



**Savitribai Phule Pune University**  
(Formerly University of Pune)

# ANNUAL ACCOUNTS AND STATUTORY AUDIT REPORT

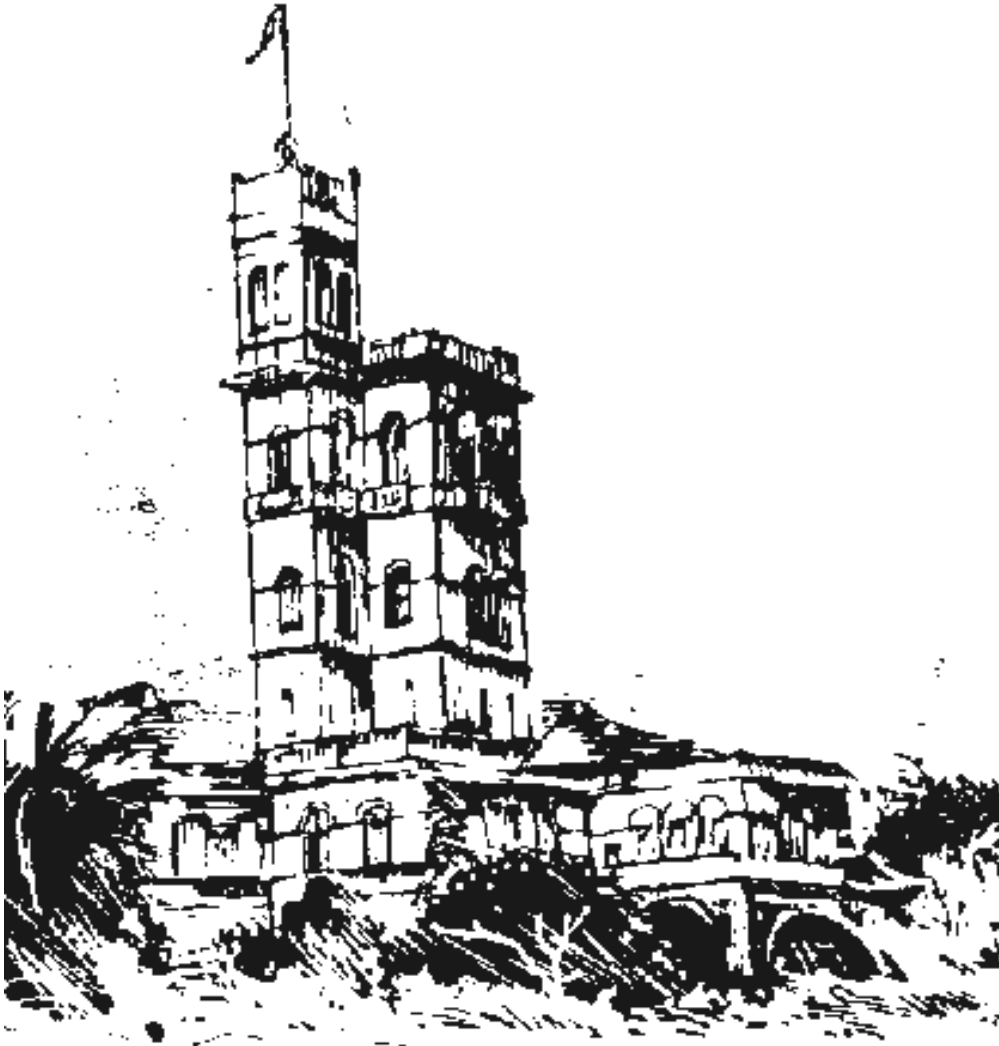
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# **SAVITRIBAI PHULE PUNE UNIVERSITY**

**(ERSTWHILE UNIVERSITY OF PUNE)**



## **ANNUAL ACCOUNTS AND STATUTORY AUDIT REPORT FINANCIAL YEAR 2022-23**



## Independent Auditor's Report

To,  
The Management Council,  
Savitribai Phule Pune University, Pune.

### Report on the standalone Financial Statements

#### Qualified Opinion

We have audited the financial statements of Savitribai Phule Pune University ("the University"), which comprise the Balance Sheet as at March 31, 2023, the Income & Expenditure Account, Receipt & Payment Account for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements"). In our opinion, the accompanying financial statements of the University subject to our remarks in the Basis for Qualified Opinion section of this report, are prepared, in all material respects, in accordance with the Maharashtra Public Universities Act, 2016 ("the Act").

#### Basis for Qualified Opinion

We conducted our audit in accordance with the Standards on Auditing ('SAs') issued by the Institute of Chartered Accountants of India ('ICAI'). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the financial statements' section of our report. We are independent of the University in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

We draw attention to the matters described hereinunder, the effects of misstatements and possible effects of undetected misstatements on the financial statements due to inability to obtain sufficient and appropriate audit evidence which are material but, not pervasive either individually or in aggregate:

1) *Following are the deviations in following Accounting Standard 10 –*

- a. *Fixed Assets purchased out of Grants have been disclosed separately in Schedule 8 to the Balance Sheet from the financial year 2009-10 onwards.*
- b. *The University has not charged depreciation on the assets acquired from the date of its inception till 1996-97. The depreciation has been charged in the Financial Year 2014-15 for the Financial Years 1997-98 to 2014-15 as per WDV (Written Down Value) method at the rates prescribed in the Income Tax Act, 1961. Depreciation has been charged in the current financial year using the block of asset method on opening WDV and additions made to fixed assets during the year at the rates prescribed in the Income Tax Act, 1961.*

2) *Matters regarding impairment of assets and status of physical verification of Fixed Assets –*

- a. *The University had appointed an external agency for the complete verification of the Fixed Assets and related records including the Fixed Asset Register. The observations of external agency are detailed in their report dated 09/08/2023. The observations mainly indicate the following –*
  - i. *a need to standardize the manner of maintenance of records across the various departments.*
  - ii. *Preparation of control policies on movement of assets*
  - iii. *Preparation of policies for deciding capitalization criteria*

*Though the report doesn't directly indicate any material deviance with respect to the verification exercise that was carried out, it points to difficulties and disclaimers regarding the verification exercise. We are of the opinion that there exists an inherent risk due to the reasons mentioned above in identifying if there is any indication of impairment/ losses based on*

*internal/external factors which is further amplified due to the size of the University and the condition of the historical records. An impairment loss may be recognized by the University once action is taken as per suggestions given by the external agency and in case any such assets are identified.*

### **Emphasis of Matter**

We draw attention to the following matters:

- 1) *Matter described in Note 2.o of the financial statements regarding deviation in following Accounting Standard 12, to the extent of which, the accounting policies and procedures are those which have been followed by the University historically in representing the receipt and utilization of Grants:*

- a. *Grants received from Funding Agencies –*

*If the grants from funding agencies are received prior to the expenditure incurred by the University, the grant is recognized as a current liability. From the above grant, if the grant is towards capital expenditure, upon the expenditure being incurred, the asset is capitalized under Fixed Assets from Grants. The grant amount in the corpus and the carrying amount of the fixed asset remains in the Balance Sheet. The grant is thus not shown as a deduction from the gross value of the asset concerned in arriving at its book value. No depreciation is recognized on such assets. Therefore, neither is this grant recognized in the Income & Expenditure statement over the useful life of a depreciable asset by way of a reduced depreciation charge or filtered to the Income & Expenditure statement in proportion to any depreciation charged.*

*From the above grant, if the grant is towards revenue expenditure, upon the expenditure being incurred, the same is reduced from the current liability. The grant is therefore not recognized as income at the time of initial receipt nor is it appropriated to the Income and Expenditure Account at the stage of incurring expenditure.*

*If the University may earn interest income on the funds received in advance from the Funding Agencies. This income is added to the carrying amount of liability. However, the same is paid only if the same is demanded by the funding agency while closing the calculation of utilization of the grant amount.*

*If the grants from funding agencies are to be received after the expenditure is incurred by the University, the grant receivable is recognized as a current asset.*

- b. *Grants and subsidies from the government for revenue expenditure relating to Salary and Other Employee Costs of the University:*

*Grant and subsidies are recognized in the Income & Expenditure statement when there is reasonable assurance that (i) the University will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.*

- 2) *Matter described in Note 2.h of the financial statements regarding deviation in following Accounting Standard 15:*

*Payment for present liability of future payment of gratuity is being made to Gratuity Fund with Life Insurance Corporation of India, which fully covers the same under its Cash Accumulation Policy. A Separate actuarial valuation has not been carried out.*

### **Responsibility of Management for the Standalone Financial Statements**

The University's management is responsible for the preparation of the financial statements in accordance with the Act and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management of the University is responsible for assessing the University's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management of the University either intends to liquidate the University or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are also responsible for overseeing the University's financial reporting process.

### **Auditor's Responsibility 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 misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional 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 evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the University.
- Conclude on the appropriateness of the University'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 University's ability 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 financial statements 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 entity to cease to continue as a going concern.
- 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 Sharad Shah & Co.**  
Chartered Accountants  
**FRN: 109931W**

UDIN: 23138798BGVXCA3587  
Place: Pune  
Date: 01-09-2023

**(Jay S. Shah)**  
Partner  
**MRN: 138798**

Savitribai Phule Pune University [Erstwhile University of Pune] Ganeshkhind, Pune-411 007.			
Balance sheet as at March 31, 2023			
Corpus & Liabilities	Note	Figures at the end of 31st March 2023 Rs.	Figures at the end of 31st March 2022 Rs.
<b>Earmarked Funds</b>			
Corpus	1	4,22,15,06,138	4,07,63,47,073
General Fund	2	2,54,57,06,920	2,48,07,75,025
Designated / Earmarked Funds	3	4,75,12,57,921	4,62,40,95,301
Restricted Funds	4	-	-
Loans / Borrowings	5	-	-
Sundry Creditors	6	-	-
Current Liabilities & Provisions	7	1,00,73,67,920	1,30,52,32,610
<b>Total Rs.</b>		<b>12,52,58,38,900</b>	<b>12,48,64,50,009</b>
Assets	Note	Figures at the end of 31st March 2023 Rs.	Figures at the end of 31st March 2022 Rs.
Fixed Assets	8	5,58,09,59,341	5,48,61,21,669
Investments	9	5,28,83,77,112	5,03,19,18,379
Sundry Debtors	10	14,49,69,950	20,84,55,115
Current Assets	11	1,36,51,22,705	1,67,47,81,103
Loans, Advances & Deposits	12	14,64,09,792	8,51,73,743
<b>Total Rs.</b>		<b>12,52,58,38,900</b>	<b>12,48,64,50,009</b>
<p>Summary of Background of the entity &amp; Significant Accounting Policies. 24 &amp; 25</p> <p>The accompanying notes are an integral part of the financial statements. Previous years figures are regrouped.</p> <p>As per our report of even date</p> <p><b>For Sharad Shah &amp; Co.</b> <b>For Savitribai Phule Pune University [Erstwhile University of Pune]</b></p> <p>Chartered Accountants</p> <p><b>FRN: 109931W</b></p>			
<p><b>Jay S. Shah</b> <b>CMA C. R. Gayake</b> <b>Dr. P. A. Pawar</b> <b>Prof. Dr. S.W. Gosavi</b></p> <p>Partner Finance &amp; Accounts Officer Registrar Vice-Chancellor</p> <p>MRN : 138798</p> <p>UDIN : 23138798GVXCA3587</p> <p>Place: Pune</p> <p>Date: 01-09-2023</p>			

Savitribai Phule Pune University [Erstwhile University of Pune] Ganeshkhind, Pune-411 007.			
Income & Expenditure Account for the year ended on March 31, 2023			
INCOME	Note	For the period 1st April 2022 to 31st March 2023 Rs.	For the period 1st April 2021 to 31st March 2022 Rs.
Academic Receipts	13	1,82,38,11,150	1,86,90,34,774
Grants	14	80,34,25,328	1,06,96,33,884
Income from Investments	15	40,08,63,197	28,08,81,527
Other Income	16	61,67,70,287	47,82,93,905
<b>Total (A)</b>		<b>3,64,48,69,963</b>	<b>3,69,78,44,090</b>
EXPENDITURE	Note	For the period 1st April 2022 to 31st March 2023 Rs.	For the period 1st April 2021 to 31st March 2022 Rs.
Staff Payments & Benefits	17	1,45,77,11,505	1,38,32,34,978
Academic Expenses	18	1,08,38,62,751	63,82,75,496
Administrative & General Expenses	19	27,83,06,252	26,22,54,971
Transportation Expenses	20	-	-
Repairs & Maintenance	21	8,81,348	8,17,197
Finance Cost	22	-	-
Other Expenses	23	37,43,93,939	29,95,20,379
Depreciation	8	32,88,63,890	31,99,73,976
Amounts transferred to Reserve or Earmarked Funds		12,71,62,620	27,61,78,242
<b>Total (B)</b>		<b>3,65,11,82,304</b>	<b>3,18,02,55,239</b>
Balance being excess of Expenditure over Income (A-B)		(63,12,342)	51,75,88,852
Balance Being Surplus/ (Deficit) Carried in General Fund		<b>(63,12,342)</b>	<b>51,75,88,852</b>
Summary of Background of the entity & Significant Accounting Policies. 24 & 25			
The accompanying notes are an integral part of the financial statements. Previous years figures are regrouped.			
<b>As per our report of even date</b>			
<b>For Sharad Shah &amp; Co.</b> Chartered Accountants <b>FRN: 109931W</b>		<b>For Savitribai Phule Pune University [Erstwhile University of Pune]</b>	
<b>Jay S. Shah</b> Partner <b>MRN : 138798</b>	<b>CMA C. R. Gayake</b> Finance & Accounts Officer	<b>Dr. P. A. Pawar</b> Registrar	<b>Prof. Dr. S.W. Gosavi</b> Vice-Chancellor
UDIN : 23138798GVXCA3587			
Place: Pune			
Date: 01-09-2023			



**Savitribai Phule Pune University [Erstwhile University of Pune]  
Ganeshkhind, Pune-411 007.**

**Note to Financial Statements for the year ended 31st March, 2023**

**Note- 1 Corpus**

Particulars	2022-23	2021-22
	Rs.	Rs.
Capital Receipts (Account No. 1)	3,21,23,67,402	3,11,92,27,894
University Endowment Fund (Donation Account)	65,27,20,641	64,92,09,708
Member Subscription (Provident Fund Account)	17,92,77,078	14,30,08,486
University Contribution (Provident Fund Account)	14,80,11,073	13,57,71,040
Gratuity Fund (Gratuity Fund Account)	2,89,46,985	2,89,46,985
University Capital Fund (Press Account)	1,82,960	1,82,960
<b>Total</b>	<b>4,22,15,06,138</b>	<b>4,07,63,47,073</b>

**Note- 2 General Fund**

Particulars	2022-23	2021-22
	Rs.	Rs.
Account No. 1	2,52,35,37,262	2,46,98,98,952
Donation Account	12,47,95,240	9,08,03,963
Press Account	(16,78,49,798)	(15,12,03,277)
Provident Fund Account	5,27,16,515	5,98,44,590
Gratuity Fund Account	1,25,07,702	1,14,30,797
<b>Total</b>	<b>2,54,57,06,920</b>	<b>2,48,07,75,025</b>

**Note- 3 Designated / Earmarked Funds\***

Particulars	2022-23	2021-22
	Rs.	Rs.
<b>Welfare &amp; Other Funds</b>		
<b>Account No. 1</b>		
Savitribai Phule Pune University Students Welfare Fund	94,22,51,584	92,48,19,060
Savitribai Phule Pune University Teaching & Non Teaching Employees Welfare Fund	94,22,51,584	92,48,19,060
Savitribai Phule Pune University Infrastructure Facilities & Research Fund	1,88,45,03,168	1,84,96,38,120
Savitribai Phule Pune University Quality Improvement Fund	94,22,51,584	92,48,19,060
Savitribai Phule Pune University Contingency Fund	4,00,00,000	-
<b>Total</b>	<b>4,75,12,57,921</b>	<b>4,62,40,95,301</b>

**Note- 4 Restricted Funds**

Particulars	2022-23	2021-22
	Rs.	Rs.
Restricted Funds	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note- 5 Loans / Borrowings**

Particulars	2022-23	2021-22
	Rs.	Rs.
Loans/ Borrowings	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note- 6 Sundry Creditors**

Particulars	2022-23	2021-22
	Rs.	Rs.
Sundry Creditors	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note to Financial Statements for the year ended 31st March, 2023**

**Note- 7 Current Liabilities & Provisions**

Particulars	2022-23	2021-22
	Rs.	Rs.
<b>Account No. 1</b>		
<b>Deposits</b>		
Earnest Money Deposit	71,23,803	1,01,41,216
Retention Money Deposit	4,83,54,642	6,36,31,352
Security Deposit	7,12,08,291	8,60,31,332
General Deposit	30,93,375	31,93,375
Hostel Caution Money	35,69,250	37,81,500
Library Caution Money	64,28,134	81,20,190
Laboratory Deposit	4,83,110	10,95,610
MBA Caution Money	2,51,000	6,64,250
PG Caution Money	3,63,500	10,72,690
<b>Other Liabilities</b>		
Grants Received In Advance	43,21,50,585	44,28,24,432
Govt. of India/ State / UGC / Other Scholarship	36,775	36,775
P.L.A. Scholarship	7,382	7,382
TDS Payable-Others	76,31,926	25,78,904
Tax Collected At Source(TCS)	1,901	-
Liability towards Serving of Employees (DCPS Payable)	54,68,252	22,86,836
Stipend MTech. Technology	1,58,400	2,54,400
GSLI Final Payment Payable	1,43,832	1,43,832
Other Pay	98,410	95,060
Corporate Credit Card	-	11,186
TDS Payable- Salary	39,736	1,86,69,219
Professional Tax Payable	12,025	10,300
Amount Payable to Colleges/Vendors	3,64,49,573	3,70,96,009
Stale Cheque Liability	1,04,72,997	1,98,69,394
GST Cess Payable	8,41,046	12,69,533
Chief Minister's Distress/ Maharashtra Flood & Drought Relief Fund	-	5,200
Higher Education Loan	1,15,736	95,664
Net Salary Payable	11,78,44,106	14,73,09,783
Salary Payable ( 7th pay commission)	6,50,00,000	6,50,00,000
Outstanding Expenses	16,18,16,696	21,55,59,622
Gratuity Payable	-	10,40,97,156
Service Tax Receivable from Vendors	-	-
GST Receivable from Vendors	(2,37,367)	7,70,539
Scholarship Payable	85,97,000	4,90,40,000
Overtime Payable	1,360	2,79,257
<b>Donation Account</b>		
TDS Payable	45,257	3,496
Stale Cheque Liability A/c	62,192	1,01,681
Outstanding Expenses	-	4,85,883
<b>Press Account</b>		
Outstanding Salary A/C	16,65,909	21,16,330
Advance From Contingency Fund	-	6,247
Provisions	-	1,90,016
<b>Provident Fund Account</b>		
EMMRC GPF	85,02,907	82,71,598
UGC Contribution: EMMRC	88,97,621	88,97,621
Other Account	-	1,15,340
G.P.F. Final Payment Account	6,68,558	-
Stale Cheque Liability A/c	-	2,400
<b>Total</b>	<b>1,00,73,67,920</b>	<b>1,30,52,32,610</b>

**Savitribai Phule Pune University [Erstwhile University of Pune]  
Ganeshkhind, Pune-411 007.**

**Note to Financial Statements for the year ended 31st March, 2023**

**Note- 8 Fixed Assets**

Description	Gross Block				Depreciation				Net Block	
	Balance as on 01-04-2022 Rs.	Additions during the year Rs.	Deduction during the year Rs.	Depreciable Value Rs.	As at the beginning of the year Rs.	On Additions during the year	On Deductions during the year	Total Upto the year end	Balance as on 31-03-2023 Rs.	Balance as on 31- 03-2022 Rs.
<b>Account No. 1</b>										
<b>A. From University Fund</b>										
Land	1,55,000	-	-	1,55,000	-	-	-	-	1,55,000	1,55,000
Building	1,87,76,14,989	6,64,16,366	-	1,94,40,31,355	18,77,61,499	42,98,086	-	19,20,59,585	1,75,19,71,770	1,87,76,14,989
Statues	60,81,066	-	-	60,81,066	-	-	-	-	60,81,066	60,81,066
Apparatus & Equipments	34,91,45,686	3,66,33,912	-	38,57,79,598	5,23,71,853	32,06,981	-	5,55,78,834	33,02,00,764	34,91,45,686
Furniture & Office Equipments	47,32,70,459	6,02,04,887	-	53,34,75,346	4,73,27,046	34,66,216	-	5,07,93,262	48,26,82,084	47,32,70,459
Books	2,44,37,176	1,47,01,920	-	3,91,39,096	97,74,870	35,04,884	-	1,32,79,754	2,58,59,342	2,44,37,176
Motor Car & Other Vehicles	1,18,64,289	4,55,511	-	1,23,19,800	17,79,643	34,163	-	18,13,806	1,05,05,994	1,18,64,289
Work in Progress (Buildings)	57,69,31,415	20,26,11,317	6,64,16,366	71,31,26,366	-	-	-	-	71,31,26,366	57,69,31,415
Software	2,49,06,421	1,57,64,121	-	4,06,70,542	99,62,569	46,64,985	-	1,46,27,554	2,60,42,988	2,49,06,421
<b>B. From Grant of Funding Agency (From 01.04.2009)</b>										
Building	30,98,01,687	-	-	30,98,01,687	-	-	-	-	30,98,01,687	30,98,01,687
Apparatus & Equipments	1,11,71,91,320	1,95,86,807	-	1,13,67,78,127	-	-	-	-	1,13,67,78,127	1,11,71,91,320
Furniture & Office Equipments	41,12,24,814	7,17,81,284	-	48,30,06,098	-	-	-	-	48,30,06,098	41,12,24,814
Books	7,64,77,360	7,81,417	-	7,72,58,777	-	-	-	-	7,72,58,777	7,64,77,360
Work in Progress (Buildings)	21,28,38,640	-	-	21,28,38,640	-	-	-	-	21,28,38,640	21,28,38,640
Software	95,27,936	9,90,000	-	1,05,17,936	-	-	-	-	1,05,17,936	95,27,936
<b>Donation Account</b>										
<b>1. BUILDINGS</b>										
a. Site Preparation Building	20,233	-	-	20,233	2,023	-	-	2,023	18,210	20,233
b. Khosala Research & Development Centre Building	67,549	-	-	67,549	6,755	-	-	6,755	60,794	67,549
c. Garware Research Centre Building	66,991	-	-	66,991	6,699	-	-	6,699	60,292	66,991
d. Post Graduate Student Hostel	23,355	-	-	23,355	2,336	-	-	2,336	21,019	23,355
e. Dr.Nanasaheb Parulekar Paryawaran Bhavan	2,92,062	-	-	2,92,062	29,206	-	-	29,206	2,62,856	2,92,062
2. Electrical Substation	1,288	-	-	1,288	193	-	-	193	1,095	1,288
3. Apparatus & Equipments	8,92,193	-	-	8,92,193	1,33,829	-	-	1,33,829	7,58,364	8,92,193
4. Other Assets	-	-	-	-	-	-	-	-	-	-
a. Water Coolers	5,340	-	-	5,340	801	-	-	801	4,539	5,340
b. Furniture	1,62,722	8,500	-	1,71,222	16,272	425	-	16,697	1,54,525	1,62,722
c. Statue	26,363	-	-	26,363	-	-	-	-	26,363	26,363
d. Development & Testing Batch	517	-	-	517	78	-	-	78	439	517
e. Xerox Machine (Pt.Bhimsen Joshi Chair)	1,087	-	-	1,087	163	-	-	163	924	1,087
f. Mobile Phone( Pt.Bhimsen Joshi Chair)	1,316	-	-	1,316	197	-	-	197	1,119	1,316
g. Electrification	1,31,347	-	-	1,31,347	19,702	-	-	19,702	1,11,645	1,31,347
5. Books & CD RAM	1,12,685	18,266	-	1,30,951	45,074	3,653	-	48,727	82,224	1,12,685
<b>Press Account</b>										
<b>1. BUILDINGS</b>										
University Press Building	26,613	-	-	26,613	2,661	-	-	2,661	23,952	26,613
2. Electrical Substation	13,680	-	-	13,680	2,052	-	-	2,052	11,628	13,680
3. Apparatus & Equipments	39,265.3	-	-	39,265	3,878	-	-	3,878	35,387	39,265
4. Other Assets	-	-	-	-	-	-	-	-	-	-
a. Furniture	99,157	-	-	99,157	9,916	-	-	9,916	89,241	99,157
b. Software	851	-	-	851	340	-	-	340	511	851
c. Machinery (Factory Act)	25,14,232	1,63,620	-	26,77,852	3,79,147	12,000	6,272	3,97,419	22,80,433	25,14,232
d. Computer	16,955	-	-	16,955	6,782	-	-	6,782	10,173	16,955
e. Machinery	1,37,609	-	-	1,37,609	20,641	-	-	20,641	1,16,968	1,37,609
<b>Total</b>	<b>5,48,61,21,669</b>	<b>49,01,17,928</b>	<b>6,64,16,366</b>	<b>5,90,98,23,231</b>	<b>30,96,66,225</b>	<b>1,91,91,393</b>	<b>6,272</b>	<b>32,88,63,890</b>	<b>5,58,09,59,341</b>	<b>5,48,61,21,669</b>



**Note to Financial Statements for the year ended 31st March, 2023**

**Note- 9 Investments**

Particulars	Balance as on 01 April 2022 Rs.	Additions during the year Rs.	Sub Total Rs.	Deduction during the year Rs.	Balance as on 31 March 2023 Rs.
<b>Account No. 1</b>					
Maharashtra State Faculty Development Academy	50,000	-	50,000	-	50,000
Shares with:					
Brihan Maharashtra Sugar Syndicate	175	-	175	-	175
M.K.C.L.	22,00,000	-	22,00,000	-	22,00,000
SPPU Edutech Foundation	1,00,000	-	1,00,000	-	1,00,000
<b>Fixed Deposits</b>					
Account No. 1	3,39,69,40,797	4,61,54,74,270	8,01,24,15,067	3,89,40,15,540	4,11,83,99,527
Donation Account	56,83,00,000	27,94,00,000	84,77,00,000	8,58,00,000	76,19,00,000
Provident Fund Account	27,57,01,283	34,65,00,000	62,22,01,283	25,19,99,997	37,02,01,286
Gratuity Fund Account	3,84,00,000	3,55,00,000	7,39,00,000	3,84,00,000	3,55,00,000
<b>RBI 8% Taxable Bonds</b>					
Account No. 1	55,12,00,000	-	55,12,00,000	55,12,00,000	-
Donation Account	15,90,00,000	-	15,90,00,000	15,90,00,000	-
Provident Fund Account	4,00,00,000	-	4,00,00,000	4,00,00,000	-
<b>Donation Account:</b>					
Shares with:					
ACC Limited	4,250	-	4,250	-	4,250
Torrent Power Limited	21,874	-	21,874	-	21,874
<b>Total Rs.</b>	<b>5,03,19,18,379</b>	<b>5,27,68,74,270</b>	<b>10,30,87,92,649</b>	<b>5,02,04,15,537</b>	<b>5,28,83,77,112</b>

<b>Savitribai Phule Pune University [Erstwhile University of Pune]</b> <b>Ganeshkhind, Pune-411 007.</b>		
<b>Note to Financial Statements for the year ended 31st March, 2023</b>		
<b>Note- 10 Sundry Debtors</b>		
Particulars	2022-23	2021-22
	Rs.	Rs.
<b>Sundry Debtors:</b>		
Account No. 1	12,66,74,237	19,64,93,371
Donation Account	1,51,99,342	1,12,93,641
Provident Fund Account	29,56,996	5,28,728
Gratuity Fund Account	1,39,374	1,39,374
<b>Total</b>	<b>14,49,69,950</b>	<b>20,84,55,115</b>
<b>Note- 11 Current Assets</b> <b>Current Assets, Loans &amp; Advances</b>		
Particulars	2022-23	2021-22
	Rs.	Rs.
<b>Account No. 1</b>		
<b>Other Current Assets</b>		
GSLI Receivable	3,751	20,795
Receivable - Interest	21,07,32,956	34,18,37,300
Prepaid Expenses	-	4,70,53,407
Grants Receivable	56,12,74,491	59,33,20,137
Bank Balances	46,91,84,799	49,81,26,591
Receivable-Salary Grant	7,65,39,548	14,24,69,887
GST TDS	11,46,062	-
<b>Donation Account</b>		
<b>Balance in current Account with :</b>		
Bank Of Maharashtra	57,57,599	19,20,860
Janata Sahakari Bank	3,05,751	1,35,100
Interest Receivable	36,11,470	75,34,656
<b>Other Current Assets</b>		
M.S.E.B. Deposit	33,520	33,520
S.B.I Chairs Deposits	12,590	12,590
Telephone Deposits	28,901	28,901
GST TDS	8,040	-
<b>Press Account</b>		
Closing Stock	13,75,862	4,53,673
Balance with Bank of Maharashtra	4,13,110	3,14,216
<b>Provident Fund Account</b>		
( a ) Amount Receivable from A.O.H.E.	2,48,422	2,48,422
( b ) Balance in S.B. A/c with Bank of Maharashtra	2,46,63,102	93,77,248
( c ) Balance with State Bank of India	3,945	3,928
( d ) Receivable - Interest	-	3,00,51,466
<b>Gratuity Fund Account</b>		
Balance with Bank of Maharashtra	97,78,787	6,51,180
Interest Receivable	-	11,87,228
<b>Total</b>	<b>1,36,51,22,705</b>	<b>1,67,47,81,103</b>

## Note to Financial Statements for the year ended 31st March, 2023

<b>Note- 12 Loans, Advances &amp; Deposits</b>		
<b>Particulars</b>	<b>2022-23</b>	<b>2021-22</b>
	<b>Rs.</b>	<b>Rs.</b>
<b>Account No. 1</b>		
Other Advances	1,80,32,222	31,33,274
Suppliers Advance	88,74,210	1,79,38,029
Contractors Advance (Estate)	24,43,961	24,43,961
Educational Advance	11,98,399	12,56,402
Festival Advance	2,24,95,299	2,37,88,700
Medical Advance	10,76,468	11,38,540
CAP Advance	3,95,20,995	-
Examination Advance	1,94,32,000	16,34,000
Laptop Advance to Staff	4,170	4,170
Telephone Deposit	1,27,175	1,27,175
M.S.E.B. Deposit	1,08,31,288	89,10,088
Deposit for Nashik & Nagar Sub Centre	47,50,000	47,50,000
Gas Deposit	10,908	10,908
Tribunal Court Decree Deposit	56,905	56,905
General Deposit	1,17,30,000	1,17,30,000
P.M.C. Deposit	5,71,190	5,71,190
Service Tax under protest	52,54,602	52,54,602
GST TDS	-	24,17,759
<b>Donation Account</b>		
GST TDS	-	8,040
<b>Total</b>	<b>14,64,09,792</b>	<b>8,51,73,743</b>



**Note to Financial Statements for the year ended 31st March, 2023**

**Note- 13 Academic Receipts**

Particulars		2022-23		2021-22	
		Rs.	Rs.	Rs.	Rs.
<b>A</b>	<b>Account No. 1</b>				
	<b>Examination Fees</b>				
	Examination Fees	81,86,15,339		93,85,01,344	
	Examination Other Fees	48,65,66,239	1,30,51,81,578	47,64,61,541	1,41,49,62,884
<b>B</b>	<b>Teaching &amp; Research</b>				
	Teaching & Research	2,14,01,159		10,08,87,296	
	Self Supporting Courses / Chairs	22,10,51,408		19,77,32,550	
	Teaching & Research-Others	12,24,97,276	36,49,49,843	7,43,54,570	37,29,74,416
<b>C</b>	<b>Students' Welfare Activities</b>				
	Students Welfare Schemes	5,88,67,363		4,11,57,822	
	Student Health Service Scheme	41,10,550		53,99,166	
	Receipts from Health Centre	5,76,092		40,405	
	Sports	9,01,25,725	15,36,79,730	3,45,00,081	8,10,97,474
	<b>Total</b>		<b>1,82,38,11,150</b>		<b>1,86,90,34,774</b>

**Note- 14 Grants**

Particulars		2022-23		2021-22	
		Rs.	Rs.	Rs.	Rs.
	State Government Grant (Salary & Others Employee Cost)		80,34,25,328		1,06,96,33,884
	<b>Total</b>		<b>80,34,25,328</b>		<b>1,06,96,33,884</b>

**Note- 15 Income From Investments**

Particulars		2022-23		2021-22	
		Rs.	Rs.	Rs.	Rs.
	Income from				
	Account No. 1	34,37,21,031			
	Donation Account	4,47,49,256			
	Provident	1,13,16,006			
	Gratuity	10,76,905	40,08,63,197		28,08,81,527
	<b>Total</b>		<b>40,08,63,197</b>		<b>28,08,81,527</b>

<b>Note- 16 Other Income</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>Account No. 1</b>				
<b>Other Fees &amp; Sundry Receipts</b>				
Other Fees	46,34,61,458		36,21,02,222	
Sundry Receipts	8,47,90,416	54,82,51,873	6,13,67,309	42,34,69,531
University Hostels		1,61,08,201		49,20,340
University Publications		7,06,942		8,92,424
University Library		30,20,186		19,62,989
Extension Services		3,900		200
University Estate		3,77,73,778		4,83,36,261
Miscellaneous Income		-		(61,11,947)
<b>Donation Account</b>				
Subscription, Sale/Grants for Journals		1,35,587		35,731
Recurring Donations		60,00,002		-
<b>Press Account</b>				
Department Work Order		27,16,875		16,99,465
Exam Work Order		5,17,280		18,81,720
Office Work Order		14,56,710		10,32,862
Miscellaneous Income		2,680		894
Sale of Waste Paper		-		1,73,331
Sale of Publication/Books		62,356		-
Sale of Scrap		13,900		-
<b>Provident Fund Account</b>				
Interest on S.B. Account		17		104
<b>Total</b>		<b>61,67,70,287</b>		<b>47,82,93,905</b>
<b>Note- 17 Staff Payments &amp; Benefits</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>Account No. 1</b>				
Government Grant Salary	1,00,68,19,625		99,73,94,078	
University Fund Salary	40,78,59,386	1,41,46,79,011	36,12,99,257	1,35,86,93,335
Provident Fund Contri. & Gratuity		43,21,325		61,86,848
<b>Press Account</b>				
Extra Duty Payment		1,00,533		1,23,311
Press Provident Fund A/c		15,84,795		14,00,035
Press Salary A/c		1,82,47,874		1,67,62,123
Encashment		3,33,868		69,326
<b>Provident Fund Account</b>				
Appropriation to Corpus (C.P.F. Members)		1,78,72,494		-
Appropriation to Corpus (EMMRC G.P.F. Members)		5,71,605		-
<b>Total</b>		<b>1,45,77,11,505</b>		<b>1,38,32,34,978</b>
<b>Note- 18 Academic Expenses</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>Account No. 1</b>				
Examination Expenses		64,65,05,385		29,10,83,424
Teaching & Research		32,21,98,669		30,55,63,177
Students Welfare Activities		11,44,12,294		4,09,28,498
<b>Press Account</b>				
Paper for General Use		5,11,892		4,25,001
Printing And Binding Material		2,34,512		2,75,396
<b>Total</b>		<b>1,08,38,62,751</b>		<b>63,82,75,496</b>

<b>Note- 19 Administrative &amp; General Expenses</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>Account No. 1</b>				
General Administration		27,43,61,197		25,75,00,627
<b>Donation Account</b>				
Administrative Charges		48,67,244		45,03,057
<b>Press Account</b>				
Stock		(9,22,189)		2,51,287
<b>Total</b>		<b>27,83,06,252</b>		<b>26,22,54,971</b>
<b>Note- 20 Transportation Expenses</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
Transportation Expenses		-		-
<b>Total</b>		-		-
<b>Note- 21 Repairs &amp; Maintenance</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
Repairs & Maintenance (Press Account)		8,81,348		8,17,197
<b>Total</b>		<b>8,81,348</b>		<b>8,17,197</b>
<b>Note- 22 Finance Cost</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
Finance Cost		-		-
<b>Total</b>		-		-
<b>Note- 23 Other Expenses</b>				
Particulars	2022-23		2021-22	
	Rs.	Rs.	Rs.	Rs.
<b>Account No. 1</b>				
University Hostels		26,19,933		4,07,953
University Publications		-		12,324
University Library		6,20,22,647		4,31,95,354
Extension Services		25,49,657		4,18,118
University Estate		28,09,23,875		23,85,29,214
Development Programmes		1,44,60,274		81,34,488
<b>Donation Account</b>				
Prizes, Scholarships, Medals Awarded		23,94,910		26,52,665
Expenditure on Lecture Series		1,50,920		67,710
Expenditure On Chairs		68,62,140		58,36,139
Expenditure on Journals		3,24,156		2,11,244
Misc. Expenses		20,85,427		55,170
<b>Total</b>		<b>37,43,93,939</b>		<b>29,95,20,379</b>

## NOTES TO ACCOUNTS

### SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS: (FY 2022-23)

#### 24 Background of the entity

Savitribai Phule Pune University (erstwhile, University of Pune) (hereinafter referred to as “the University”), is one of the premier universities in India established on 10th February 1949 under the Poona University Act. The University of Pune houses 46 academic departments and has about 307 recognized research institutes and 612 affiliated colleges offering graduate and undergraduate courses.

#### 25 Summary of significant accounting policies

##### a. Basis of Preparation

##### **Method of presentation of financial statements**

For better presentation of Financial Statements and to further administrative convenience & control, the Financial Statements of the University are prepared by consolidation of accounting information maintained by five constituent units viz. Account No.1, Donation, Provident Fund, Gratuity Fund and University Press. The nature of transactions booked and the primary functions of these 5 accounts are explained below:

**Account No. 1-** Main Finance consists of Central Finance Units (CFUs) and Decentralized Finance Units (DFUs). Further, there are three additional campuses located outside the premises of the University, viz – Ranade Institute (F. C. Road, Pune), Savitribai Phule Pune University's Nashik Campus and Ahmednagar Campus. The financial data/information in respect of these three campuses are maintained at University's Pune campus.

The 3 CFUs– Grant Unit, Book Unit and Pay Unit are authorized to receive income. Expenditure can be incurred by CFUs and DFUs as per rules prescribed under Ordinance No.151 dated October 10, 2017, of the University.

The primary functions of CFUs of Account No. 1 – Main Finance are as follows:

- i) **Book Unit:** All work relating to investments with banks, processing of receipts and payments, bank reconciliation, finalization of accounts, transfer of funds to other units, filing tax returns, other compliances, etc.
- ii) **Bill Unit:** Bill Unit is responsible to manage expense process at University level such as issue of purchase orders, preparation of vouchers, bill passing, obtain approvals as per delegation of authority, maintain record of budget vis-à-vis actual expenditure, etc. Other function of this unit includes providing advances to the Teaching and Non-Teaching employees, contractor/s, etc. and maintaining deposits accepted from vendors, colleges, students.
- iii) **Pay Unit/P.F. Unit:** This unit looks after salary processing of Teaching and Non-Teaching employees of the University and other matters such as deduction of income tax, preparation of Provident Fund & Gratuity Fund financial statements bank reconciliation, drawing of cheques, pay revision, submitting salary grant claim to State Government etc.
- iv) **Grant Unit:** The main function of this unit is to receive grants from various granting agencies, communicating same to the concerned University Departments & maintaining Scheme wise financial statement.
- v) **Exam Finance Unit:** Exam Finance Unit performs the function of incurring expenditure in respect of all exams conducted by the University.

**Donation Account No. 2** -All donations received in favor of the University are collected by this unit and invested in the fixed deposits with banks, and interest income thereon is applied towards the objects of the University.

**Provident Fund Account No. 3** - Provident Fund Account has been established to perform all administrative functions for disbursement of Provident Fund payable to the concerned employees of the University.

**Gratuity Account No. 4** - Gratuity Fund Account has been established to perform all administrative functions for the disbursement of Gratuity payable to the concerned employees of the University.

**University Press Account No. 5** -University Press Account has been established to support other departments with reference to needs related to printing and stationery. Generally, office printing is

carried out through the University Press. Each department place a work order on the University Press & on that basis revenue is recognized in the University Press.

#### **Accrual Basis**

The accounts of the University have been maintained on the basis and principles of the double entry accounting system, and the method of accounting followed on the mercantile system as stipulated in Sub-section (1) of section 135 of the Maharashtra Public Universities Act, 2016.

The financial statements have been prepared under historical cost convention on accrual basis of accounting and in accordance with generally accepted accounting principles and the mandatory accounting standards issued by the institute of chartered accountants of India. The accounting policies, in all material respects, have been consistently applied by the University and are consistent with those in the previous year.

Estimates and Assumptions used in the preparation of the financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements, which may differ from the actual results at a subsequent date. Difference between the actual and estimates are recognized in the period in which the results are known / materialized. While preparing the financial statements under the mercantile accounting system, in absence of information and data, the following Accounting Standards (AS) have not been given effect in their entirety:

- i) AS 10, Property Plant and Equipment (the details of which are given in Para 2.c.)
- ii) AS 12, Accounting for Government Grants (the details of which are given in Para 2.m)
- iii) AS 15, Employee Benefits (the details of which are given in Para 2.g)

#### **Changes in Accounting Policies**

There have been no changes in Accounting Policies for the current year.

#### **b. Use of estimates**

The preparation of financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent liabilities, at the end of the reporting period. Although, these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

#### **c. Fixed Assets/ Property, Plant and Equipment**

##### **Deviation from AS 10:**

- i. *Work-in-Progress (Buildings): Expenditure incurred on buildings under construction at the end of the financial year has been shown separately as Work-in-Progress (Buildings) in Schedule 8 to the Balance Sheet only from the financial year 2009-10 onwards.*
- ii. *Fixed Assets purchased out of Grants during the year have been disclosed separately in Schedule 8 to the Balance Sheet only from the financial year 2009-10 onwards.*
- iii. *The University has not charged depreciation on the assets acquired from the date of its inception till 1996-97. The depreciation has been charged in the Financial Year 2014-15 for the Financial Years 1997-98 to 2014-15 as per WDV (Written Down Value) method at the rates prescribed in the Income Tax Act, 1961. Depreciation has been charged in the current financial year using the block of asset method on opening WDV and additions made to fixed assets during the year at the rates prescribed in the Income Tax Act, 1961.*

##### **Tangible Assets:**

Cost comprises the purchase price, and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/ acquisition and exclusive Input tax credit (IGST/CGST and SGST) or other tax credit available to the University.

For the purposes of computing depreciation as well as gain or loss on disposal of assets the assessee adopts the concept of Block of Assets as per the provisions of Income tax Act, 1961. The rates of depreciation specified under the Income tax regulations are considered for computing depreciation. Depreciation on property, plant and equipment used for less than 180 days in the



year purchase is calculated at 50% of the above rates.

Buildings are capitalized on the basis of architect certificate for completion and depreciation is charged from the time the building is ready for use.

**Intangible Assets:**

Acquired intangible assets are capitalized at the acquisition price. There are no internally generated intangible assets.

**Assets Acquired as Lease:**

Leases under which the University assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense in the Profit and Loss Account on a straight-line basis over the lease term.

The cost of leasehold land is amortized over the period of the lease. Leasehold improvements and assets acquired on finance lease are amortized over the lease term or useful life, whichever is lower.

**Advances paid towards the acquisition of Property, Plant and Equipment**

Advances paid towards the acquisition of Property, Plant and Equipment, outstanding at each balance sheet date are shown under capital advances. The cost of the Property, Plant and Equipment not ready for its intended use on such date, is disclosed under capital work-in-progress.

**d. Impairment of Assets including status of verification of Fixed Assets**

The University had appointed an external agency for the complete verification of the Fixed Assets and related records including the Fixed Asset Register. The observations of external agency are detailed in their report dated 09/08/2023. The observations mainly indicate the following –

- i) a need to standardize the manner of maintenance of records across the various departments.
- ii) Preparation of control policies on movement of assets
- iii) Preparation of policies for deciding capitalization criteria

Though the report doesn't directly indicate any material deviance with respect to the verification exercise that was carried out, there exists an inherent risk due to the reasons mentioned above in identifying if there is any indication of impairment based on internal/external factors.

An impairment loss may be recognized by the University once action is taken as per suggestions given by the external agency and in case any such assets are identified. After impairment, depreciation/amortization will be provided on the revised carrying amount of the asset over its remaining useful life.

**e. Investments**

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees, and duties.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost.

Investments are made as per those allowed under section 134(7) of the Maharashtra Public Universities Act, 2016 and as per section 11(5) of the Income Tax Act, 1961.

Sufficient investments have been made against the earmarked funds given under Schedule \_3 of the financial statements.

**f. Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the University and the revenue can be reliably measured.

Additionally, the following criteria is adopted for recognition of different types of revenue -

Particulars	Time of recognition of revenue
Examination Fees, Tuition Fees & Related Fees	Recognized at the time of successful submission of the examination forms by students.
Affiliation Fees	Recognized at the time of completion of the approval process of affiliation.
Interest on Fixed Deposits & Investments	Interest Income is recognized on a time proportion basis taking into account the amount outstanding and applicable interest rate.
Service Charges	Recognized at the time when the services are rendered
Rental Income	Recognized as per terms of rent agreement
Inter-Department Work Orders	Recognized at the time of completion of the approval process

**g. Assets given on lease**

Lease receipts under operating leases are recognized as an income in the Profit and Loss Account on a straight-line basis over the lease term.

**h. Retirement and other employee benefits**

Payment for present liability of future payment of gratuity is being made to Gratuity Fund with Life Insurance Corporation of India, which fully covers the same under its Cash Accumulation Policy.

**Deviation from AS 15:**

*Separate actuarial valuation has not been carried out as on balance sheet date or earlier to the Balance Sheet date as set out in AS – 15 (Revised).*

**i. Cash and cash equivalents**

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

**j. Inventories**

Inventories of all consumables are directly booked to the related expense head at the time of purchase.

**k. Foreign Currency transaction**

**Initial recognition:**

Foreign currency transactions are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

**Conversion:**

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

**Exchange differences:**

Exchange differences arising on the settlement of monetary items or on reporting the Entity's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they occur.

**l. Income taxes**

The University is registered u/s 12A of the Income Tax Act, 1961. Its income is exempt u/s 11 of the act subject to the conditions mentioned therein.

Considering that the conditions mentioned u/s 11 have been adhered to, no Tax expense, including

deferred tax is recognized for the period.

**m. Contingent Liability, Provisions and Contingent Asset**

The University creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources, and a reliable estimate can be made of the amount of obligation.

“A provision is recognized when the University has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. Contingent Liabilities are disclosed when the University has a possible obligation, or a present obligation and it is probable that a cash outflow will not be required to settle the obligation.”

*The University continues to carry forward certain provisions made in previous years which have not resulted in an obligation of payment for more than a year. Certain factors based on which the obligation was first created may have changed and the management has initiated the process of getting the necessary approvals from the respective departments to reverse these provisions.*

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

The following is the list of contingencies in respect of cases pending at various forums –

Sr No	Act	Period	Authority in front of which the matter is pending	Amount of contingent Liability (Rs)
1	Service Tax / VAT Act	July 2016 to June 2017	CESTAT, Mumbai	1,78,64,866
2	Service Tax / VAT Act	October 2012 to June 2016	CESTAT, Mumbai	4,62,41,529

Contingent assets are neither recorded nor disclosed in the financial statements.

**n. Earmarked Funds**

Section 134(1) of the Act stipulates that the University shall establish a General Fund, Salary Fund, Trust Fund, Development and Program Fund, Contingency Fund and any other fund deemed necessary.

Accordingly, the following amounts have been earmarked from the surplus cash flows of the current year (the table also shows the carrying amount of the earmarked funds till date):

Name of Fund	Amount earmarked in Current Year (Amount in Rs.)	Closing Balance of the fund (Amount in Rs.)
Savitribai Phule Pune University Students Welfare Fund	1,74,32,524	94,22,51,584
Savitribai Phule Pune University Teaching & Non-Teaching Employees Welfare Fund	1,74,32,524	94,22,51,584
Savitribai Phule Pune University Infrastructure Facilities & Research Fund	3,48,65,048	188,45,03,168
Savitribai Phule Pune University Quality Improvement Fund	1,74,32,524	94,22,51,584
Savitribai Phule Pune University Contingency Fund	4,00,00,000	4,00,00,000

**o. Government Grants and Subsidies**

**Deviation from AS 12**

**Grants received from Funding Agencies –**

*If the grants from funding agencies are received prior to the expenditure incurred by the University, the grant is recognized as a current liability.*

*From the above grant, if the grant is towards capital expenditure, upon the expenditure being incurred, the asset is capitalized under “Fixed Assets from Grants”. The grant amount in the corpus and the carrying amount of the fixed asset remains in the Balance Sheet. The grant is thus not shown as a deduction from the gross value of the asset concerned in arriving at its book value. No depreciation is recognized on such assets. Therefore, neither is the grant recognized in the Income & Expenditure statement over the useful life of a depreciable asset by way of a reduced depreciation charge or filtered to the Income & Expenditure statement in proportion to any depreciation charged.*

*From the above grant, if the grant is towards revenue expenditure, upon the expenditure being incurred, the same is reduced from the current liability.*

*If the University may earn interest income on the funds received in advance from the Funding Agencies. This income is added to the carrying amount of liability. However, the same is paid only if the same is demanded by the funding agency while closing the calculation of utilization of the grant amount.*

*If the grants from funding agencies are to be received after the expenditure is incurred by the University, the grant receivable is recognized as a current asset.*

**Grants and subsidies from the government for revenue expenditure relating to Salary and Other Employee Costs of the University:**

*Grant and subsidies are recognized in the Income & Expenditure statement when there is reasonable assurance that (i) the University will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.*

**For Savitribai Phule Pune University [Erstwhile University of Pune]**

**CMA C. R. Gayake**  
Finance & Accounts Officer

**Dr. P. A. Pawar**  
Registrar

**Prof. Dr. S.W. Gosavi**  
Vice-Chancellor

Place: Pune

Date: 01-09-2023



# Savitribai Phule Pune University

## Finance & Accounts Department

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### Compliance Report to the objections raised by the Statutory Auditor in their “Audit Report for the F.Y. 2022-23”

Sr. No.	Objections raised by the Statutory Auditor	Compliance
1	<p>Following are the deviations in following Accounting Standard 10 –</p> <p>a. Fixed Assets purchased out of Grants have been disclosed separately in Schedule 8 to the Balance Sheet from the financial year 2009-10 onwards.</p> <p>b. The University has not charged depreciation on the assets acquired from the date of its inception till 1996-97. The depreciation has been charged in the Financial Year 2014-15 for the Financial Years 1997-98 to 2014-15 as per WDV (Written Down Value) method at the rates prescribed in the Income Tax Act, 1961. Depreciation has been charged in the current financial year using the block of asset method on opening WDV and additions made to fixed assets during the year at the rates prescribed in the Income Tax Act, 1961.</p>	<p>This is informative note. Paragraph 18 of AS 2 permits use of Standard Costing, if the results approximate the actuals. The present Inventory valuation policy has been consistently applied over the years.</p>
2	<p>Matters regarding impairment of assets and status of physical verification of Fixed Assets –</p> <p>a. The University had appointed an external agency for the complete verification of the Fixed Assets and related records including the Fixed Asset Register. The observations of external agency are detailed in their report dated 09/08/2023. The observations mainly indicate the following:</p> <p>i. a need to standardize the manner of maintenance of records across the various departments.</p> <p>ii. Preparation of control policies on movement of assets</p> <p>iii. Preparation of policies for deciding capitalization criteria</p> <p>Though the report doesn't directly indicate any material deviance with respect to the verification exercise that was carried out, it points to difficulties and disclaimers regarding the verification exercise. We are of the opinion that there exists an inherent risk due to the reasons mentioned above in identifying if there is any indication of impairment/ losses based on internal/external factors which is further amplified due to the size of the University and the condition of the historical records. An impairment loss may be recognized by the University once action is taken as per suggestions given by the external agency and in case any such assets are identified.</p>	<p>Necessary instructions to the Departments are being given. For control policies, the matter will be placed in Finance and Accounts Committee for Policy decision.</p>

3	<p>Matter described in Note 2.o of the financial statements regarding deviation in following Accounting Standard 12, to the extent of which, the accounting policies and procedures are those which have been followed by the University historically in representing the receipt and utilization of Grants:</p> <p>a. Grants received from Funding Agencies – If the grants from funding agencies are received prior to the expenditure incurred by the University, the grant is recognized as a current liability. From the above grant, if the grant is towards capital expenditure, upon the expenditure being incurred, the asset is capitalized under “Fixed Assets from Grants”. The grant amount in the corpus and the carrying amount of the fixed asset remains in the Balance Sheet. The grant is thus not shown as a deduction from the gross value of the asset concerned in arriving at its book value. No depreciation is recognized on such assets. Therefore, neither is the grant recognized in the Income &amp; Expenditure statement over the useful life of a depreciable asset by way of a reduced depreciation charge or filtered to the Income &amp; Expenditure statement in proportion to any depreciation charged. From the above grant, if the grant is towards revenue expenditure, upon the expenditure being incurred, the same is reduced from the current liability.</p> <p>If the University may earn interest income on the funds received in advance from the Funding Agencies. This income is added to the carrying amount of liability. However, the same is paid only if the same is demanded by the funding agency while closing the calculation of utilization of the grant amount.</p> <p>If the grants from funding agencies are to be received after the expenditure is incurred by the University, the grant receivable is recognized as a current asset.</p> <p>b. Grants and subsidies from the government for revenue expenditure relating to Salary and Other Employee Costs of the University: Grant and subsidies are recognized in the Income &amp; Expenditure statement when there is reasonable assurance that (i) the University will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.</p>	As a Policy of University Authorities in this regard accounting policies and procedures have been followed by the University historically.
4	<p>Matter described in Note 2.h of the financial statements regarding deviation in following Accounting Standard 15:</p> <p>Payment for present liability of future payment of gratuity is being made to Gratuity Fund with Life Insurance Corporation of India, which fully covers the same under its Cash Accumulation Policy. A Separate actuarial valuation has not been carried out.</p>	Policy decision in this regard has been taken on the basis of recommendations of Finance & Accounts Committee, accepted by the Management Council of the University.

**For Sharad Shah & Co.**  
**Chartered Accountant**  
**FRN: 109931W**

**Savitribai Phule Pune University [Erstwhile University of Pune]**

**Jay S. Shah**  
**Partner**  
**MRN: 138798**

**CMA C. R. Gayake**  
**Finance & Accounts Officer**

**Dr. P. A. Pawar**  
**Registrar**

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