

## AUDITORS' REPORT

### MANAGEMENT OF SHRI MATA VAISHNO DEVI UNIVERSITY

#### Report on the Financial Statements

We have audited the accompanying financial statements of **SHRI MATA VAISHNO DEVI UNIVERSITY** ("the Association of Person (TRUST)") which comprise the Balance Sheet as at 31st March, 2014, the Statement of Income & Expenditure for the year ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

The university Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Trust in accordance with the Jammu and Kashmir Shri Mata Vaishno Devi University Act, 1999. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control relevant to the Trust for preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating

the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion


In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March, 2014;
- (b) In the case of the Statement of Income & Expenditure, of the Deficit of the Trust for the year ended on that date.

Place: Jammu  
Date: 30/9/14



For GMR & Co  
Chartered Accountants  
Firm Reg. No. 006702N

  
Munish Mehta  
Partner  
M No. 098142



**SHRI MATA VAISHNO DEVI UNIVERSITY**  
Approved Under Section 2(f) and 12(B) of UGC Act of 1956

**BALANCE SHEET AS ON 31ST MARCH 2014**

PARTICULARS	SCHEDULE NO.	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b>SOURCES OF FUNDS</b>			
<b>Capital Funds</b>			
Corpus Fund	A	200,500,000	200,500,000
Capital Grant from SMVDSB	B	60,000,000	30,000,000
Capital Reserves	C	630,281	630,281
General Fund	D	920,989,114	1,041,824,817
<b>TOTAL</b>		<b>1,182,119,395</b>	<b>1,272,955,098</b>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Net Block (As Per Written Down Value)	E	930,255,512	983,049,021
Capital Advances & Capital Work in Progress	E	81,325,972	9,061,619
<b>Investments</b>			
Group Gratuity Fund - LIC Investment		19,007,247	-
<b>(A) Current Assets, Loans &amp; Advances</b>			
Cash & Cash Equivalents	F	327,060,152	411,997,359
Sundry Receivables	G	817,393	857,318
Interest Accrued but not due	H	13,931,091	12,879,050
Pre-payments & Advances	I	5,870,490	10,773,867
Laptop for MBA students		-	1,228,948
Less:		347,679,126	437,736,542
<b>(B) Current Liabilities &amp; Provisions</b>	J	196,148,462	156,892,084
<b>Net Current Assets (A-B)</b>		151,530,664	280,844,458
<b>TOTAL</b>		<b>1,182,119,395</b>	<b>1,272,955,098</b>

Significant Accounting Policies and Notes to Accounts forms the integral part of the Balance Sheet

Significant Accounting Policies :

Annexure 1

Notes to Accounts :

Annexure 2

"This is the Balance Sheet as per our report of even date attached"



Munish Mehta  
Partner  
Membership No. 098142  
Place : Jammu  
Date : 30/9/14

For Shri Mata Vaishno Devi University

*Sudhir K Jain*  
16.9.14  
Vice-Chancellor

*Jai Chandra*  
Registrar

Finance Officer

*[Signature]*  
Prof. Sudhir K Jain  
Vice Chancellor  
Shri Mata Vaishno Devi University  
Kakryal, Katra - 182 320 (J&K) India

Registrar  
Shri Mata Vaishno Devi University  
KATRA.

Finance Officer  
SMVD University

**SHRI MATA VAISHNO DEVI UNIVERSITY**  
Approved Under Section 2(f) and 12(B) of UGC Act of 1956

**INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDING 31ST MARCH 2014**

PARTICULARS	SCHEDULE NO.	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b>INCOME</b>			
Fee From Students	K	140,772,873	140,299,664
Interest on Fixed Deposits, Bonds and others	L	29,770,740	33,751,296
Grant in Aid from Shri Mata Vaishno Devi Shrine Board		30,000,000	30,000,000
Misc. Receipts		6,000,025	6,483,824
<b>TOTAL</b>		<b>206,543,638</b>	<b>210,534,784</b>
<b>EXPENDITURE</b>			
Employees' Remuneration & Benefits	M	149,730,164	135,101,371
Facilities & Other Costs	N	49,217,491	31,320,964
General & Administrative expenses	O	44,358,068	46,417,520
Depreciation on Fixed Assets	E	91,552,491	99,133,355
Loss from SMVDU Gas Agency		252,286	242,411
<b>TOTAL</b>		<b>335,110,500</b>	<b>312,215,621</b>
<b>EXCESS OF INCOME OVER EXPENDITURE</b>		<b>(128,566,861)</b>	<b>(101,680,837)</b>

Significant Accounting Policies and Notes to Accounts forms the integral part of the Income & Expenditure Account

Significant Accounting Policies : Annexure 1

Notes to Accounts : Annexure 2

"This is the Income & Expenditure Account as per our report of even date attached"



**Munish Mehta**  
Partner  
Membership No. 098142  
Place : Jammu  
Date : 30/09/14

For Shri Mata Vaishno Devi University

*Sudhir K Jain*  
16.9.14  
Vice-Chancellor

*Registrar*  
Registrar

*Finance Officer*  
Finance Officer

*[Signature]*

**Prof. Sudhir K Jain**  
Vice Chancellor  
**Shri Mata Vaishno Devi University**  
Kakryal, Katra - 182 320 (J&K) India

**Registrar**  
Shri Mata Vaishno Devi University  
KATRA.

**Finance Officer**  
SMVD University

SCHEDULE:-A

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b>CORPUS FUND</b>		
Capital Grant in Aid from Shri Mata Vaishno Devi Shrine Board- As per last Account	200,000,000	200,000,000
Infosys Fondation Prize for excellence	500,000	500,000
<b>Sub-Total</b>	<b>200,500,000</b>	<b>200,500,000</b>

SCHEDULE:- B

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b>CAPITAL GRANT FROM SMVDSB</b> (Specific Purpose)		
For construction of Hostel	60,000,000	30,000,000
<b>Sub-Total</b>	<b>60,000,000</b>	<b>30,000,000</b>

SCHEDULE:-C

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b>CAPITAL RESERVES</b>		
Capital Reserve	630,281	630,281
<b>Sub-Total</b>	<b>630,281</b>	<b>630,281</b>

SCHEDULE:-D

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b>GENERAL FUND</b>		
Opening Balance	1,041,824,817	1,130,665,769
Add: Excess of Income over Expenditure for the year	(128,566,861)	(101,680,837)
Add: Grant in Aid for Projects	7,731,158	12,719,885
Add: Transfer from Capital Grants Utilized	-	120,000
<b>Sub-Total</b>	<b>920,989,114</b>	<b>1,041,824,817</b>





SHRI MATA VAIBHANGI DEVI UNIVERSITY  
KATRA

FIXED ASSETS AS ON 31.03.2014

Particulars	Rate of Dep.	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		As on 01.04.2013	Additions		Deduction	For the year	Total as on 31.03.2014	Total as on 31.03.2014	As on 31.03.2014	As on 31.03.2013
			First Half	Second Half						
<b>Block A 2%</b>										
Building Residential	0.05	200,538,142	108,127	754,046	-	201,400,315	47,299,730	55,080,913	146,319,602	151,138,412
<b>Block B 10%</b>										
Building other than Residential	0.10	773,296,521	7,317,705	3,219,616	-	783,933,442	313,622,378	360,492,544	423,441,298	459,774,143
Boundary Walls, Internal & other allied works	0.10	115,062,000	-	490,181	-	115,552,181	52,266,163	58,570,226	56,981,925	62,796,836
<b>Block C 10%</b>										
Furniture & Fixture (Auditorium)	0.10	59,260,417	1,178,740	2,569,726	-	63,008,883	25,566,229	29,181,990	33,626,893	33,694,208
Electric Fittings	0.10	8,514,680	31,421	302,322	-	8,848,423	3,484,047	3,987,110	4,227,570	5,000,633
<b>Block D 15%</b>										
Office Vehicles	0.15	10,287,277	24,029	1,879,292	-	12,190,598	6,983,717	7,623,802	4,566,796	3,303,560
Office Equipment	0.15	25,091,593	442,701	537,043	-	26,071,697	10,737,644	12,997,074	13,094,223	14,354,309
Generator	0.15	792,017	-	627,244	-	1,419,261	24,716	60,960	140,057	164,773
Inverter	0.15	140,026	-	98,111	-	238,137	6,287	104,598	35,628	41,915
Transformer	0.15	520,324	-	404,866	-	925,190	370,654	393,105	127,219	149,670
Workshop Equipments	0.15	21,515,116	-	5,695,503	-	27,210,619	12,221,099	14,387,462	7,127,654	7,944,896
Laboratory Equipments	0.15	63,327,818	1,277,083	2,213,267	-	67,838,168	24,689,059	31,087,548	39,662,556	38,638,759
Computer Equipments at Site	0.15	19,468,637	-	14,950	-	19,483,587	5,229,993	7,561,803	14,203,341	14,436,644
Internal Communication System and Equipments	0.15	660,688	14,950	679,638	-	1,345,276	542,550	562,513	118,138	118,138
<b>Block E 15%</b>										
Medical Clinic Equipments	0.15	22,079,079	2,398,213	3,850	-	24,480,142	11,700,410	13,665,224	10,795,868	10,396,619
Auditory/Visual System	0.15	217,400	-	217,400	-	434,800	131,726	144,578	72,822	85,674
Water Supply system	0.15	2,699,190	230,065	39,138	-	2,968,393	1,389,594	1,614,492	1,294,141	1,249,596
Canteen Equipments & Furniture	0.15	18,364,671	-	404,000	-	18,768,671	10,405,908	11,599,722	6,764,949	7,998,763
Electric Installation	0.15	697,031	-	940,000	-	1,637,031	360,465	441,230	659,780	336,565
AC Plant/Auditorium	0.15	22,727,782	-	6,985,449	-	29,713,231	11,332,987	13,112,704	10,855,058	11,394,775
<b>Block F 60%</b>										
Computer Equipments	0.60	40,900,748	1,008,412	3,273,855	-	45,183,015	38,794,998	4,641,562	3,541,133	2,115,790
Computer Software (UCC)	0.60	5,861,128	80,000	16,000	-	6,007,128	5,482,725	5,714,567	163,561	378,403
Computer Software (UCC)	0.60	13,030,543	-	1,228,672	-	14,259,215	11,190,297	12,711,576	1,628,339	1,946,666
Computer Software (UCC)	0.60	362,000	-	-	-	362,000	321,455	345,782	16,218	46,594
<b>Block F 100%</b>										
Books	1.00	14,393,808	-	831,416	-	15,225,224	14,367,912	14,869,516	415,708	5,897
Books & Journals (UCC)	1.00	5,477,508	-	54,073	-	5,531,581	5,477,508	5,477,508	-	-
Printed Material	1.00	1,302,281	-	-	-	1,302,281	1,300,261	1,319,287	2,000	2,000
Pre fabricated Halls	1.00	3,459,442	-	-	-	3,459,442	3,459,442	-	-	-
Machine Drums	1.00	89,404	-	-	-	89,404	-	-	-	-
Workshop Tools	1.00	251,010	-	-	-	251,010	-	-	-	-
Workshop Equipments	1.00	127,776	-	-	-	127,776	-	-	-	-
Kitchen Equipments	1.00	162,473	-	-	-	162,473	-	-	-	-
Class Room Tools	1.00	292,316	-	-	-	292,316	-	-	-	-
<b>Block G 0%</b>										
Land	-	121,634,492	-	-	-	121,634,492	-	-	121,634,492	121,634,492
<b>Total</b>		1,630,092,636	14,011,366	24,747,296	-	1,668,851,300	640,043,813	736,325,165	930,355,512	983,040,021
<b>Capital Advances &amp; Capital Work in Progress</b>										
For Construction Works										
For Electricity										
For Tube Well/Water-Supplies										
For Construction Work in Progress										
For Construction of Green House										
For Advances for Purchase of Land										
For Advances for Purchase of Civil Material										
For Electrical Material										
<b>Total</b>										
<b>Grand Total</b>										



SCHEDULE:-F

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b><u>CASH &amp; CASH EQUIVALENTS</u></b>		
Cash In Hand	17,828	5,057
<b>Bank Balances</b>		
JK Bank 103 A/c (R&D)	6,771,691	8,221,214
JK Bank A/C 1302	8,288,368	1,292,268
JK Bank A/C 353	6,013,725	3,506,456
JK Bank SB-1656 A/c	203,095	78,646
JK Bank SB-23-GRANT IN AID	24,196,155	49,049,885
JK Bank UGC Grant A/c-1655	19,605,528	5,514,345
OBC-SB A/C -13	276,081	117,728
OBC-STUDENT FEE 12822151000051	345,993	3,013,545
SBI Saving A/c 46381	106,666	102,711
Corporation Bank a/c 064400101003796	72,514	54,897
UCO BANK a/c 17510110008058	16,387	8,996
HDFC BANK A/C-50100012428549	-27,508	-
Fixed Deposits in Banks	261,118,613	341,031,612
<b>Sub-Total</b>	<b>327,060,152</b>	<b>411,997,359</b>

SCHEDULE:- G

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b><u>SUNDRY RECEIVABLES</u></b>		
Fee Receivable from Students	563,485	603,410
Other Receivables	253,908	253,908
<b>Sub-Total</b>	<b>817,393</b>	<b>857,318</b>

SCHEDULE:- H

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b><u>INTEREST ACCRUED BUT NOT DUE</u></b>		
Interest Accrued on FDR	13,931,091	12,879,050
<b>Sub-Total</b>	<b>13,931,091</b>	<b>12,879,050</b>



SCHEDULE:- I

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b><u>PRE-PAYMENTS &amp; ADVANCES</u></b>		
Prepaid Exp	3,077,681	8,097,781
Security Deposit (Assets)	136,025	116,825
Other Advances	589,541	955,313
Advance to Staff	1,717,383	1,308,301
SMVDU Gas Agency	281,735	246,618
Tax Deduction at Source	68,125	49,029
<b>Sub-Total</b>	<b>5,870,490</b>	<b>10,773,867</b>

SCHEDULE:- J

PARTICULARS	BALANCE AS ON 31.03.2014	BALANCE AS ON 31.03.2013
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>		
Sundry Creditors & Other Liabilities	35,096,317	15,330,180
Advance Fee from students	33,444,661	33,800,845
Retention Money from Contractors/Suppliers	12,065,112	19,953,470
Earnest Money Deposits from Contractors/Suppliers	1,359,202	862,891
Grant in Aid for R&D Projects	20,930,409	76,053,644
Deposits from Students/Refunds	9,791,000	9,351,000
Infosys Prize Distribution	-	108,402
Student Welfare Fund	2,017,322	1,431,652
Duties & Taxes	1,596,493	-
Ugc/Seminar/Workshop/Conferences	53,381,120	-
Fellowship/Consultancy/Other Grants	5,621,960	-
Provision For Gratuity	20,844,866	-
<b>Sub-Total</b>	<b>196,148,462</b>	<b>156,892,084</b>

SCHEDULE:- K

PARTICULARS	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b><u>FEE FROM STUDENTS</u></b>		
Tution Fees	81,293,398	85,382,210
Yearly Fees	7,584,676	7,605,987
One Time Fees	2,922,000	3,514,200
Electricity Charges from students	11,750	73,000
Hostel Fees	18,398,514	17,954,096
Mess Fees	26,661,615	22,693,171
Degree Fees	510,000	363,500
Re-registration/Exam Fees	722,000	674,000
Syllabus Charges	29,400	39,100
Prospectus Fees	1,490,640	2,000,400
Other Fees Received	1,148,880	-
<b>Sub-Total</b>	<b>140,772,873</b>	<b>140,299,664</b>





SCHEDULE:- L

PARTICULARS	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b>INTEREST ON FIXED DEPOSIT, BONDS &amp; OTHERS</b>		
Interest Recieved on FDR	28,208,871	31,799,036
Interest received on Saving A/c	1,561,869	1,952,260
<b>Sub-Total</b>	<b>29,770,740</b>	<b>33,751,296</b>

SCHEDULE:- M

PARTICULARS	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b>EMPLOYEES' REMUNERATION &amp; BENEFITS</b>		
Salary of Regular Employees	121,171,114	102,589,491
Salary of Employees on Consolidated Pay	5,540,526	4,946,168
Wages of Casual/Muster Roll Workers	72,900	85,245
Honararium to Guest Faculities/Fee	791,530	397,782
Employer Contribution TO CPF	12,920,939	8,976,446
Employer Contribution & Leave Salary	49,606	216,403
EDLI Charges	79,431	63,814
Medical Reimbursement/insurance	606,750	131,153
Salary of Deputation employees	2,514,404	1,564,269
Salary of Lien employees	578,180	486,610
CPF Inspection Fees	127,661	89,422
Special Allowance	92,202	81,956
Provison for Group Gratuity	5,184,921	15,472,612
<b>Sub-Total</b>	<b>149,730,164</b>	<b>135,101,371</b>

SCHEDULE:- N

PARTICULARS	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b>FACILITIES &amp; OTHER COSTS</b>		
Scholarship/ Assisstantship	6,855,661	138,000
Training& Placement Exp.	39,750	51,447
Staff/Student Welfare	68,542	162,258
Guest House Expense	1,057,909	523,412
Hospitality Expenses	161,300	39,997
Departmental expenses	2,091,312	875,058
Printing & Stationery	1,429,450	1,623,223
Books & Periodicals	6,112,926	954,189
Mess expenses	26,806,887	23,784,992
Vehicle Running and Maintenance	3,089,249	2,461,447
NSS/NCC Expenses	4,810	2,000
Seminars, Convocations, Conferences & Meetings	1,177,332	87,052
Affiliation, Almuni & Membership Fee	322,363	617,889
<b>Sub-Total</b>	<b>49,217,491</b>	<b>31,320,964</b>



SCHEDULE-O

PARTICULARS	FOR THE YEAR ENDED 31.03.2014	FOR THE YEAR ENDED 31.03.2013
<b>GENERAL &amp; ADMINISTRATIVE EXPENSES</b>		
Advertisement & Publicity	4,506,796	3,549,961
Electricity Charges	14,924,584	13,293,765
Water Supply Charges	514,420	418,543
Audit Fees	-	110,500
Miscellaneous expenses	403,572	280,347
Legal & Professional Charges	279,800	194,300
Rent- PRO Office	594,000	594,000
Repair & Maintenance	4,269,734	5,887,591
Security Services Charges	5,114,021	4,617,759
Sanitation & cleaning	8,930,060	8,894,403
Postage, Telephones & Internet Charges	2,537,504	3,641,787
Travelling and Conveyance	1,054,629	967,311
Laptops for MBA students	1,228,948	3,967,253
<b>Sub-Total</b>	<b>44,358,068</b>	<b>46,417,520</b>



# SHRI MATA VAISHNO DEVI UNIVERSITY

## ANNEXURE 1

### SIGNIFICANT ACCOUNTING POLICIES:

#### **1.1 Accounting Convention:**

The financial statements have been prepared in accordance with applicable accounting standards issued by the ICAI and on the basis of the historical cost basis unless otherwise stated and confirm to the statutory provisions and practices.

#### **1.2 Use of Estimates:**

The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates has been recognized in the period in which the results are known / materialized.

#### **1.3 Recognition of Revenue & Expenses:**

- a) The financial statements have been prepared in accordance with AS- 9 "Revenue Recognition" issued by ICAI and revenue has been booked on the accrual basis of accounting.
- b) Revenue in respect of fees received from student is recognized over the period of the course,
- c) The expenditure on Lab consumables has been charged off to Revenue in the year of purchase.
- d) Unforeseen income/expenses has been accounted for in the year of receipt/payment.

#### **1.4 Fixed Assets:**

- i) Fixed Assets are accounted on the basis of historical cost.
- ii) Fixed Assets include Capital Advances & Capital work-in- progress.
- iii) Depreciation is provided on diminishing balance method in accordance with the provisions of Income Tax Act, 1961, as per the rates prescribed in Income Tax Rules, 1962. However on the following assets depreciation rate of 100% has been taken:
  - a) Kitchens Utensils
  - b) Books
  - c) Sports Material
  - d) Misc. Tools
  - e) Website
  - f) Class room tools





- iv) Depreciation on additions to assets made upto 30<sup>th</sup> September of the year is provided for at full rates and on additions thereafter at 50% of the rates. No depreciation is provided on assets sold/discarded during the year.

### 1.5 Employee Benefits :

- a) Short term employee benefits has been charged off at the undiscounted amount in the year in which the related service is rendered.
- b) Matching Contribution is being made for Employees towards Provident Fund Scheme.
- c) Leave Encashment- The Unavailed leaves are not paid off at the end of the year but can be availed in the succeeding years, so the provision for the same has not been created during the current Financial Year.
- d) **Gratuity :**
- i) The university is contributing towards gratuity fund with LIC and contributions are made on a yearly basis.
- ii) Gratuity has been provided for on actuarial basis.
- iii) Contribution towards the plan of gratuity :
- In previous audited financial statement, the total amount contributed for the gratuity was Rs. 154, 72,612/- against which no asset was created.
  - In Current Financial Year i.e. 2013-14, the total contribution towards the gratuity is Rs. 35,34,635/- against which the asset is being created in the name of Group Gratuity Fund for the accumulated value of Rs. 190, 07,247/- (Rs 154,72,612/- plus Rs 35,34,635/-)

### 1.6 Investments

Long-term investments are stated at cost less provision for diminution in the value of such investments. Diminution in value is provided for where the management is of the opinion that diminution is of other than temporary nature. Short term investments are valued at lower of cost and net realizable value.

### 1.7 Taxation:

No provision for taxation is created as the expenditure is more than the income. Moreover the university enjoy the tax exemption under section 10 of the Income Tax Act 1961.



**1.8 Foreign Exchange Transaction:**

- i) Transactions in foreign currency are recorded at the exchange rates prevailing at the time of the transaction.
- ii) Foreign currency monetary items (cash, receivables, payables etc.) are reported at the closing rate on the date of balance sheet and difference, if any, is considered as exchange fluctuation gain or loss and transferred to Profit & Loss Account.

**1.9 Impairment of Assets:**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal or external factors.

**1.10 Government Grants**

Governments/UGC grants are accounted for on receipt basis.

**1.11 Shri Mata Vaishno Devi Shrine Board- Grant**

Any grant received from Shri Mata Vaishno Devi Shrine Board for general purpose has been treated as revenue receipt in Income & Expenditure account.

**1.12 Contingent Liabilities**

A contingent liability (if any) is disclosed in Notes to Accounts.

**1.13 Other Policies**

Accounting policies not referred to otherwise are consistent with generally accepted accounting policies.





## ANNEXURE 2

### **2.1 Grant-in-Aid**

- a) The university has received specific grants from SMVDSB amounting to Rs. 3 Crore towards construction of Hostel which has been capitalized in books of accounts but no allocation for the same provided as per fund based accounting.
- b) The university has received general purpose grants from SMVDSB amounting to Rs. 3 Crore which has been credited to Income & Expenditure Account.

### **2.2 Internal Control System**

As per our observation, the internal control system needs to be strengthened in the university with special emphases on revenue, fixed assets and stock aspects.

### **2.3 Fixed Assets**

- i) As per the information provided to us, the fixed assets register has not been maintained by the university.
- ii) There was a difference in opening gross block of assets amounting in excess of Rs. 1, 82,500 which is corrected by us in current financial statements by reducing with the same amount.

### **2.4 Contingent Liabilities - Rs.28,14,723 (WCT) (Previous Year- Nil)**

### **2.5 Expenditure in Foreign Currency - Nil (Previous Year- Nil)**

### **2.6 Impairment of Assets:**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal or external factors. As no such threat is being perceived, no provision for Impairment Loss has been made.

### **2.7 Details of dues to Micro, Small and Medium Enterprises as per MSMED Act, 2006**

The University has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Further, the University maintains that it has no transactions with such enterprises based on the management's knowledge of their status and hence disclosures relating to amounts unpaid as at the year end together with interest paid / payable under the Act have not been given.

### **2.8 Prior Period Item**

These are income or expenses, which arise, in current period as a result of errors or omissions in the preparation of the financial statements of one or more prior period but no prior period item is recognized in the books during the current financial year.





2.9 Others

- 1) In the opinion of Management of University, all the Current Assets have a value on realization in the ordinary course of business at least equal to the amount at which they are stated and all the known liabilities relating to the year have been provided for.
- 2) Balances of Current Assets and Current Liabilities are subject to confirmation.

2.10 The previous period figures have been regrouped/ reclassified, wherever necessary to conform to the current period presentation and to give true & fare view.



For GMR & Co.  
Chartered Accountants  
Firm Reg. No: 006702N

*Munish Mehta*

Munish Mehta  
Partner  
Membership No. 098142  
Place : Jammu  
Date : 30/09/2014

*J.*

For Shri Mata Vaishno Devi University

*Sudhir K Jain*  
16.9.14  
Vice-Chancellor  
Prof. Sudhir K Jain  
Vice Chancellor  
Shri Mata Vaishno Devi University  
Kakryal, Katra - 182 320 (J&K) India  
Date: -

*Registrar*  
Registrar  
Shri Mata Vaishno Devi University  
KATRA.

*Finance Officer*  
Finance Officer  
SMVD University  
Shri Mata Vaishno Devi University