



## **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, 2023 and also the Income & Expenditure Account for the year ended 31<sup>st</sup> March, 2023 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, 2023 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).

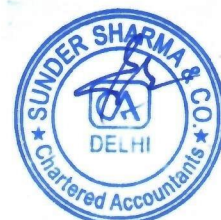
#### **Basis for Opinion**

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, 2023 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**

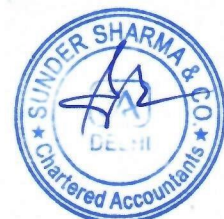
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

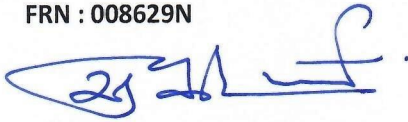




We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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.

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



GA Sunder Kumar Sharma  
Partner  
Membership No.: 087495



Place: Delhi

Date: 21/07/2023

**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**

Balance Sheet as at March 31, 2023

Liabilities		Schedule	As at March 31, 2023	As at March 31, 2022	Assets	Schedule	As at March 31, 2023	As at March 31, 2022
MDI Gurugram		1	1,49,98,10,920	1,47,53,88,909	Fixed Assets			
<b>Earmarked Fund</b>					Assets other than those funded from grants	6	78,79,95,117	81,18,51,302
Gratuity reserve fund		2	1,37,92,979	1,03,03,724	Investments	7	11,47,03,307	11,38,80,377
Leave encashment fund		3	2,15,52,050	1,78,88,455	Current assets, loans and advances	8	1,55,42,523	3,55,43,253
Other Funds		4	60,99,590	55,66,670	Excess of Expenditure over Income		64,69,56,340	62,83,31,303
<b>Current Liabilities and provisions</b>		5	2,33,41,748	8,04,58,478				
<b>Total Liabilities</b>			<b>1,56,45,97,287</b>	<b>1,58,96,06,236</b>	<b>Total Assets</b>		<b>1,56,45,97,287</b>	<b>1,58,96,06,236</b>

26-27

Significant Accounting Policies and Notes to Accounts

As per our audit report of even date attached

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

*(Signature)*

CA Sunder Kumar Sharma

Partner

M.No. 087495

Date: 21/07/2023

Place: Delhi

UDIN: 23087495B6Y6807588



For and on behalf of Board of Governors

*(Signature)*

(Registrar, MDI M)

*(Signature)*

(Director, MDI M)



**MANAGEMENT DEVELOPMENT INSTITUTE, Murshidabad**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Schedule No. 1</b>		
<b>MDI Gurgaon</b>		
Opening Balance	1,47,53,88,909	1,41,50,06,345
Add: Contribution Received during the year	2,50,00,000	6,10,84,740
Less: Adjustment during the year	5,77,989	7,02,176
<b>Total</b>	<b><u>1,49,98,10,920</u></b>	<b><u>1,47,53,88,909</u></b>

**Schedule No. 2**

**Gratuity Reserve Fund**

Opening Balance	1,03,03,724	68,07,105
Add:- Interest earned during the year		
Add:- Provision during for the year	34,89,255	34,96,619
Less:- Payments made during the year		
<b>Total</b>	<b><u>1,37,92,979</u></b>	<b><u>1,03,03,724</u></b>

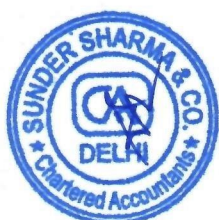
**Schedule No. 3**

**Leave Encashment Fund**

Opening Balance	1,78,88,455	1,17,19,847
Add:- Interest earned during the year		
Add:- Provision during for the year	36,90,063	61,68,608
Less:- Payments made during the year	26,468	
<b>Total</b>	<b><u>2,15,52,050</u></b>	<b><u>1,78,88,455</u></b>

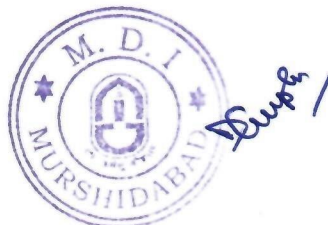
**Schedule '4' - Other funds**

PARTICULARS	As at March- 31,2022	Contribution received during the year	Interest income transferred from I&E Account	Payments made during the year	As at March- 31,2023
Alumni Association fund	28,04,089	9,60,000	-	7,33,495	30,30,594
Convocation Gold Medal Fund	13,43,586	60,540	-	25,361	13,78,765
Student Program Fund	14,18,995	3,25,236	-	54,000	16,90,231
<b>Total</b>	<b>55,66,670</b>	<b>13,45,776</b>	<b>-</b>	<b>8,12,856</b>	<b>60,99,590</b>





Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Schedule No. 5</b>		
<b>Current Liabilities and Provisions</b>		
Sundry Creditors	78,85,444	1,55,47,033
Other Liabilities	32,58,828	44,48,338
Fees received in advance	5,80,665	5,04,37,269
Security deposits (Students)	68,96,970	58,59,292
Retention and EMD (Vendors)	47,19,841	41,66,546
	<b>2,33,41,748</b>	<b>8,04,58,478</b>
<b>Schedule No. 7</b>		
<b>Investments</b>		
<b>Fixed Deposits</b>		
State Bank of India	7,08,45,875	9,81,11,024
Punjab National Bank	50,00,000	-
Deposit with NBCC	47,30,860	-
LIC Leave Encashment Investment	1,97,58,924	1,32,77,645
LIC Gratuity Investment	1,43,67,648	24,91,708
	<b>11,47,03,307</b>	<b>11,38,80,377</b>
<b>Schedule No. 8</b>		
<b>Current Assets, Loans and Advances</b>		
Stock of paper, stationery and other stores & spares - (At cost) (As Certified by management)	-	1,95,817
Sundry Debtors (Unsecured - considered good)	16,85,373	61,38,522
Interest accrued but not due	17,29,131	12,04,790
Cash	9,888	9,900
<b>Balance with Banks</b>		
Balance in Savings Accounts	65,75,258	2,29,55,503
Other Current Assets	13,42,643	2,23,938
Security deposits	27,857	27,857
Loans and advances to employees	-	2,77,270
Pre-paid expenses and deferred expenses	38,58,581	39,31,667
Tax deducted at source	3,13,792	5,77,989
	<b>1,55,42,523</b>	<b>3,55,43,253</b>







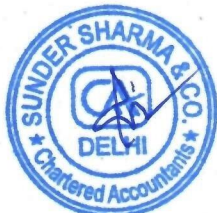
MANAGEMENT DEVELOPMENT INSTITUTE, Murshidabad

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Schedule No. 09</b>		
<b>Revenue from Graduate and Exgraduate programme</b>		
Tuition fee	15,61,76,941	12,18,99,521
Boarding fee	1,84,24,796	53,04,049
Lodging fee	1,94,52,868	53,11,149
Reading material fee	85,00,188	71,54,308
Student welfare activity fee	34,61,560	29,20,000
Library fee	34,74,999	29,20,000
Fees for Medical Insurance	5,22,375	2,38,500
Revenue from sale of prospectus	5,65,500	9,84,670
<b>Total</b>	<b>21,05,79,227</b>	<b>14,67,32,197</b>
<b>Schedule No. 10</b>		
<b>MDP programme</b>		
In company programme	21,43,639	11,63,874
<b>Total</b>	<b>21,43,639</b>	<b>11,63,874</b>
<b>Schedule No. 11</b>		
<b>Income from consultancy and research</b>		
Short term consultancy income	10,31,339	26,28,412
<b>Total</b>	<b>10,31,339</b>	<b>26,28,412</b>
<b>Schedule No. 12</b>		
<b>Other income</b>		
Other Income	8,21,580	5,90,881
<b>Total</b>	<b>8,21,580</b>	<b>5,90,881</b>
<b>Schedule No. 13</b>		
<b>Income from interest</b>		
Interest received on saving	1,631	1,587
Bank Interest Income	51,82,536	30,43,359
<b>Total</b>	<b>51,84,167</b>	<b>30,44,946</b>
<b>Schedule No. 14</b>		
<b>Programme expenses</b>		
Honorarium to guest faculty	29,46,000	33,17,640
Expenditure on study material (Books)	74,50,688	61,68,813
Expenditure on programme kit	58,377	15,372
Hostel boarding expenses	1,46,06,613	13,20,898
Expenditure on student's medical insurance	3,58,508	3,60,955
Other programme expenses	83,95,412	1,17,91,342
<b>Total</b>	<b>3,38,15,598</b>	<b>2,29,75,020</b>
<b>Schedule No. 15</b>		
<b>Research and technical advisory services</b>		
Short term consultancy expenses	1,28,729	11,01,116
<b>Total</b>	<b>1,28,729</b>	<b>11,01,116</b>



Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Schedule No. 16</b>		
<b>Employee salary</b>		
Basic pay	10,77,40,322	9,92,27,381
<b>Total</b>	<b>10,77,40,322</b>	<b>9,92,27,381</b>
<b>Schedule No. 17</b>		
<b>Staff welfare expenses</b>		
Medical expenses	7,86,576	7,25,276
Staff welfare others	17,98,252	17,83,567
<b>Total</b>	<b>25,84,828</b>	<b>25,08,843</b>
<b>Schedule No. 18</b>		
<b>Faculty development</b>		
Other faculty development expense	2,27,990	17,907
<b>Total</b>	<b>2,27,990</b>	<b>17,907</b>
<b>Schedule No. 19</b>		
<b>Travelling and conveyance</b>		
Local conveyance	13,44,882	16,23,672
Vehicle running expense	2,76,366	25,429
<b>Total</b>	<b>16,21,248</b>	<b>16,49,101</b>
<b>Schedule No. 20</b>		
<b>Administrative expenses</b>		
Rent	9,14,039	7,86,641
Electricity expense	60,52,593	31,59,034
Generator running expense	2,47,982	1,72,440
Insurance of assets	3,86,360	4,89,515
Photocopy expense	3,66,125	2,65,800
Postage and courier	27,342	3,43,278
Insurance of employee	12,09,234	7,39,288
Faculty/Staff recruitment expense	7,54,418	5,62,759
Telephone and Fax expense	3,72,274	3,73,238
Water expense	3,33,920	88,396
Exchange fluctuation expense	1,807	29,057
Board and committee expense	2,72,986	24,481
DTH recharge expenses	1,37,451	31,812
Internet/Leas line expenses	20,66,305	22,89,412
General administration expenses	1,05,562	73,425
Legal expenses	29,500	84,960
Retainership/Professional Expenses	74,340	1,72,250
<b>Total</b>	<b>1,33,52,238</b>	<b>96,85,786</b>
<b>Schedule No. 21</b>		
<b>Repair and maintenance</b>		
Horticulture and conservancy	24,178	24,700
House keeping and maintenance	46,68,440	41,22,924
Security expense	68,93,911	52,24,570
Building structural maintenance	23,69,886	17,58,252
Hardware and network AMC	30,57,791	25,94,837
Teaching equipment maintenance	12,59,874	11,35,699
Pest Control	1,81,248	1,78,534
Kitchen equipment replacement and maintenance	1,62,452	78,673
<b>Total</b>	<b>1,86,17,780</b>	<b>1,51,18,189</b>



Particulars	As at 31st March, 2023	As at 31st March, 2022
<b>Schedule No. 22</b>		
<b>Auditor remuneration</b>		
Auditor remuneration	2,89,100	1,94,700
Out of pocket expenses	85,068	-
<b>Total</b>	<b><u>3,74,168</u></b>	<b><u>1,94,700</u></b>
<b>Schedule No. 23</b>		
<b>Student activity expenses</b>		
Student activity expense	21,04,201	17,12,082
<b>Total</b>	<b><u>21,04,201</u></b>	<b><u>17,12,082</u></b>
<b>Schedule No. 24</b>		
<b>General expenses</b>		
Refreshment expenses	1,01,471	67,315
Print media advertisement expense	99,07,596	1,09,40,025
<b>Total</b>	<b><u>1,00,09,067</u></b>	<b><u>1,10,07,340</u></b>
<b>Schedule No. 25</b>		
<b>Depreciation</b>		
As per schedule '6'	4,78,08,820	4,91,90,364
	<b><u>4,78,08,820</u></b>	<b><u>4,91,90,364</u></b>





**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**  
**Schedules forming part of the Accounts for the year ended March 31, 2023.**

**Significant Accounting Policies and Notes to Accounts**

**26. 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**

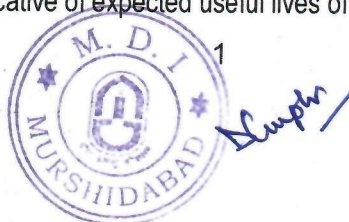
The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of the financial statements. 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, MURSHIDABAD**  
**Schedules forming part of the Accounts for the year ended March 31, 2023.**

**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 in current assets. 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 are 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.





**MANAGEMENT DEVELOPMENT INSTITUTE, MURSHIDABAD**  
**Schedules forming part of the Accounts for the year ended March 31, 2023.**

**Significant Accounting Policies and Notes to Accounts**

**27. Notes to Accounts**

**a. Valuation for Gratuity and Compensated absence**

During the year ended March 31, 2023, provision for gratuity is made by considering the 15 days average last drawn salary multiplied by the no of year of service as on 31<sup>st</sup> March 2023 and provision for compensated absence is made by multiplying proportionate last drawn salary of 30 days with balance of earned leave as on 31<sup>st</sup> March 2023. Salary includes Basic Pay and Dearness allowance for both the calculation. The Funds of both gratuity and compensated absence is maintained in the LIC.

**b. 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.

**c. Revenue Deficit of Murshidabad Campus**

During the year 2022-23, the operations at Murshidabad Campus has resulted in a revenue deficit of Rs. 1,86,25,037 /- (Previous Year Rs. 6,04,57,595/- during the financial year 2021-22).

- d. There are no amounts which are required to be reported / provided under the provisions of Micro, Small and Medium Enterprises Act 2006.
- e. All Account Receivables & Payables are subject to Reconciliation & Confirmation.
- f. Previous year figures have been regrouped / rearranged wherever considered necessary.

