



**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, 2024 and also the Income & Expenditure Account for the year ended 31<sup>st</sup> March, 2024 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, 2024 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 entity 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, 2024 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 is in accordance with the generally acceptable Accounting Principles accepted in India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the entity and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement 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:

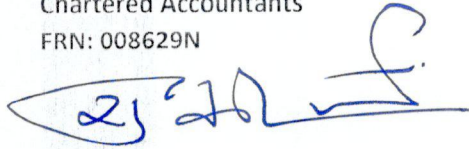
- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidences that are sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



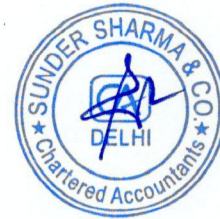
We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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



CA Sunder Kumar Sharma  
Partner  
Membership No.: 087495



Place: Delhi

Date: 22/07/2024



**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

Balance Sheet as at March 31, 2024

(Figures in Rs.)

Liabilities	Schedule	As at March 31, 2024	As at March 31, 2023	Assets	Schedule	As at March 31, 2024	As at March 31, 2023
MDI Gurgaon	1	1,50,45,27,417	1,49,98,10,920	<b>Fixed Assets</b>			
<b>Earmarked Fund</b>				Assets other than those funded from grants	6	74,82,14,383	78,35,97,878
Gratuity reserve fund	2	2,14,29,604	1,37,92,979	Capital Work in Progress	6.1	1,98,07,628	37,97,239
Leave encashment fund	3	3,32,54,762	2,15,52,050	<b>Investments</b>			
Other Funds	4	62,68,177	60,99,590	Non-Current Investments	7.1	4,03,81,906	3,41,26,572
<b>Current Liabilities and provisions</b>	5	3,76,28,589	2,33,41,748	Current Investments	7.2	10,32,49,284	8,05,76,735
				<b>Current assets, loans and advances</b>	8	2,32,84,656	1,55,42,523
				<b>Excess of Expenditure over Income</b>		66,81,70,692	64,69,56,339
<b>Total Liabilities</b>		<b>1,60,31,08,549</b>	<b>1,56,45,97,287</b>	<b>Total Assets</b>		<b>1,60,31,08,549</b>	<b>1,56,45,97,287</b>

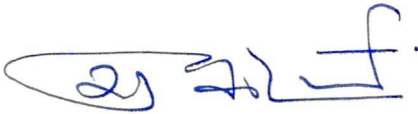
Significant Accounting Policies and Notes to Accounts

26-27

As per our audit report of even date attached

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

For and on behalf of the Management Development Institute, Murshidabad



CA Sunder Kumar Sharma  
Partner

M.No. 087495

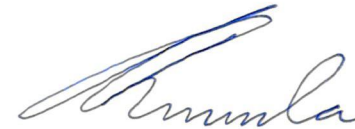
Date: 22/07/2024

Place: Delhi

UDIN: 24087495BKCSY T9523



(Registrar, MDI-M)



(Acting Director, MDI-M)



**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**  
Income and Expenditure Account for the period ended March 31, 2024

(Figures in Rs.)

Expenditure	Schedule	Year Ended March 31, 2024	Year Ended March 31, 2023	Income	Schedule	Year Ended March 31, 2024	Year Ended March 31, 2023
Programme expenses	14	3,50,64,902	3,08,69,598	Revenue from Graduate and Exgraduate programme	9	24,31,17,799	21,05,79,227
Research and technical advisory services and other activities	15	2,57,055	1,28,729	Revenue from others operations			
Pay and allowances				MDP programme	10	17,32,500	21,43,639
Employee salary	16	11,53,38,773	10,36,07,812	Income from consultancy and research	11	6,38,123	10,31,339
Staff welfare expenses	17	1,85,92,040	97,37,678	Other income	12	7,82,679	8,21,580
Faculty development	18	2,76,601	2,27,990	Income from interest	13	48,92,783	51,84,167
Travelling and conveyance	19	8,70,203	16,21,248	Profit on sale of fixed asset		-	-
Administrative expenses	20	1,34,99,995	1,32,77,898	Balance of expenditure over Income carried to Income and Expenditure Appropriation Account		2,12,14,350	1,86,25,037
Repair and maintenance	21	2,30,93,231	1,86,17,780				
Auditor remuneration	22	4,89,360	3,74,168				
Student activity expenses	23	26,63,760	21,04,201				
General expenses	24	1,17,15,076	1,00,09,067				
Depreciation	25	4,42,08,664	4,78,08,820				
Prior Period Expense		63,08,574	-				
<b>Total</b>		<b>27,23,78,234</b>	<b>23,83,84,989</b>	<b>Total</b>		<b>27,23,78,234</b>	<b>23,83,84,989</b>

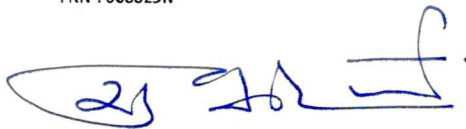
Significant Accounting Policies and Notes to Accounts

26-27

As per our audit report of even date attached

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

For and on behalf of the Management Development Institute, Murshidabad



CA Sunder Kumar Sharma  
Partner

M.No. 087495

Date: 22/07/2024

Place: Delhi

UDIN: 24087495 BKCSYT9523



(Registrar, MDI-M)




(Acting Director, MDI-M)

**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Figures in Rs.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Schedule No. 1</b>		
<b>MDI Gurgaon</b>		
Opening Balance	1,49,98,10,920	1,47,53,88,909
Add: Contribution Received during the year	47,16,497	2,50,00,000
Less: Adjustment during the year		5,77,989
<b>Total</b>	<b><u>1,50,45,27,417</u></b>	<b><u>1,49,98,10,920</u></b>

**Schedule No. 2**

**Gratuity Reserve Fund**

Opening Balance	1,37,92,979	1,03,03,724
Add:- Interest earned during the year	11,33,283	
Add:- Provision during for the year	65,03,342	34,89,255
Less:- Payments made during the year		
<b>Total</b>	<b><u>2,14,29,604</u></b>	<b><u>1,37,92,979</u></b>

**Schedule No. 3**

**Leave Encashment Fund**

Opening Balance	2,15,52,050	1,78,88,455
Add:- Interest earned during the year	15,24,878	
Add:- Provision during for the year	1,02,09,047	36,90,063
Less:- Payments made during the year	31,213	26,468
<b>Total</b>	<b><u>3,32,54,762</u></b>	<b><u>2,15,52,050</u></b>

**Schedule '4' - Other funds**

PARTICULARS	As at March- 31,2023	Contribution received during the year	Interest income transferred from	Payments made during the year	As at March- 31,2024
Alumni Association fund	30,30,594	9,20,000	-	8,33,954	31,16,640
Convocation Gold Medal Fund	13,78,765	37,254	-	30,213	13,85,806
Student Program Fund	16,90,231	76,000	-	500	17,65,731
<b>Total</b>	<b>60,99,590</b>	<b>10,33,254</b>	<b>-</b>	<b>8,64,667</b>	<b>62,68,177</b>

**Schedule No. 5**

**Current Liabilities and Provisions**

Sundry Creditors	1,29,93,916	78,85,444
Other Liabilities	69,78,816	32,58,828
Fees received in advance	93,96,501	5,80,665
Security deposits (Students)	74,53,785	68,96,970
Retention and EMD (Vendors)	8,05,571	47,19,841
<b>Total</b>	<b><u>3,76,28,589</u></b>	<b><u>2,33,41,748</u></b>





MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of Accounts

Schedule '6' - Fixed assets (other than from grants)

(Figures in Rs.)

S.No.	Description of assets	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
		As at March 31, 2023	Additions during the year	Disposals/ adjustments during the year	As at March 31, 2024	As at March 31, 2023	Charge for the year	On Disposals/ adjustments during the year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
1	Buildings	1,03,17,06,266	61,28,423	-	1,03,78,34,689	28,54,41,234	3,76,19,673	-	32,30,60,907	71,47,73,782	74,62,65,032
2	Furniture and fixtures	3,87,08,455	13,51,250		4,00,59,705	3,11,47,625	22,28,020		3,33,75,645	66,84,060	75,60,830
3	Air conditioners and coolers	13,38,083	1,74,000		15,12,083	7,56,777	1,51,061		9,07,838	6,04,245	5,81,306
4	Furnishings	-			-	-	-		-	-	-
5	Books	1,69,86,584	4,02,080		1,73,88,664	1,62,28,483	5,80,091		1,68,08,574	5,80,090	7,58,101
6	Office equipment	13,20,591	86,926		14,07,517	9,66,599	88,184		10,54,783	3,52,734	3,53,992
7	Telephone installations	4,49,492			4,49,492	3,37,702	22,358		3,60,060	89,432	1,11,790
8	Electrical equipment	95,81,455	49,300		96,30,755	69,02,669	5,45,617		74,48,286	21,82,469	26,78,786
9	Teaching aid equipment	28,96,646	3,08,899		32,05,545	23,37,596	3,47,180		26,84,776	5,20,769	5,59,050
10	Vehicles	33,45,358			33,45,358	12,33,810	5,27,887		17,61,697	15,83,661	21,11,548
11	Canteen equipment	2,66,542			2,66,542	1,75,235	18,261		1,93,496	73,046	91,307
12	Hostel equipment	10,97,918	2,10,290		13,08,208	6,20,378	1,37,566		7,57,944	5,50,264	4,77,540
13	Sign boards	5,37,897			5,37,897	4,29,252	27,161		4,56,413	81,484	1,08,645
14	Generators	-			-	-	-		-	-	-
15	Colony equipment	10,92,492			10,92,492	3,93,297	1,39,839		5,33,136	5,59,356	6,99,195
16	Films	-			-	-	-		-	-	-
17	Computers, Server, IT Infrastructure including Software	3,44,28,519	1,14,003		3,45,42,522	3,01,66,717	17,50,322		3,19,17,039	26,25,483	42,61,802
18	Gym & Sports equipments	10,67,956			10,67,956	10,17,065	25,446		10,42,511	25,445	50,891
19	Lift	-			-	-	-		-	-	-
20	Land - Murshidabad ( Leasehold)	1,69,28,063			1,69,28,063	-	-		-	1,69,28,063	1,69,28,063
<b>Total</b>		<b>1,16,17,52,317</b>	<b>88,25,171</b>	<b>-</b>	<b>1,17,05,77,488</b>	<b>37,81,54,439</b>	<b>4,42,08,666</b>	<b>-</b>	<b>42,23,63,105</b>	<b>74,82,14,383</b>	<b>78,35,97,878</b>

Schedule '6.1' -Capital work in Progress (other than from grants)

S.No.	Description of assets	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK	
		As at March 31, 2023	Additions during the year	Disposals/ adjustments during the year	As at March 31, 2024	As at March 31, 2023	Charge for the year	On Disposals/ adjustments during the year	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
	Capital Work in Progress-Building		1,48,04,935		1,48,04,935					1,48,04,935	
	Capital Work in Progress-ERP	37,97,239	12,05,454		50,02,693	-	-	-	-	50,02,693	37,97,239
<b>Total</b>		<b>37,97,239</b>	<b>1,60,10,389</b>	<b>-</b>	<b>1,98,07,628</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,98,07,628</b>	<b>37,97,239</b>



**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Figures in Rs.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Schedule No. 7</b>		
<b>Investments</b>		
<b>7.1. Non-Current Investments</b>		
LIC Leave Encashment Investment	2,41,80,104	1,97,58,924
LIC Gratuity Investment	1,62,01,802	1,43,67,648
	<u>4,03,81,906</u>	<u>3,41,26,572</u>
<b>7.2 Current Investments</b>		
Fixed Deposit with-State Bank of India **	10,32,49,284	7,08,45,875
Punjab National Bank	-	50,00,000
Deposit with NBCC	-	47,30,860
	<u>10,32,49,284</u>	<u>8,05,76,735</u>
** Refer to Notes of accounts 27( ix)		
<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)	-	-
Sundry Debtors (Unsecured - considered good)	46,33,487	16,85,373
Interest accrued but not due	15,92,481	17,29,131
Cash	32,585	9,888
<b>Balance with Banks</b>		
Balance in Bank Accounts	1,05,78,289	65,75,258
Other Current Assets	25,71,681	13,42,643
Security deposits	27,857	27,857
Loans and advances to employees	-	-
Pre-paid expenses and deferred expenses	31,30,014	38,58,581
Tax deducted at source	7,18,262	3,13,792
	<u>2,32,84,656</u>	<u>1,55,42,523</u>





**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Figures in Rs.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Schedule No. 09</b>		
<b>Revenue from Graduate and Exgraduate programme</b>		
Tuition fee	18,20,01,175	15,61,76,941
Boarding fee	2,06,06,910	1,84,24,796
Lodging fee	2,23,09,380	1,94,52,868
Reading material fee	94,62,334	85,00,188
Student welfare activity fee	37,11,666	34,61,560
Library fee	38,94,834	34,74,999
Fees for Medical Insurance	5,58,000	5,22,375
Revenue from sale of prospectus	5,73,500	5,65,500
<b>Total</b>	<b>24,31,17,799</b>	<b>21,05,79,227</b>
<b>Schedule No. 10</b>		
<b>MDP programme</b>		
In company programme	17,32,500	21,43,639
<b>Total</b>	<b>17,32,500</b>	<b>21,43,639</b>
<b>Schedule No. 11</b>		
<b>Income from consultancy and research</b>		
Short term consultancy income	6,38,123	10,31,339
<b>Total</b>	<b>6,38,123</b>	<b>10,31,339</b>
<b>Schedule No. 12</b>		
<b>Other income</b>		
Other receipt	3,44,889	
Office vehicle usage charges	1,41,746	8,21,580
Late fees and other charges	2,96,044	
<b>Total</b>	<b>7,82,679</b>	<b>8,21,580</b>
<b>Schedule No. 13</b>		
<b>Income from interest</b>		
Interest received on saving	1,679	1,631
Bank Interest Income	48,91,104	51,82,536
<b>Total</b>	<b>48,92,783</b>	<b>51,84,167</b>
<b>Schedule No. 14</b>		
<b>Programme expenses</b>		
Expenditure on study material (Books)	86,95,217	74,50,688
Expenditure on programme kit	51,827	58,377
Hostel boarding expenses	1,54,88,466	1,46,06,613
Expenditure on student's medical insurance	8,29,150	3,58,508
Other programme expenses	1,00,00,242	83,95,412
<b>Total</b>	<b>3,50,64,902</b>	<b>3,08,69,598</b>
<b>Schedule No. 15</b>		
<b>Research and technical advisory services</b>		
Short term consultancy expenses	2,57,055	1,28,729
<b>Total</b>	<b>2,57,055</b>	<b>1,28,729</b>



**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

(Figures in Rs.)

Particulars	As at 31st March, 2024	As at 31st March, 2023
<b>Schedule No. 16</b>		
<b>Employee salary</b>		
Basic Pay and other allowances including employer contribution on EPF & NPS	11,03,38,433	10,05,87,472
Honorarium to guest faculty	49,26,000	29,46,000
Retainership/Professional Expenses	74,340	74,340
<b>Total</b>	<b>11,53,38,773</b>	<b>10,36,07,812</b>
<b>Schedule No. 17</b>		
<b>Staff welfare expenses</b>		
Medical expenses	5,90,786	7,86,576
Gratuity Exp	65,03,342	34,89,255
Leave Encashment Exp	1,02,09,047	36,63,595
Staff welfare others	12,88,865	17,98,252
<b>Total</b>	<b>1,85,92,040</b>	<b>97,37,678</b>
<b>Schedule No. 18</b>		
<b>Faculty development</b>		
Other faculty development expense	2,76,601	2,27,990
<b>Total</b>	<b>2,76,601</b>	<b>2,27,990</b>
<b>Schedule No. 19</b>		
<b>Travelling and conveyance</b>		
Local conveyance	5,13,195	13,44,882
Vehicle running expense	3,57,008	2,76,366
<b>Total</b>	<b>8,70,203</b>	<b>16,21,248</b>
<b>Schedule No. 20</b>		
<b>Administrative expenses</b>		
Rent	9,17,738	9,14,039
Electricity expense	60,15,128	60,52,593
Generator running expense	3,77,955	2,47,982
Insurance of assets	6,87,563	3,86,360
Photocopy expense	3,02,801	3,66,125
Postage and courier	41,791	27,342
Insurance of employee	5,89,680	12,09,234
Faculty/Staff recruitment expense	8,31,832	7,54,418
Telephone and Fax expense	3,25,726	3,72,274
Water expense	3,66,626	3,33,920
Exchange fluctuation expense	-	1,807
Board and committee expense	2,78,538	2,72,986
DTH recharge expenses	77,529	1,37,451
Internet/Leas line expenses	17,99,478	20,66,305
General administration expenses	8,67,610	1,05,562
Legal expenses	20,000	29,500
<b>Total</b>	<b>1,34,99,995</b>	<b>1,32,77,898</b>
<b>Schedule No. 21</b>		
<b>Repair and maintenance</b>		
Horticulture and conservancy	29,079	24,178
House keeping and maintenance	51,64,332	46,68,440
Security expense	77,08,618	68,93,911
Building structural maintenance	27,16,165	23,69,886
Hardware and network AMC	28,23,996	30,57,791
Teaching equipment maintenance	43,26,696	12,59,874
Pest Control	1,93,520	1,81,248
Kitchen equipment replacement and maintenance	1,30,825	1,62,452
<b>Total</b>	<b>2,30,93,231</b>	<b>1,86,17,780</b>



## MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of the Accounts for the year ended on March 31, 2024.

### 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.

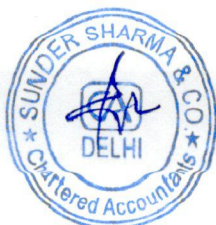
##### ii. Use of estimates

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:

Fixed assets	Rate of depreciation
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%





## MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of the Accounts for the year ended on March 31, 2024.

### Significant Accounting Policies and Notes to Accounts

Fixed assets	Rate of depreciation
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.

- 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.

#### 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.



## MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of the Accounts for the year ended on March 31, 2024.

### Significant Accounting Policies and Notes to Accounts

- c) Interest on investments in deposits, bonds and saving bank balances on a time proportion basis.

#### vii. Employee Benefits

##### *Gratuity*

Gratuity is a post-employment benefit and is in the nature of defined benefit plan. The Gratuity fund is maintained and managed by LIC. The liability recognized in the balance sheet in respect of gratuity is the present value of the defined benefit obligation as at the balance sheet date together with adjustments for unrecognized actuarial gains or losses.

The defined benefit/obligation is calculated at the balance sheet date by an independent actuary using projected unit credit method. The actuarial gains or losses arising from past experience and change in actuary assumptions are charged or credited to in the Income & Expenditure Account. The payment of gratuity is made as per HR policy of MDI.

##### *Provident fund*

Contribution towards provident fund is a post-employment benefit and is in the nature of defined contribution plan is charged to the income and expenditure account on accrual basis.

##### *Compensated absences/ contribution to leave fund*

The Leave encashment fund is maintained and managed by LIC. Liability in respect of compensated absences becoming due and expected to be availed more than one year after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using unit credit method as on March 31, 2024.

Actuary's valuation of provision during the year are charged to in the Income and Expenditure Account.

#### viii. 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;



## MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of the Accounts for the year ended on March 31, 2024.

### Significant Accounting Policies and Notes to Accounts

- 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.

#### 27. Notes to Accounts

##### i. Valuation for Gratuity and Compensated absence

During the year ended March 31, 2024 the LIC's valuation for Gratuity and Compensated absence has been done with the following assumptions –

Particulars	Gratuity	Compensated absence
Discount rate (previous year)	7.21% (7.25 %)	7.21% (7.25 %)
Rate of increase in compensation levels (previous year)	10.00% (10.00 %)	10.00% (10.00%)
Expected rate of return on plan assets (previous year)	7.67% (7.07%)	7.67% (7.07%)

During the year, the Institute has booked a provision amounting to Rs.65,03,342 and Rs.1,02,09,047/- in Income & Expenditure Account towards Gratuity and Leave Encashment Funds respectively.

Interest earned on investment made with LIC towards Gratuity & Leave Encashment has been shown in Gratuity Reserve fund and Leave Encashment Reserve fund respectively.

Similarly, 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 credited to the convocation Gold Medal Fund.

##### ii. Revenue Deficit of Murshidabad Campus

During the year 2023-24, the operations at Murshidabad Campus have resulted in a revenue deficit of Rs.2,12,14,350 /- (Previous Year Rs. 1,86,25,037/- during the financial year 2022-23).





## MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD

Schedules forming part of the Accounts for the year ended on March 31, 2024.

### Significant Accounting Policies and Notes to Accounts

- iii. There are no amounts which are required to be reported / provided under the provisions of Micro, Small and Medium Enterprises Act 2006.
- iv. The Institute has uptill now followed the existing format for the preparation of the Annual Accounts and the new 'Guidance Note on Financial Statements of Non-Corporate Entities' issued by the Institute of Chartered Accountants of India prescribing formats of financial statements of non-corporate entities would be followed from FY 2024-25, as the same is effective for financial statements covering periods beginning on or after April 1, 2024. The Technical Guide on Financial Statements of Non-Corporate Entities stands superseded by this Guidance Note.
- v. Previous year figures have been regrouped / rearranged wherever considered necessary.
- vi. **Contingent Liability Amounts:-** As on 31<sup>st</sup> March 2024 there are contingent liability is Rs 26,38,985 which is payable to IIDL, once settlement of dispute between IIDL and MDIM on payment of Professional Fees (PMC Charges) @ 12% on escalation charges awarded by arbitrator on 25<sup>th</sup> January 2018. IIDL has challenged this award before High Court of Delhi and the next date of hearing is on 19.07.2024.
- As on 31<sup>st</sup> March 2024, there is a contingent liability of Rs 31,57,083/- towards balance operational and maintenance charge payable to Jangipur Bengal Mega Food Park on improvement of maintenance related work by Jangipur Bengal Mega Food Park.
- vii. **Capital Commitment Amounts:-** The Budget allocated for the construction of Director Bungalow is Rs 1.616 Cr. out of which, we have expended Rs 1.48 Cr. Unspent amount is Rs 0.136 Cr. The construction is under progress.
- viii. **Related Party Discloser:-**

A) List of related parties and relationship (as identified by the management).

Name of the related party	Description of Relationship
MDI Gurugram	Head office

B) Transactions with related parties:

Nature of Transaction	Year	Amount/Rs
Cost sharing for Bloomberg license fees	2023-2024	47,16,497



**MANAGEMENT DEVELOPMENT INSTITUTE MURSHIDABAD**

**Schedules forming part of the Accounts for the year ended on March 31, 2024.**

**Significant Accounting Policies and Notes to Accounts**

C) Outstanding Balance as at the end of the year with related parties:

Particulars	Year	Amount/Rs
		Head Office
MDI Gurgaon Closing Balance	2023-2024	150,45,27,417

- ix. **Current Investment (Schedule 7):** - As on 31<sup>st</sup> March 2024, there is a total fixed deposit of Rs.10,32,49,284/- with SBI, and out of which Rs 1,03,05,314/- have been marked lien towards Bank Guaranty given to West Bengal Electricity Board. The Bank Guaranty is valid upto 03.11.2024.

