,230



B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE

SCHEDULE - F- FIXED ASSET

SL NO	PARTICULARS	WDV AS AT March 31,2022	ADDITIONS	TOTAL	RATE OF DEPRECIATION	DEPRECIATION FOR THE YEAR	WDV AS AT March 31,2023
1	Computers	11,32,898	10,93,865	22,26,763	40%	5,79,855	16,46,908
2	Equipment	8,66,879	5,01,383	13,68,262	15%	1,56,551	12,11,711
3	Furniture & Fixture	13,27,631	6,400	13,34,031	10%	1,33,136	12,00,895
4	Library Books	2,16,098	99,428	3,15,526	40%	1,05,729	2,09,797
5	Software	33,353	2,13,529	2,46,882	40%	20,459	2,26,423
	TOTAL	35,76,859	19,14,605	54,91,464		9,95,730	44,95,734



B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE
SCHEDULE - G - Advances

(Amount in Rs.)		
PARTICULARS	As at March 31, 2023	As at March 31, 2022
Festival Advance	57,500	6,000
Prepaid Expenses	54,072	13,275
Vehicle Loan	-	40,414
Prepaid Affiliation Fee	4,50,000	5,00,000
TOTAL	5,61,572	5,59,689

SCHEDULE - H - Bank Accounts

(Amount in Rs.)		
PARTICULARS	As at March 31, 2023	As at March 31, 2022
Indian Bank A/c 20274183446	2,43,059	8,45,013
Indian Bank A/c 50339346759	7,51,734	6,90,113
Indian Bank A/c-20274189823	2,47,604	-
TOTAL	12,42,397	15,35,126

SCHEDULE - I Fees Arrears

(Amount in Rs.)		
PARTICULARS	As at March 31, 2023	As at March 31, 2022
KEA PG CET	18,98,330	22,80,000
Arrears Of Tultion fee	7,55,500	7,85,500
Fees Receivable	8,73,540	4,87,060
TOTAL	35,27,370	35,52,560



B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE

SCHEDULE - J - CONTINGENCY AND OTHERS

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Affiliation/ Accrediation Charges	2,86,000	1,00,000
EPF Consultancy Charges	12,000	12,000
Repairs & Maintenance	19,048	13,841
Membership & Subscription Fees	26,099	14,000
Printing & Stationery	1,53,484	-
Reading Room Expenditure	47,384	44,874
TOTAL	5,46,470	1,85,565

SCHEDULE - K - DEPARTMENT RECURRING

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Autonomous Exam and recurring Expenses	9,56,648	2,00,390
Seminar And Workshop	33,611	10,000
Training and Placement Fee expenditure	4,33,115	5,000
Stationery & Consumables	3,86,274	1,90,077
Guest Lecture Series	44,000	12,000
Industry Visit	25,000	-
Travelling Allowance	-	3,849
Subscription & Journals	1,04,067	23,619
Recurring MBA Dept	1,82,296	1,65,035
TOTAL	21,65,011	6,09,970



B.M.S. COLLEGE OF ENGINEERING, BANGALORE - 560 019
DEPARTMENT OF POST-GRADUATE STUDIES - M.B.A COURSE

SCHEDULE - L - ESTABLISHMENT CHARGES

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Salary for Teaching & Non Teaching Staff	2,67,07,673	2,23,88,085
Encashment of EL	80,805	70,607
HOD Allowance	8,000	12,000
Terminal Encashment	-	-
Management Contribution EPF	5,05,700	4,63,850
Management Contribution FWF	37,500	31,350
Management ESIC	2,556	1,625
Visiting Faculty Remuneration	67,500	-
TOTAL	2,74,09,734	2,29,67,517

SCHEDULE - M - STAFF DEVELOPMENT EXPENDITURE

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Educational Aid	30,000	10,000
Vehicle Allowance	97,500	42,500
TOTAL	1,27,500	52,500

SCHEDULE - N - FEE INCOME

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Tuition Fee & Miscellaneous Fees	1,00,84,690	91,97,616
Trailing & Placement	3,01,057	1,30,000
TOTAL	1,03,85,747	93,27,616

SCHEDULE - O - OTHER INCOME

PARTICULARS	(Amount in Rs.)	
	As at March 31, 2023	As at March 31, 2022
Bank Interest	62,347	37,942
TOTAL	62,347	37,942



B.M.S.COLLEGE OF ENGINEERING, BANGALORE - 560 019
POST GRADUATE COURSE – MBA

SCHEDULE – P

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS
FOR THE YEAR ENDING MARCH 31, 2023

1. BACKGROUND

BMS College of Engineering Department of Post Graduate Studies MBA is a division of B.M.S Educational Trust (BMSET). These financials statements are prepared for the purpose of consolidation with BMSET which is subject to audit under section 12A of the Income Tax Act, 1961.

2. ACCOUNTING POLICIES

- a) Financial Statements are prepared under accrual system of accounting.
- b) Income from fees for the year is recognized on an accrual basis. Interest income is recognized on time proportionate basis.
- c) Depreciation on fixed assets has been computed under written down value method. Depreciation on additions is provided from the month of addition.
- d) Tuition fee of management quota students is accounted for in BMSET. Portion of fees is transferred during the year from the International Co-operation Division to the unit which is duly accounted.
- e) Employees Benefits:
 - i. Short term employee benefits:
Employee benefits payable wholly within twelve months of rendering the service are classified as short term. Benefits such as salaries and other similar allowances are recognized in the period in which an employee renders the related service.
 - ii. Post-employment benefits:
Defined contribution plan:
The Trust has contributed to provident fund to eligible management employees, which is defined contribution plan. The contribution paid/ payable to the Central Government under the scheme is recognized during the year in which an employee renders the related service.
 - iii. Gratuity to certain eligible employees a defined benefit scheme is accounted using projected unit credit method and as assessed by an independent actuary. Gratuity Liability is not funded. Leave encashment to certain eligible employees is estimated by the management and provided.



3. The share of expenditure in respect of infrastructure facility of B.M.S College of Engineering used by the Division is not separately identifiable.
4. Physical verification of fixed assets was completed during the year. However, corresponding reconciliation with book records is under progress. Adjustment required if any, will be carried out on completion of reconciliation and updation of book records.
5. According to the management, BMSET and the division thereof exists solely for the purpose of education and no part of these activities are Commercial / Industrial / Business in nature and consequently relevant Accounting Standards issued by the Institute of Chartered Accountants of India are not mandatory and hence not applicable.
6. Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable.
7. Provisions are recognized when the college has a present obligation as a result of past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed regularly and are adjusted where necessary to reflect the current best estimates of the obligation.
8. The various colleges and departments which are to be consolidated under BMSET have maintained separate books of account following different practices. This was due to gradual expansion of the activities of BMSET, different educational courses and administrative setup and such other factors.

For BMS College Of Engineering- MBA


Dr. Muralidhara S

Principal

B.M.S. College of Engineering
Place: Bangalore
Bangalore-560019

Date: October 13, 2023


Prakash D. Rao

Senior manager Finance 1

