

B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019

AIDED COURSES

BALANCE SHEET AS AT 31ST MARCH 2020

| AS AT March 31,2019 | LIABILITIES | SCH | AS AT March 31,2020 | AS AT March 31,2019 | ASSETS | SCH | (Amount in Rs.) AS AT March 31,2020 |
|------------------------|---|-----|------------------------|------------------------|--|-----|---|
| 7,61,83,450 | Designated Fund | A | 8,29,91,256 | 41,70,57,235 | Fixed Assets | F | 42,80,51,864 |
| 37,12,09,937 | Inter College A/c & other items | B | 42,85,21,877 | 3,94,58,900 | Cash & Bank Balance | G | 3,83,44,351 |
| 36,66,00,797 | Grants from Central/ State Govt.University,UGC & CAS | C | 36,65,64,862 | 7,01,34,717 | Fixed Deposits with Banks (TEQIP) | | 8,02,81,557 |
| 9,17,293 | Scholarships | D | 4,20,593 | 21,94,145 | Arrears of Fees | | 29,18,194 |
| 1,90,65,800 | Other Liabilities | E | 2,88,03,065 | 5,57,36,526 | Salary Grants Receivable | | 6,71,57,891 |
| 64,75,052 | Sundry Creditors | | 42,22,337 | 90,22,264 | Advances | H | 2,45,12,614 |
| 24,13,894 | Establishment Charges Payable | | | 15,38,111 | Deposits | I | 15,38,111 |
| 82,76,147 | Provision for Salary Grants Payable | | 82,76,147 | 24,52,75,840 | Income & Expenditure B/F | | 25,60,00,472 |
| | | | | 1,07,24,632 | Add: Excess of Expenditure Over Income for the year | | 2,09,95,082 |
| | | | | 25,60,00,472 | | | 27,69,95,554 |
| 85,11,42,370 | | | 91,98,00,137 | 85,11,42,370 | | | 91,98,00,137 |

Accounting policies and notes to accounts Schedule - M

For BMS College of Engineering (Aided courses)

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

Vasuki H S
Partner

Membership No. 212013
B K RAMADHYANI & CO. LLP
CHARTERED ACCOUNTANTS
No. 68, # 4-B, Chitrapur Bhavan,
8th Main, 15th Cross, Malleswaram,
BANGALORE - 560 055.

Place: Bangalore
Date: December 23, 2020



Dr. B.V. Ravishankar

Principal

B.M.S. College of Engineering
Bangalore-560 019

B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019

AIDED COURSES

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2020

| PREVIOUS YEAR | EXPENDITURE | SCH | CURRENT YEAR | PREVIOUS YEAR | INCOME | SCH | CURRENT YEAR |
|---------------|------------------------------------|-----|--------------|---------------|--|-----|--------------|
| 18,13,44,998 | Establishment Charges | | 18,58,21,549 | 1,81,07,680 | Tuition Fees (CET) and other fees | | 1,80,93,214 |
| 20,21,305 | Establishment Charges(MGT Funds) | | | 3,78,00,000 | Tuition Fees (PIO) | | 3,26,25,000 |
| 68,06,736 | Department Recurring Expenditure | J | 1,11,38,500 | 1,07,50,000 | Tuition Fees (MGT) | | 1,11,25,000 |
| 93,23,076 | Contingency and Others Expenditure | K | 95,04,601 | 2,24,820 | Interest Income | | 2,09,896 |
| 1,82,27,916 | Maintenance Expenditure | L | 2,11,17,155 | (99,366) | Audit Objection Recovery | | 5,41,341 |
| 1,03,15,949 | CAS Grants Recurring Expenditure | | 39,70,465 | 1,16,47,702 | CAS/VTU VGST Recurring Grants | | 39,70,465 |
| 55,43,233 | Staff Development Expenditure | | 37,48,214 | 3,790 | Library Fine | | 9,120 |
| | | | | 15,34,99,775 | Maintenance Grants | | 15,79,48,318 |
| 90,75,820 | Depreciation | F | 1,02,16,952 | 1,07,24,632 | Excess of Expenditure over Income for the year | | 2,09,95,082 |
| 24,26,59,033 | | | 24,55,17,436 | 24,26,59,033 | | | 24,55,17,436 |

Accounting policies and notes to accounts Schedule - M

For BMS College of Engineering (Aided courses)

Vide our report of even date attached
For B.K.Ramadhyan & Co LLP
Chartered Accountants
Firm Registration No : 002878S/S200021

Vasuki H S

Vasuki H S
Partner
Membership No. 212013

Place: Bangalore

Date: *December 23, 2020*

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



Dr. B.V. Ravishankar
Principal

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Principal
B.M.S. College of Engineering
Bangalore-560 019

B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019

AIDED COURSES

**Schedule-A
Designated Fund***

| SL.No. | PARTICULARS | (Amount in Rs.) | |
|--------|--|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| 1 | Corpus Fund | | |
| 2 | Equipement Replacement Fund | 1,80,58,477 | 1,94,77,601 |
| 6 | Faculty Development Fund | 1,79,25,366 | 1,93,33,515 |
| 4 | Maintenance Fund | 1,80,84,366 | 1,97,61,280 |
| 5 | Staff Development Fund | 1,95,18,745 | 2,18,22,365 |
| | Total | 25,96,495 | 25,96,495 |
| | * Transferred from TEQIP during the year | 7,61,83,450 | 8,29,91,256 |

**Schedule-B
Inter College Accounts & Other Items**

| SL.No. | PARTICULARS | (Amount in Rs.) | |
|--------|--|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| 1 | B M S Evening College | | |
| 2 | B M S College of Engineering(MGT Books) | (25,49,196) | (25,49,196) |
| 3 | B M S Educational Trust | 42,04,45,386 | 50,26,50,716 |
| 4 | International Co-OP Division | (49,86,253) | (1,67,04,643) |
| | Total | (4,17,00,000) | (5,48,75,000) |
| | | 37,12,09,937 | 42,85,21,877 |

**Schedule-C
Grants from Central /State Government, University,UGC, CAS**

| SL.No. | PARTICULARS | (Amount in Rs.) | |
|--------|-------------------------------------|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| 1 | Building Grants (Centre & State) | 36,27,993 | 36,27,993 |
| 2 | Equipment Grants (Centre & State) | | 20,97,662 |
| 3 | Adhoc Grants for land (State Govt.) | 20,97,662 | 1,08,000 |
| 4 | Rehabilitation Grants (State Govt.) | 1,08,000 | 2,50,000 |
| 5 | Under CAS Govt of India | 2,50,000 | 11,71,38,625 |
| 6 | Grants for R & D Project | 11,93,41,533 | 81,94,352 |
| 7 | Grants from UGC | 81,94,352 | 2,81,941 |
| 8 | Grants from DIE (State Govt.) | 2,81,942 | 16,93,330 |
| 9 | Grants from P.G course for building | 16,93,330 | 25,50,000 |
| 10 | Interest Earned on CAS Grants | 25,50,000 | 1,58,66,479 |
| 11 | Grants to P.G course | 1,58,77,107 | 24,78,500 |
| 12 | Awards and Prizes | 24,78,500 | 6,40,204 |
| 13 | SC/ST Book Bank/drawing materials | 6,40,204 | |
| 14 | VTU Grants | | 29,05,372 |
| 15 | Library Grants(TEQUIP) | 29,05,372 | 34,742 |
| 16 | BARC Project | 34,742 | 8,630 |
| 17 | TEQIP Assets Grants | 8,630 | 18,99,96,532 |
| 18 | VGST Grants | 18,99,96,532 | 1,13,94,545 |
| 19 | SERB DST Grants Project | 1,07,28,101 | 57,86,797 |
| | Total | 36,66,00,797 | 36,65,64,862 |

**Schedule-D
Scholarships**

| SL.No. | PARTICULARS | (Amount in Rs.) | |
|--------|---------------------|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| 1 | Scholarship Défense | 70,650 | |
| 2 | Scholarship DSW | 6,20,622 | 1,94,572 |
| 3 | Scholarship Misc. | 2,26,021 | 2,26,021 |
| | Total | 9,17,293 | 4,20,593 |



B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019
AIDED COURSES
Schedule-E
Other Liabilities

| SL.No. | PARTICULARS | (Amount in Rs.) | |
|--------|--------------------------------------|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| | Employee's Related | | |
| 1 | Alumini Association Loan Recovery | 13,621 | 17,621 |
| 2 | Bank Loan Recovery | (756) | |
| 3 | Security Deposit | 43,879 | 75,764 |
| 4 | Family Benefit Fund | 1,410 | 1,270 |
| 5 | Income Tax | 41,53,166 | 50,64,418 |
| 6 | L.I.C. | 13,40,293 | 14,82,559 |
| 8 | Loan for Two/Four Wheeler Vehicle | 1,34,338 | 1,41,174 |
| 9 | National Pension Scheme (GIA EMLP) | 1,13,764 | 1,27,996 |
| 10 | DTE MISC FEE PAYABLE | 3,24,211 | 5,23,050 |
| 11 | Stamp Duty Recovery | 2,258 | 2,255 |
| 12 | Maintenance Grant payable | 11,46,347 | 11,46,347 |
| 13 | Management Contribution NPS Payable | 1,17,459 | 1,34,937 |
| 14 | Bank Interest to DTE | 2,74,950 | 4,65,124 |
| | Other than Employee's Related | | |
| 1 | KSCST-FUND | 17,000 | |
| 2 | C/D. I/D. A/C. | 8,33,750 | 9,25,250 |
| 3 | Refund of Fees | 1,03,02,050 | 1,77,43,020 |
| 4 | Suspense Tuition fees | 2,48,060 | 2,27,280 |
| 5 | Suspense | | 6,50,000 |
| 6 | OVERHEAD CHARGES PAYABLE | | 75,000 |
| 7 | FCG | | |
| | Total | 1,90,65,800 | 2,88,03,065 |

Schedule -G
Cash and Bank Balance

| SL.No. | PARTICULAR | (Amount in Rs.) | |
|--------|---|------------------------|------------------------|
| | | AS AT March 31,2019 | AS AT March 31,2020 |
| 1 | Allahabad Bank BMSCE H' Nagar | | |
| | S B NO 20274185738 | | |
| | S B NO 25622 | 16,65,125 | 96,26,116 |
| | S B NO 50077625295 | 16,76,285 | 12,40,820 |
| | S B NO 64059812588(SBM) | 39,24,912 | 17,61,226 |
| 2 | Allahabad Bank BMSCE D V G Rd | 1,99,06,748 | 1,92,49,461 |
| | S B NO 20022950209 | | |
| | S B NO 50483059892 SERB | 78,01,374 | 49,66,915 |
| | Allahabad Bank BMSCE H' Nagar TEQIP ACCOUNT | | 6,74,317 |
| | S B NO 50092591117 | | |
| | S B NO 50092589368 | 27,56,809 | 59,371 |
| | S B NO 50092573175 | 1,31,637 | 1,42,464 |
| | S B NO 50092587338 | 15,94,693 | 2,40,401 |
| | S B NO 50496514688 | 1,316 | 1,364 |
| | S B NO 50496514746 | | 810 |
| | S B NO 50496514859 | | 86,055 |
| | S B NO 50496514815 | | 2,94,221 |
| | Total | 3,94,58,900 | 3,83,44,351 |



BMS College of Engineering Bangalore 560019

AIDED COURSES

Schedule -F

Fixed Assets

| Sl No | Particulars | Cost As At 04-2019 | 01- Additions/ Tranferred | Deletions | Cost As At 03-2020 | 31- Aggregate Dep upto 01-04-2019 | Deletions | Depreciation for the Year | Aggregate Dep upto 31-03-2020 | (Amount in Rs.) | | | |
|-------|-------------------------|-----------------------|---------------------------------|-----------|-----------------------|---|-----------|------------------------------|----------------------------------|-------------------------|------------------------|-------------------------|------------------------|
| | | | | | | | | | | WDV At 31.03.2020 | As At 31.03.2019 | WDV At 31.03.2019 | As At 31.03.2019 |
| | Management Funds | | | | | | | | | | | | |
| 1 | Land | 1,20,469 | - | - | 1,20,469 | - | - | - | - | 1,20,469 | - | 1,20,469 | - |
| 2 | Buildings | 7,73,61,141 | - | - | 7,73,61,141 | - | - | - | - | 7,73,61,141 | - | 7,73,61,141 | - |
| 3 | Computers & Software | 3,73,51,720 | 20,12,500 | - | 3,93,64,220 | 3,44,92,962 | - | 21,43,409 | 3,66,36,371 | 4,07,24,770 | - | 4,28,68,179 | - |
| 4 | Equipment's | 6,23,57,778 | 1,44,39,109 | - | 7,67,96,887 | 2,91,72,605 | - | 33,38,728 | 3,25,11,333 | 68,52,887 | - | 81,79,115 | - |
| 5 | Furniture & Fixtures | 1,03,53,517 | 9,86,802 | - | 1,13,40,319 | 4,15,64,324 | - | 40,19,321 | 4,55,83,645 | 3,12,13,242 | - | 2,07,93,454 | - |
| 6 | Library Books | 17,20,648 | 2,44,926 | - | 19,65,574 | 56,45,131 | - | 5,16,244 | 61,61,375 | 51,78,944 | - | 47,08,386 | - |
| | Total | 18,92,65,274 | 1,76,83,337 | - | 20,69,48,610 | 13,29,952 | - | 1,02,16,952 | 12,24,21,926 | 8,45,26,684 | - | 7,70,60,300 | - |

| Sl No | Particulars | Cost As At 04-2019 | 01- Additions/ Tranferred | Deletions | Cost As At 03-2020 | 31- Aggregate Dep upto 01-04-2019 | Deletions | Depreciation for the Year | Aggregate Dep upto 31-03-2020 | (Amount in Rs.) | | | |
|-------|-----------------------|-----------------------|---------------------------------|-----------|-----------------------|---|-----------|------------------------------|----------------------------------|-------------------------|------------------------|-------------------------|------------------------|
| | | | | | | | | | | WDV At 31.03.2020 | As At 31.03.2019 | WDV At 31.03.2019 | As At 31.03.2019 |
| | Grants Assests | | | | | | | | | | | | |
| 1 | Buildings | 18,75,000 | - | - | 18,75,000 | - | - | - | - | 18,75,000 | - | 18,75,000 | - |
| 2 | Equipment's | 14,50,67,277 | 35,28,245 | - | 14,85,95,522 | - | - | - | - | 14,85,95,523 | - | 14,50,67,277 | - |
| 3 | Furniture & Fixtures | 3,08,456 | - | - | 3,08,456 | - | - | - | - | 3,08,456 | - | 3,08,456 | - |
| 4 | Library Books | 27,14,901 | - | - | 27,14,901 | - | - | - | - | 27,14,901 | - | 27,14,901 | - |
| | Total | 14,99,65,635 | 35,28,245 | - | 15,34,93,880 | - | - | - | - | 15,34,93,880 | - | 14,99,65,635 | - |

| Sl No | Particulars | Cost As At 04-2019 | 01- Additions/ Tranferred | Deletions | Cost As At 03-2020 | 31- Aggregate Dep upto 01-04-2019 | Deletions | Depreciation for the Year | Aggregate Dep upto 31-03-2020 | (Amount in Rs.) | | | |
|-------|---------------------------|-----------------------|---------------------------------|-----------|-----------------------|---|-----------|------------------------------|----------------------------------|-------------------------|------------------------|-------------------------|------------------------|
| | | | | | | | | | | WDV At 31.03.2020 | As At 31.03.2019 | WDV At 31.03.2019 | As At 31.03.2019 |
| | Tequip Grant Asset | | | | | | | | | | | | |
| 1 | Buildings | 85,45,269 | - | - | 85,45,269 | - | - | - | - | 85,45,269 | - | 85,45,269 | - |
| 2 | Equipment's | 14,04,07,237 | - | - | 14,04,07,237 | - | - | - | - | 14,04,07,237 | - | 14,04,07,237 | - |
| 3 | Vehicles | 4,02,893 | - | - | 4,02,893 | - | - | - | - | 4,02,893 | - | 4,02,893 | - |
| 4 | Furniture & Fixtures | 27,85,574 | - | - | 27,85,574 | - | - | - | - | 27,85,574 | - | 27,85,574 | - |
| 5 | Library Books | 3,78,90,328 | - | - | 3,78,90,328 | - | - | - | - | 3,78,90,328 | - | 3,78,90,328 | - |
| | Total | 19,00,31,301 | - | - | 19,00,31,301 | - | - | - | - | 19,00,31,301 | - | 19,00,31,301 | - |
| | Total | 52,92,62,209 | 2,12,11,582 | - | 55,04,73,790 | 11,22,04,974 | - | 1,02,16,952 | 12,24,21,926 | 42,80,51,864 | - | 41,70,57,235 | - |



B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019
AIDED COURSES

Schedule-H

Advances

(Amount in Rs.)

| SL.No. | PARTICULARS | AS AT 31.03.19 | AS AT 31.03.20 |
|--------|------------------------------------|-------------------|--------------------|
| 1 | Advance CAS/VGST | 5,83,651 | 2,09,000 |
| 2 | Advance Equipments | 6,02,247 | |
| 3 | CET Dues(By DTE) 1st year fees | 19,30,085 | 19,30,085 |
| 4 | Salary Advance for Aided Employees | 43,999 | 1,47,37,999 |
| 5 | Salary Recovery | 32,77,347 | 74,40,704 |
| 6 | 15% OF GIA Employees recovery | 27,128 | 27,128 |
| 7 | Prepaid Expenses | 5,75,516 | 1,43,830 |
| 8 | Power and Light Charges Receivable | 16,90,354 | 6,034 |
| 9 | TDS Receiveble | 2,91,937 | |
| 10 | Vidyarthi khana | | 17,834 |
| | Total | 90,22,264 | 2,45,12,614 |

Schedule-I

Deposits

(Amount in Rs.)

| SL.No. | PARTICULARS | AS AT 31.03.18 | AS AT 31.03.19 |
|--------|--------------------------|-------------------|-------------------|
| 1 | Deposits Cylinder | 4,500 | 4,500 |
| 2 | Postage and Telegraph | 5,263 | 5,263 |
| 3 | Power and Light Deposit | 15,14,398 | 15,14,398 |
| 4 | Water charges with BWSSB | 450 | 450 |
| 5 | Telephone Deposits | 13,500 | 13,500 |
| | Total | 15,38,111 | 15,38,111 |



B.M.S COLLEGE OF ENGINEERING, BANGALORE 560 019

AIDED COURSES

Schedule-J

DEPARTMENTAL RECURRING EXPENDITURE

(Amount in Rs.)

| PREVIOUS YEAR | PARTICULARS | CURRENT YEAR |
|------------------|--------------------------------|--------------------|
| 2,24,114 | Electronics Engg Recurring Exp | 4,89,621 |
| 34,69,348 | Internet Vsnl and Other Exp | 47,42,911 |
| 46,788 | Journal and Subscription | 50,675 |
| 3,43,585 | Chemistry Recurring (R) | 5,65,859 |
| 4,13,268 | Civil Engg. Recurring Exp. | 12,14,418 |
| 2,68,349 | Electrical Engg Recurring Exp. | 5,61,288 |
| 1,41,096 | I.E.M. Engg Recurring Exp. | 3,01,422 |
| 6,27,226 | Library Recurring Exp | 9,09,661 |
| 1,26,646 | Mathematics Recurring Exp. | 2,61,029 |
| 10,38,849 | Mechanical Engg (R) | 17,71,723 |
| 1,07,467 | Physics Recurring | 2,69,893 |
| 68,06,736 | Total | 1,11,38,500 |

Schedule-K

CONTINGENCY AND OTHERS

(Amount in Rs.)

| PREVIOUS YEAR | PARTICULARS | CURRENT YEAR |
|------------------|--------------------------------|------------------|
| 2,25,352 | Advertisement Charges | 4,02,789 |
| 3,119 | Bank Charges | 46,727 |
| 36,079 | Magazine expenses | 35,637 |
| 35,491 | Postage and Telegrams | 39,284 |
| 55,29,745 | Power and Light Charges | 75,08,613 |
| 17,48,999 | Printing and Stationery | 8,23,674 |
| 12,16,683 | Prior Period Expenses | 1,19,590 |
| 1,67,313 | Telephone Charges | 1,40,243 |
| 3,29,820 | Water Charges | 3,57,441 |
| 30,475 | Reading Room & Periodicals Exp | 30,604 |
| 93,23,076 | Total | 95,04,601 |

Schedule L

MAINTENANCE EXPENDITURE

(Amount in Rs.)

| PREVIOUS YEAR | PARTICULARS | CURRENT YEAR |
|--------------------|-----------------------------------|--------------------|
| 1,44,35,742 | Campus Cleaning /Security Charges | 1,67,07,754 |
| - | Annual Maintenance Contract | 7,77,762 |
| 6,82,982 | Building Maintenance & Upkeep | 5,08,576 |
| 15,67,592 | Property Tax | 15,76,888 |
| 15,41,600 | Campus Electrical Expenses | 15,46,175 |
| 1,82,27,916 | Total | 2,11,17,155 |



BMS COLLEGE OF ENGINEERING (Aided Courses) , BANGALORE 560019

NOTES TO ACCOUNTS FORMING PART OF THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR

31st MARCH, 2020

SCHEDULE – M

1. BACKGROUND:

BMS College of Engineering (Aided Courses) is part of and managed by BMS Educational Trust (BMSET). These financial statements are prepared for the purpose of consolidation with BMSET which is subject to audit under 12A of the Income Tax Act 1961.

2. ACCOUNTING POLICIES:

- i. Financial Statements are prepared under accrual system of accounting.
- ii. The presentation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities as on the date of the financial statements and reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known/ materialized.
- iii. Fixed assets are stated at their original cost of acquisition and subsequent improvements thereto including taxes, duties, freight and other incidental expenses related to acquisition and installation of the assets concerned.
- iv. Income from fees for the year is recognized on an accrual basis. Fees received in advance are considered as liability. Interest income is recognized on time proportionate basis.
- v. Fixed Assets are accounted at acquisition cost. Any Grants related to Fixed Assets are accounted separately and are generally not reduced from the cost of the asset.
- vi. Depreciation on Fixed Assets is charged as per written down value method.
 - a. In respect of additions during the year, depreciation is provided from the month of addition.
 - b. No depreciation is provided on fixed assets acquired under plan scheme as they are funded by grant.
- vii. (a) Grants are accounted on accrual basis after obtaining reasonable assurance of subsequent receipt as a matter of prudence.
(b) Interest on Unutilized grant amount held in Bank accounts is included in Grants and the same has not been considered as income in accordance with the Grants Terms & Conditions.



viii. Provisions are recognized when the trust 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 estimate of the obligation.

ix. Contingent liabilities are disclosed in respect of possible obligation that arise from the past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the trust.

Contingent Assets are not recognized or disclosed in the financial statements.

x. Share of expenditure in respect of infrastructure used by International Co-operative Division, is not identifiable separately and hence not transferred.

3. The College has provisionally accounted for anticipated disallowance in salary grants of earlier years. Further adjustments regarding salary grants refundable/receivable will be accounted on settlement of the matter and subject to audit by relevant authority.

Movement in Provision:

| Particulars | Balance as at 01.04.2019 | Provision made during the year | Provision reversed during the year | Utilized during the year | Balance as at 31.03.2020 |
|-----------------------|--------------------------|--------------------------------|------------------------------------|--------------------------|--------------------------|
| Grants Payable to DTE | Rs. 82,76,147/- | NIL/- | NIL/- | NIL/- | Rs.82,76,147 /- |

4. Tuition Fees from management quota students are collected and accounted in BMSET. Share of fees stipulated by the management in respect of international students is accounted for and transferred by International co-operation Division, another division of BMSET. Consequently, a sum of Rs.3,26,25,000/- has been transferred to income account and the share of management quota students amounting to Rs.1,11,25,000/- also has been transferred during the year.

5. Salary grants receivable are accrued based on available information and is under review. During 2018-19 the Directorate of Technical Education (herein referred as "DTE") authorities for BMS College of Engineering (Aided), disallowed salary grants based on audit observations / comments for a total amount of Rs. 394,98,241/- (corresponding to certain documentation of pertaining to appointing and completion of Phd Course in time and other reasons) and corresponding approval of salary grants to be received amounting to Rs. 395,55,150/- (representing TA/DA, increments, leave encashments and retirement benefits as per books of accounts) pertaining to the years 2011-12 to 2016-17. The Management has furnished the replies and made representations on the observations and matter is still under consideration and follow up. The management is confident that these



disallowances will be dropped and full grant as approved will be received. Pending finalization of the matter, no adjustments are not required to be made in the books of accounts. Adjustments (including similar salary grant disallowances, if any, in respect of subsequent years), on such disallowances / salary grants approved, will be accounted on settlement of the matter.

6. Physical verification of fixed assets and 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.
7. Review / reconciliation of arrears of fees and other liabilities are under progress. Adjustments, if required, will be carried out upon receipt of confirmation of balances and completion of review/reconciliation in the consolidated financial statements of BMSET.
8. According to the management, BMSET and various colleges and accounting entities thereof exists solely for the purpose of education and no part of these activities is 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.
9. Previous Year figures have been regrouped wherever necessary to make them comparable with current year.

For BMS College of Engineering (Aided Courses)

Dr. B.V. Ravishankar

Principal

B.M.S. College of Engineering
Bangalore - 560 019

Director (Finance)

Place: Bangalore

Date: December 23, 2020



AUDITOR'S REPORT TO THE COUNCIL OF TRUSTEES
BMS Educational Trust

Qualified Opinion:

We have audited the accompanying financial statements of B.M.S. College of Engineering (Aided courses), which comprise the Balance Sheet as at March 31, 2020, 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 explanations 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 Trust as at March 31st, 2020 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 as at March 31, 2020
- b) In the case of the Income and Expenditure Account, of the excess of expenditure over income for the period ended on that date.

Basis for Qualified Opinion.

- a) As referred to in Note 2(i) of Schedule – M regarding no provision for employee retirement benefits been made on accrual basis. Impact on the financial statements is not ascertainable at this stage.
- b) As referred to in Note 2(vi) of Schedule – M regarding depreciation on assets acquired under grants not provided for the reasons stated therein and consequential impact on the financial statement is not ascertained. However there is no impact on the application of income under section 11 of the Income tax Act, 1961.
- c) As referred to in Note 2(x) of Schedule – M regarding share of expenditure in respect of use of infrastructure facility of Unit is not identifiable separately.
- d) Note 4 of Schedule – M regarding tuition fee of the management quota students are being accounted for in BMSET and that of international students is accounted partly in International Co-operation Division. Consequential effect on the financial statements not ascertained.
- e) As referred to in Note 6 of Schedule -- M regarding pending completion of physical verification and corresponding reconciliation of fixed asset, any further impact on the financial statement are not ascertainable at this stage.

Emphasis of Matter:

1. Attention is drawn to Note 5 of Schedule M regarding certain disallowances made by the Directorate of Technical Education (herein referred as "DTE") authorities for BMS College of Engineering (Aided), disallowed salary grants based on audit observations / comments for a total amount of Rs. 394,98,241/- (corresponding to certain documentation of pertaining to appointing and completion of Phd Course in time and other reasons) and corresponding approval of salary grants to be received amounting to Rs. 395,55,150/- (representing TA/DA, increments, leave encashments and retirement benefits as per books of accounts) pertaining to the years 2011-12 to 2016-17. The Management has furnished



the replies and made representations on the observations and matter is still under consideration and follow up. The management is confident that these disallowances will be dropped and full grant as approved will be received. Pending finalization of the matter, no adjustments are not required to be made in the books of accounts. Adjustments (including similar salary grant disallowances, if any, in respect of subsequent years), on such disallowances / salary grants approved, will be accounted on settlement of the matter.

2. Attention is drawn to Note 8 of Schedule M regarding 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 modified 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, 2020 and is not to be used for any other purpose or referred to in any document or distributed to anyone without our prior written 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.

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.
(Vasuki H.S.)

Partner

Membership No:212013

Date *December 23, 2020*
Place: Bangalore.

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