



## **INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS**

**To the Board of Governors**  
**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**

### **Report on the audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2021 and also the Income & Expenditure Account for the year ended 31<sup>st</sup> March, 2021 and notes to the financial statements including summary of the significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give the true and fair view of the financial position of the entity as at 31<sup>st</sup> March, 2021 and of its financial performance for the year ended in accordance with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. We are independent of the company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements for the year ended 31<sup>st</sup> March, 2021 and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidences obtained by us are sufficient and appropriate to provide the basis for our audit opinion.

#### **Responsibility of Management and Those Charged With Governance for the Financial Statements**

The 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 entity in accordance with the generally acceptable Accounting Principles accepted in India. 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. In preparing the financial statements, management is responsible for the assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis for accounting unless the management either intends to liquidate the entity or to cease the operations, or has no realistic alternative but to do so.



## **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, 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 the accompanying financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidences that are 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 financial controls 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 such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the 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 Institute 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 Statement 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 Institute to cease to continue as a going concern.
- Obtain sufficient and appropriate audit evidence regarding the financial statements of the Instituteto express an opinion on the accompanying financial statements.

We consider quantitative materiality and qualitative factors in:

- (i) Planning the scope of our audit work and in evaluating the results of our work .
- (ii) Evaluating the effect of any identified misstatements in the financial statements.



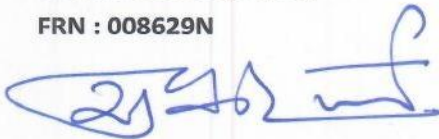
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Report on Other Matters

The Audit Procedures for the Management Development Institute at Murshidabad have been performed based on remote access due to Covid-19 pandemic and ensuing lockdown and other restrictions imposed by the Government and Local Administration, to the extent possible/feasible and/or records made available by the management through digital medium. Our opinion is not modified in respect of this matter.

For Sunder Sharma & Co.  
Chartered Accountants  
FRN : 008629N



CA Sunder Kumar Sharma  
Partner  
Membership No.: 087495  
UDIN: 21087495AAAADG1246

Place: New Delhi  
Date: 20/09/2021

MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD

Balance Sheet as at March 31, 2021

As at March 31, 2020		Liabilities	As at March 31, 2021	As at March 31, 2020	Assets	As at March 31, 2021
40,07,575	Gratuity reserve fund					
-	Opening balance		54,89,323		Fixed assets (Schedule A)	1,09,35,55,279
14,61,748	Add: Fund Transfer by MDI gurgaon		-		Gross block	-28,11,55,255
-	Add: Contribution for the year		13,37,782		Less: Accumulated depreciation	
54,69,323	Less: Payments made during the year		68,07,105	5,54,73,566	Capital Work in Progress	81,24,00,024
61,89,717	Cumulative leave fund		92,12,451	6,12,72,900	Investment	4,81,557
-	Opening balance		-	4,28,70,391	Current assets, loans and advances (Schedule B)	6,21,42,211
32,34,885	Add: Contribution for the year		27,92,876		Profit/Loss Transferred from Income & Expenditure Account	
2,12,151	Less: Payments made during the year		2,85,480		Opening Balance	51,14,85,177
92,12,451	Other Funds (Schedule C)		1,17,19,847		Addition During the year	5,63,88,531
40,15,221	Current Liability & Provisions (Schedule D)		47,90,309		Total assets	56,78,73,708
6,11,90,068	Total liabilities		1,52,01,021	1,46,78,13,522		1,45,35,24,627
1,38,79,26,459	MDI - Gurgaon		1,41,50,06,345			
1,45,78,13,522	Significant accounting policies and notes to Accounts (Schedule D)					

For and on behalf of the Board of Governors

(Registrar)

(Secretary)

(Director)

This is the Balance Sheet referred to in our report of even date

For Sunder Sharma & Co.

Chartered Accountants

FRN - 008629N

CA. Sunder Kumar Sharma

Partner

Membership No. 087495

UDIN : 21087495AFAADQ1246

Place : New Delhi

Date: 20/09/2021



**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**

**Income and Expenditure Account for the year ended March 31, 2021**

		(Amount in Rs.)			
Year ended March 31, 2020	Expenditure	Year ended March 31, 2021	Year ended March 31, 2020	Income	Year ended March 31, 2021
	<b>Programme expenses</b>				
43,21,323	Traveling and conveyance	56,110	13,96,01,889	Fees from programmes	12,28,85,596
1,08,22,420	Boarding and lodging	-	43,26,173	Interest on Long Term Investment	33,60,111
40,33,700	Honorarium to guest faculty	30,89,683	1,884	Interest from banks on saving account	1,566
12,44,866	Printing and stationery	1,07,74,163	12,35,416	Miscellaneous Income	28,20,633
87,50,430	Other expenses	1,38,99,956	-	Profit on sale of fixed assets	-
<b>2,91,72,739</b>	<b>Pay and allowances</b>			Profit/Loss carried over to Balance Sheet	5,63,88,531
5,85,91,457	Staff remuneration and allowances	7,16,39,192	5,67,06,062		
17,00,930	Staff welfare expenses	6,57,058			
14,61,748	Gratuity	13,37,782			
32,34,885	Contribution to Leave Fund	25,07,396			
<b>6,49,89,020</b>		<b>7,61,41,428</b>			
	<b>Traveling and conveyance</b>				
2,31,879	Board and committee meeting expenses	-			
37,45,280	Staff members ( including outstation travel)	21,27,125			
3,19,080	Local conveyance	35,663			
<b>42,96,199</b>		<b>21,62,788</b>			
	<b>Office expenses</b>				
10,09,111	Rent	7,83,416			
61,56,635	Electricity and water expenses	31,53,157			
66,068	Postage and telegram	3,42,910			
3,15,039	Printing and stationery	1,89,174			
-	Newspaper Expenses	-			
19,07,055	Staff recruitment expenses	3,15,673			
17,900	Telephones expenses	26,394			
2,39,401	Insurance Expenses	3,77,829			
1,08,14,201	Corporate publicity	1,24,69,040			
<b>2,05,25,410</b>		<b>1,76,57,593</b>			
<b>11,89,83,368</b>	<b>Carried forward</b>	<b>10,98,61,765</b>	<b>20,18,71,424</b>	<b>Carried forward</b>	<b>18,54,56,427</b>



MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD

Income and Expenditure Account for the year ended March 31, 2021

		(Amount in Rs.)		
Year ended March 31, 2020	Expenditure	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021
11,89,83,368	Brought forward	10,98,81,765	20,18,71,424	18,54,56,427
90,07,808	<b>Repair and maintenance</b>	78,54,546		
-	Repair & Maintenance of building	-		
63,14,266	Repairs to office equipments	48,14,113		
1,14,745	Watch and ward expenses	35,660		
19,16,732	Garden maintenance	37,57,162		
1,73,53,551	Internet expenses, maintenance of Computer & Softwares	1,64,81,481		
82,500	<b>Auditors' remuneration</b>	48,675		
82,500	Audit fees	48,675		
54,94,543	<b>Other expenses</b>	36,44,914		
5,043	Subscription to journals	8,198		
12,94,416	Forex Fluctuation Loss	11,95,121		
41,77,614	Miscellaneous expenses	9,38,307		
57,451	Rates & taxes	4,81,380		
3,76,787	Legal & professional	19,27,222		
-	Prior Period Expense	-		
1,14,05,854	Preliminary exp write off	81,75,142		
5,40,46,151	<b>Depreciation</b>	5,09,09,364		
20,18,71,424	Total	18,54,56,427	20,18,71,424	18,54,56,427

Significant accounting policies and notes to Accounts (Schedule D)

For and on behalf of the Board of Governors

*(Signature)*  
(Registrar)

*(Signature)*  
(Secretary)

*(Signature)*  
(Director)

This is the Balance Sheet referred to in our report of even date

For Sunder Sharma & Co.  
Chartered Accountants

FRN - 000929N

CA. Sunder Kumar Sharma  
Partner

Membership No. 087495

UDIN : 21087495AFAADG12416

Place : New Delhi

Date: 20/04/2021



MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD

Schedules forming part of the Accounts

Schedule 'A' - Fixed assets (other than from grants)

S. No.	Description of assets	GROSS BLOCK			ACCUMULATED DEPRECIATION			NET BLOCK	
		As at March 31, 2020	Additions during the year	Disposals/ adjustments during the year	As at March 31, 2021	Charge for the year	On Disposals/ adjustments during the year	As at March 31, 2021	As at March 31, 2020
1	Buildings	91,80,77,955	6,39,19,859	-	97,99,97,714	16,63,33,248	-	20,70,16,471	74,97,44,607
2	Furniture and fixtures	3,46,07,786	8,01,337	-	3,54,09,123	2,22,53,305	-	2,55,42,260	1,23,54,481
3	Air conditioners and coolers	10,44,383	89,600	-	11,33,983	2,71,526	-	4,44,017	7,72,867
4	Furnishings	-	-	-	-	-	-	-	-
5	Books	1,60,23,382	36,015	-	1,90,81,397	1,27,23,822	-	1,43,92,610	32,99,560
6	Office equipment	11,35,659	84,008	-	12,19,668	6,75,623	-	7,64,472	4,35,396
7	Telephone installations	4,49,492	-	-	4,49,492	2,31,153	-	2,74,821	2,18,339
8	Electrical equipment	83,13,322	-	-	83,13,322	46,72,484	-	54,00,652	36,40,868
9	Teaching aid equipment	19,49,291	3,14,366	-	22,63,657	13,60,522	-	17,21,776	5,88,769
10	Vehicles	-	-	-	-	-	-	-	-
11	Canteen equipment	2,66,542	-	-	2,66,542	88,208	-	1,23,875	1,78,334
12	Hostel equipment	8,04,243	55,085	-	8,59,328	2,73,902	-	3,90,987	4,88,341
13	Sign boards	5,06,217	17,500	-	5,23,717	2,85,094	-	3,44,750	1,78,967
14	Generators	-	-	-	-	-	-	-	-
15	Colony equipment	-	-	-	-	-	-	-	-
16	Films	-	-	-	-	-	-	-	-
17	Computers, Server, IT Infrastructure including Software	2,76,32,937	12,78,132	-	2,91,11,069	2,02,66,321	-	2,38,04,220	75,66,616
18	Gym equipments	10,18,004	-	-	10,18,004	8,10,683	-	9,14,344	2,07,321
19	Lift	-	-	-	-	-	-	-	-
20	Land - Murshidabad ( Leasehold)	1,69,28,063	-	-	1,69,28,063	-	-	-	1,69,28,063
<b>Total</b>		<b>1,02,89,57,376</b>	<b>6,55,97,903</b>	-	<b>1,09,35,55,279</b>	<b>23,02,45,891</b>	<b>5,09,09,364</b>	<b>28,11,55,255</b>	<b>81,24,00,023</b>
	Capital Work in Progress	5,54,73,566	74,98,872	6,24,90,881	4,81,557	-	-	-	4,81,557
<b>Total</b>		<b>1,08,24,30,942</b>	<b>7,40,96,775</b>	<b>6,24,90,881</b>	<b>1,09,40,36,836</b>	<b>23,02,45,891</b>	<b>5,09,09,364</b>	<b>28,11,55,255</b>	<b>81,26,81,580</b>
<b>Previous Year</b>		<b>97,74,89,628</b>	<b>4,94,67,748</b>	-	<b>1,02,69,87,376</b>	<b>17,61,99,740</b>	<b>5,40,46,151</b>	<b>23,02,45,891</b>	<b>80,12,89,888</b>
	Previous Year Capital Work in Progress	3,76,15,195	1,78,58,371	-	5,54,73,566	-	-	-	5,54,73,566
									3,76,15,195



MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD

Schedules forming part of Accounts

Schedule 'B' - Current assets, loans and advances

(Amount in Rs.)

As at March 31, 2020	PARTICULARS	As at March 31, 2021
	<b>Stock of paper, stationery and other stores &amp; spares - (At cost)</b>	2,86,180
2,27,090	Stock in store	1,75,718
-	Stock-Guest House Consumables	-
1,21,410	Stock- PGPM Course Books	1,10,462
-	Material in transit	-
	<b>Sundry Debtors (Unsecured - considered good)</b>	
1,10,599	Debts exceeding six months	1,10,599
6,37,916	Other debts	9,04,474
4,18,785	Advance to creditors	-
		10,15,073
16,36,947	<b>Interest accrued but not due</b>	8,50,332
	<b>Cash and bank balances</b>	
73,290	Cash in hand including Imprest	18,127
	Balances with scheduled banks:	
56,628	On savings account	58,184
3,44,64,194	On current account	24,06,363
-	<b>Amount recoverable in cash or in kind or for value to be received</b>	-
27,857	<b>Security deposits</b>	27,857
-	<b>Advances to employees</b>	-
28,69,654	<b>Pre-paid expenses and deferred expenses</b>	50,37,936
20,94,352	<b>Tax deducted at source</b>	8,15,020
1,31,669	<b>GST Receivable</b>	1,12,054
4,28,70,391	<b>Total</b>	1,06,27,126





MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD

Schedules forming part of Accounts

Schedule 'C' - Other funds

(Amount in Rs.)

As at March 31, 2020	PARTICULARS	As at March 31, 2021
	<b>Alumni association fund</b>	
7,00,629	Opening balance	13,75,629
7,00,000	Add: Contribution received during the year	6,85,000
14,00,629		20,60,629
25,000	Less: Payments made during the year	16,140
13,75,629	Closing balance	20,44,489
	<b>Convocation-Gold Medal Fund</b>	
11,56,624	Opening balance	12,27,029
-	Add: Contribution received/ receivable during the year	-
70,405	Add: Interest earned during the year	1,01,406
12,27,029		13,28,435
-	Less: Payments made during the year	-
12,27,029	Closing balance	13,28,435
	<b>Student Program Fund</b>	
11,81,059	Opening Balance	14,12,563
3,14,000	Add: Contribution received during the year	4,822
-	Add: Interest earned during the year	-
14,95,059		14,17,385
82,496	Less: Payment made during the year	-
14,12,563	Closing Balance	14,17,385
	<b>National, International Conference Fund</b>	
-	Opening Balance	-
37,074	Add: Contribution received during the year	-
23,375	Add: Interest earned during the year	-
60,449		-
60,449	Less: Payment made during the year	-
-	Closing Balance	-
40,15,221	<b>Total</b>	47,90,309



**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**

**Schedules forming part of Accounts  
Schedule 'D' - Current liabilities and provisions**

*(Amount in Rs.)*

As at March 31, 2020	PARTICULARS	As at March 31, 2021
88,29,294	<b>Sundry creditors</b> <span style="float:right">58,83,954</span>	
82,68,312	<b>Other liabilities</b> <span style="float:right">39,25,481</span>	98,09,435
	<b>Accumulated receipts on incomplete Research projects</b>	
-	Opening Balance <span style="float:right">-</span>	
-	Add: Amount received during the year <span style="float:right">-</span>	
	<hr/>	
-	Less : Transferred to Income and Expenditure Account on account of Completed Projects <span style="float:right">-</span>	
-	Closing balance <span style="float:right">-</span>	-
	<b>Accumulated receipts on incomplete consultancy projects</b>	
-	Opening Balance <span style="float:right">-</span>	
-	Less: Transferred to Consultancy Projects <span style="float:right">-</span>	
-	Add: Amount received during the year <span style="float:right">-</span>	
	<hr/>	
-	Less : Transferred to Income and Expenditure Account on account of Completed Projects <span style="float:right">-</span>	
-	Closing balance <span style="float:right">-</span>	-
79,69,448	<b>Security deposits from participants/Students</b>	53,91,586
3,61,23,014	<b>Pre- Received Income</b>	-
<b>6,11,90,068</b>	<b>Total</b>	<b>1,52,01,021</b>



**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDBAD**  
**Schedules forming part of the Accounts for the year ended March 31, 2021.**

**Schedule – D Significant Accounting Policies and Notes to Accounts**

**1. Significant accounting policies**

**i. Basis of preparation**

The financial statements are prepared under the historical cost convention, on accrual basis, in accordance with Generally Accepted Accounting Principles and to comply with the applicable accounting standards. The accounting policies have been consistently applied by the Institute unless otherwise stated.

**ii. Use of estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Any revision to accounting estimates is recognized in the current and future periods.

**iii. Fixed assets and depreciation**

- a) Fixed assets are stated at cost less accumulated depreciation. Cost of acquisition or construction is inclusive of freight, duties, taxes and other incidental expenses.
- b) Depreciation is provided on written down value method at the rates given below:

<b>Fixed assets</b>	<b>Rate of depreciation</b>
Buildings	5%
Furniture and fixtures	25%
Air conditioners and coolers	20%
Furnishings	20%
Typewriters and duplicators	20%
Library equipment	20%
Books	50%
Office equipment	20%
Telephone installations	20%
Electrical equipment	20%
Teaching aid equipment	40%
Vehicles	25%
Canteen equipment	20%
Hostel equipment	20%
Electrical installation and electrical installation (Internal)	20%
Sign boards	25%
Generators	20%
Colony equipment	20%
Films	50%
Computers, Servers & IT installations including software	40%
Gym & Sports equipment	50%
Lifts	20%

These rates are indicative of expected useful lives of the assets.



**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDBAD**  
**Schedules forming part of the Accounts for the year ended March 31, 2021.**

**Schedule – D Significant Accounting Policies and Notes to Accounts**

- c) In respect of additions to fixed assets made during the year, depreciation is provided for the full year and in respect of sale/disposal of fixed assets, no depreciation is provided for in the year of sale / disposal.

**iv. Investments**

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost; however, provision for diminution in value, other than temporary, is made.

Profit / loss on sale of investments are computed with reference to their average cost.

**v. Inventories**

Stock of paper, stationery, and other stores & spares is valued at cost. Cost is determined on a weighted average basis.

**vi. Revenue recognition**

Revenue is recognized as under:

- a) Fees from programs on an accrual basis.
- b) Research and technical advisory fees in the year of completion of the projects on the basis of the completed service contract method on acceptance of services by the client.
- c) Interest on investments in deposits, bonds and saving bank balances on a time proportion basis.

**vii. Contingent liabilities**

The Institute makes a provision when there is a present obligation as a result of a past event where the outflow of economic resources is probable and a reliable estimate of the amount of the obligation can be made. A disclosure is made for a contingent liability when there is a:

- possible obligation, the existence of which will be confirmed by the occurrence/non-occurrence of one or more uncertain events, not fully within the control of the Institute;
- present obligation, where it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- Present obligation, where a reliable estimate cannot be made.



Schedule – D Significant Accounting Policies and Notes to Accounts

2. Notes to Accounts

i. Valuation for Gratuity and Compensated absence

During the year ended March 31, 2021, provision for gratuity is made considering 15 days salary and provision for compensated absence is made by multiplying proportionate Salary of 30 days with balance of earned leave as on 31<sup>st</sup> March 2021, wherein salary includes Basic Pay and Dearness allowance for both the calculations.

ii. Investments

The Institute has given a Bank Guarantee to West Bengal State Electricity Distribution Company limited (WBSEDCL) for obtaining bulk power connection at Murshidabad Campus. Fixed Deposit of Rs. 90.48 lakhs shown under Investment is lien marked for the same.

Specific Grant for convocation Gold Medal has been invested in earmarked fixed deposit with state bank of India. Interest earned on the earmarked fixed deposit has been directly debited to the fixed deposit account and credited to the convocation Gold Medal Fund.

iii. Construction work at Murshidabad Campus

During the year 2020-21 MDI Murshidabad Campus expended Rs 89,27,850/- for the construction of Faculty Quarter in the Campus. The Faculty Quarter have been completed and Rs 6,24,90,881/- have been converted from Capital Work in Progress to Building A/C Other Capital Expenditure is Rs 26,78,044/-

iv. Revenue Deficit of Murshidabad Campus

During the year 2020-21, the operations at Murshidabad Campus have resulted in a revenue deficit of Rs.5,63,88,531 /- (Previous Year Rs. 5,67,06,062/- during the financial year 2019-20).

v. There are no amounts which are required to be reported / provided under the provisions of Micro, Small and Medium Enterprises Act 2006.

vi. Previous year figures have been regrouped / rearranged wherever considered necessary.

