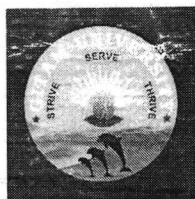


# **GITAM UNIVERSITY**



## **ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR**

**2016-17**

**GANDHINAGAR CAMPUS, RUSHIKONDA  
VISA KHAPATNAM-530045**

## INDEPENDENT AUDITOR'S REPORT

### Report on the Financial Statements

We have audited the accompanying financial statements of **GITAM University of GANDHI INSTITUTE OF TECHNOLOGY AND MANAGEMENT (ESTABLISHED U/S 3 OF THE UGC ACT, 1956), VISAKHAPATNAM**, which comprise the Balance Sheet as at 31/03/2017, the Statement of Income and Expenditure Account, for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the GITAM University 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the University preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the University has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the University's Members of the Board of Management, as well as evaluating the overall presentation of the financial statements.



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

### Opinion

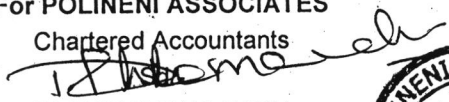
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the GITAM University as at 31/03/2017, and its Surplus for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the University so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Income and Expenditure Account, and dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards issued by Institute of Chartered Accountants of India,
- (e) In our opinion and to the best of our information and according to the explanations given to us:
  - i. The GITAM University has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The GITAM University has made provisions, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.

Place : Visakhapatnam  
Date : 24-06-2017

For POLINENI ASSOCIATES  
Chartered Accountants

  
DLSV RAMANA BABU

Partner

M No : 200955

FRN : 06132S



**GITAM UNIVERSITY**  
(Established u/s 3 of UGC Act, 1956.)  
Gandhinagar Campus, Rushikonda, Visakhapatnam-530045  
**BALANCE SHEET AS AT 31ST MARCH, 2017**

Rupees in Lakhs

SOURCES OF FUNDS:	Schedule	As at 31.03.2017	As at 31.03.2016
<b>UNRESTRICTED FUNDS</b>			
Corpus	1	44.68	44.68
General Fund	2	22110.60	19197.44
Designated/Earmarked Funds	3	11576.74	8734.76
<b>RESTRICTED FUNDS</b>	4	2709.80	2018.48
<b>LOANS/BORROWINGS</b>			
Secured	5	87940.02	84704.52
Un secured		671.22	545.20
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>	6	19482.13	15855.83
<b>TOTAL</b>		<b>144535.19</b>	<b>131100.91</b>
<b>APPLICATION OF FUNDS:</b>			
<b>FIXED ASSETS</b>			
Tangible Assets	7	168846.19	142782.49
Intangible Assets		340.18	274.12
		169186.37	143056.61
Less: Depreciation		51035.97	38861.48
		118150.40	104195.13
Add: Capital Works-in-progress		6967.44	10194.69
Sub Total		<b>125117.84</b>	<b>114389.82</b>
<b>INVESTMENTS</b>			
Long Term	8	9941.61	7426.41
<b>CURRENT ASSETS</b>			
	9	6019.50	5807.11
<b>LOANS, ADVANCES &amp; DEPOSITS</b>			
	10	3456.24	3477.57
<b>TOTAL</b>		<b>144535.19</b>	<b>131100.91</b>

Schedules referred to above form an integral part of Balance sheet

*M Potharaju*  
M POTHARAJU  
Registrar  
Place: Visakhapatnam  
Date: 24.06.2017

*K.V. Gupta*  
K.V. GUPTA  
FA&CAO

As per our Report of even date attached  
For POLINENI ASSOCIATES  
Chartered Accountants  
*J.S.V. Ramana Babu*  
J.S.V. RAMANA BABU  
Partner  
Membership No: 200955  
FRN : 061325





**GITAM UNIVERSITY**  
(Established u/s 3 of UGC Act, 1956.)  
Gandhinagar Campus, Rushikonda, Visakhapatnam-530045  
**INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2017**

Rupees in lakhs

	Schedule	2016-17				2015-16
		Un Restricted funds		Restricted funds	Total	
		Corpus	Designated Fund			
<b>INCOME</b>						
Academic receipts	11			44219.59	44219.59	36005.46
Grants & Donations	12			973.55	973.55	433.38
Income from Investments ( Transferred to Earmarked funds)	13					
Other Income	14			3716.71	3716.71	3044.03
<b>TOTAL (A)</b>				<b>48909.85</b>	<b>48909.85</b>	<b>39482.87</b>
<b>EXPENDITURE</b>						
Staff Payments & Benefits	15			11913.17	11913.17	9984.74
Academic Expenses	16			5070.13	5070.13	3437.74
Administrative & General Expense	17			3803.67	3803.67	3456.38
Transportation Expenses	18			180.01	180.01	146.05
Repairs & Maintenance	19			1455.87	1455.87	957.88
Finance Costs	20			8305.52	8305.52	7220.14
Other Expenses	21			1402.32	1402.32	674.98
Depreciation				12231.68	12231.68	10624.32
<b>TOTAL (B)</b>				<b>44362.37</b>	<b>44362.37</b>	<b>36502.23</b>
<b>Balance being excess of Income over Expenditure ( A-B)</b>				<b>4547.48</b>	<b>4547.48</b>	<b>2980.64</b>
<b>Transfer to :</b>						
GITAM Development fund				1211.64	1211.64	986.92
GITAM Social responsibility fund				807.76	807.76	657.95
GITAM Skill Development fund				403.88	403.88	328.97
<b>Balance Being Surplus Carried to General Fund</b>				<b>2124.20</b>	<b>2124.20</b>	<b>1006.80</b>
Notes on Accounts	22					

Schedules referred to above form an integral part of Income and Expenditure account

*M. Potharaju*  
**M POTHARAJU**  
Registrar  
Place: Visakhapatnam  
Date:24.06.2017

*K.V. Gupta*  
**K.V. GUPTA**  
FA&CAO

As per our Report of even date attached  
For POLINENI ASSOCIATES  
Chartered Accountants

*S. Ramana Babu*  
**S. RAMANA BABU**  
Partner  
Membership No: 200955  
FRN : 061325



# GITAM UNIVERSITY

SCHEDULES FORMING PART OF BALANCE SHEET & INCOME AND EXPENDITURE ACCOUNT AS AT 31.3.2017  
UN RESTRICTED FUNDS

## SCHEDULE 1 - CORPUS

Rupees in Lakhs

	2016-17		2015-16	
Balance at the beginning of the year		44.68		44.68
Add: Contribution towards corpus		-		-
Balance at the year end		44.68		44.68

## SCHEDULE 2 - GENRAL FUND

	2016-17		2015-16	
Balance at the beginning of the year		19197.44		17551.22
Add: Donations and Hostel admission receipts		788.96		639.42
Add: Excess of Income over Expenditure transferred from Income and Expenditure account		2124.20		1006.80
Balance at the year end		22110.60		19197.44



## GITAM UNIVERSITY

### SCHEDULE 3 - DESIGNATED/EARMARKED FUNDS

2016-17

Rupees in lakhs

Description	FUNDWISE BREAK UP			GITAM Skill Development fund *	TOTAL	
	GITAM Development fund *	GITAM Social responsibility fund *	Students Welfare fund *		2016-17	2015-16
<b>a) Opening balance of the funds</b>	<b>4762.03</b>	<b>3107.35</b>	<b>8.67</b>	<b>856.71</b>	<b>8734.76</b>	<b>6358.57</b>
<b>b) additions to the funds</b>	-	-	-	-	-	-
i) Donation/grants	-	-	2.97	-	2.97	1.67
ii) Income from Investments made of the funds	-	-	-	-	-	-
iii) accrued interest on investments of the funds	289.82	191.21	0.51	42.53	524.07	428.45
iv) transfer from Income and Expenditure account	1211.65	807.76	-	403.88	2423.29	1973.84
<b>Total</b>	<b>1501.47</b>	<b>998.97</b>	<b>3.48</b>	<b>446.41</b>	<b>2950.33</b>	<b>2403.96</b>
<b>Total (a+b)</b>	<b>6263.50</b>	<b>4106.32</b>	<b>12.15</b>	<b>1303.12</b>	<b>11685.09</b>	<b>8762.53</b>
c) Utilisation/Expenditure towards objectives of the funds	-	100.32	3.16	4.87	108.35	27.78
<b>Net balance at end of the year</b>	<b>6263.50</b>	<b>4006.00</b>	<b>8.99</b>	<b>1298.25</b>	<b>11576.74</b>	<b>8734.75</b>

### SCHEDULE 4 - RESTRICTED FUNDS

Description	FUNDWISE BREAK UP				TOTAL	
	ENDOWMENT FUND *	GITAM FOUNDATION FUND *	CAPITAL GRANT IN AID **		2016-17	2015-16
<b>a) Opening balance of the funds</b>	<b>180.39</b>	<b>415.84</b>	<b>1422.25</b>	-	<b>2018.48</b>	<b>1776.74</b>
<b>b) additions to the funds</b>	-	-	-	-	-	-
i) Donation/grants	5.83	-	645.92	-	651.75	210.05
ii) Income from Investments made of the funds	-	-	-	-	-	-
iii) accrued interest on investments of the funds	17.02	34.71	-	-	51.73	51.11
iv) transfer from Income and Expenditure account	-	-	-	-	-	-
<b>Total of(b)</b>	<b>22.85</b>	<b>34.71</b>	<b>645.92</b>	-	<b>703.47</b>	<b>261.16</b>
<b>Total (a+b)</b>	<b>203.24</b>	<b>450.55</b>	<b>2068.17</b>	-	<b>2721.95</b>	<b>2037.90</b>
c) Utilisation/Expenditure towards objectives of the funds	2.15	10.00	-	-	12.15	19.42
<b>Net balance at end of the year</b>	<b>201.09</b>	<b>440.55</b>	<b>2068.17</b>	-	<b>2709.80</b>	<b>2018.48</b>

\* An Amount of Rs. 9941.61 lakhs was Invested in Bank Fixed Deposits as on 31.3.2017 and the balance amount will be invested during the Financial year 2017-18

\*\* Utilised for acquisition of Fixed Assets



**SCHEDULE 5 - LOANS/BORROWINGS**

Rupees in Lakhs

SECURED LOANS	2016-17		2015-16	
<b>1). From Banks</b>				
a) Term Loans*	63464.69			71241.74
- Interest accrued and due	499.42			178.71
		<b>63964.11</b>		<b>71420.45</b>
b) Over Drafts*	21485.77			10855.22
- Interest accrued and due	166.50			69.38
		<b>21652.27</b>		<b>10924.60</b>
c) On pledge of Fixed Deposits **	2269.97			2308.00
- Interest accrued and due	12.00			-
		<b>2281.97</b>		<b>2308.00</b>
d) Vehicle Loans***	41.25			51.47
- Interest accrued and due	0.42			-
		<b>41.67</b>		<b>51.47</b>
<b>TOTAL</b>		<b>87940.02</b>		<b>84704.52</b>

\* Term Loans and Overdrafts from Banks are secured by deposit of title deeds of Land and Buildings with Paripassu charges between banks

\*\* The pledge of Fixed Deposits relates to Earmarked and General Funds

\*\*\*On hypothecation of Vehicles

UN SECURED LOANS	2016-17		2015-16	
1) Caution Deposits from students		671.22		545.20
<b>TOTAL</b>		<b>671.22</b>		<b>545.20</b>



**SCHEDULE 6 - CURRENT LIABILITIES & PROVISIONS**

Rupees in Lakhs

	2016-17	2015-16
<b>A. CURRENT LIABILITIES</b>		
	-	
<b>1. Tuition fee received in advance</b>	10988.61	8709.60
<b>2. sundry creditors</b>		
a) liabilities for Expenses for supply and services	1282.05	1064.88
b) Liabilities on Capital Expenditure	2746.83	1646.08
	4028.88	2710.96
	-	
<b>3. Interest accrued but not due on</b>		
a) Secured Loans and Borrowings	29.96	170.43
b) Un Secured Loans/Borrowings	-	-
	29.96	170.43
<b>4. Statutory Liabilities ( PF, TDS,LIC,PT,etc.)</b>		
a) Over Due	-	-
b) Others	213.70	157.14
	213.70	157.14
<b>5. Other Current Liabilities</b>		
a) Salaries	857.92	772.08
b) Un Utilized grants	4.35	4.96
c) Grants in advance	468.54	872.71
d) Other Liabilities	1569.49	1235.70
e) Deposits from Ex. students	93.38	68.95
	2993.68	2954.40
<b>TOTAL (A)</b>	<b>18254.83</b>	<b>14702.53</b>
<b>B. PROVISIONS</b>		
1. For Taxation	-	-
2. Gratuity	1227.30	1153.30
3. Others	-	-
<b>TOTAL (B)</b>	<b>1227.30</b>	<b>1153.30</b>
<b>TOTAL (A+B)</b>	<b>19482.13</b>	<b>15855.83</b>



GITAM UNIVERSITY  
(Established u/s 3 of UGC Act, 1956)  
Gandhi Nagar Campus, Rushikonda , Visakhapatnam- 530 045  
SCHEDULE OF FIXED ASSETS AS AT 31ST MARCH 2017

Rupees in lakhs

SCHEDULE - 7

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at 31.3.2016	Additions		Deletions	As at 31.3.2017	Upto 31.3.2016	Deletions	For the year	Upto 31.3.2017	As at 31.3.2017	As at 31.3.2016
		1.4.2016 to 30.9.2016	1.4.2016 to 30.9.2016								
<b>Tangible Assets</b>											
Land incl. Development	12889.75	254.22	1711.47		14855.44	-	-	-	-	14855.44	12889.75
Play Ground	3.40	-	-		3.40	-	-	-	-	3.40	3.40
Buildings	110752.95	13208.02	6204.67		130165.64	27423.80	9963.96	37387.76	92777.87	83329.15	
Roads and Drains	1879.10	348.18	677.99		2905.27	543.47	202.27	745.74	2159.53	1335.63	
Water Works	331.42	12.89	22.06		366.37	108.40	37.04	145.44	220.93	223.02	
General Equipment	1959.77	359.21	501.08	5.15	2814.91	1065.70	4.37	300.80	1362.13	1452.78	894.07
Laboratory Equipment	2625.34	55.66	153.91		2834.91	1675.79	216.54	1892.33	942.58	949.55	
Research equipment	999.79	267.94	350.83	-	1618.56	349.63	-	204.57	554.20	1064.37	650.16
Office Equipment	229.85	15.22	21.87		266.95	144.77	22.28	167.05	99.90	85.08	
Computers	2510.85	44.99	337.97		2893.81	2348.55	228.44	2576.99	316.82	162.30	
HT line Equipment	567.81	3.86	1.54		573.21	350.16	44.45	394.61	178.60	217.65	
Generators	239.58	-	-	-	239.58	124.91	-	21.92	146.83	92.75	114.67
Vehicles	376.35	73.17	17.57	59.78	407.31	216.08	52.83	48.85	212.10	195.21	160.27
EPABX Equipment	12.90	0.00	9.85		22.75	5.61	1.04	6.65	16.10	7.29	
Internet Equipment	831.27	76.10	99.09		1006.46	759.88	118.21	878.09	128.37	71.38	
Furniture	2885.30	247.30	520.20		3652.80	1283.71	316.42	1600.13	2052.68	1601.61	
Library Books	1186.39	28.41	36.15		1250.95	1079.24	92.18	1171.42	79.53	107.14	
Sports & Gym Equipment	41.66	3.16	4.80		49.62	25.35	4.37	29.72	19.90	16.31	
Hostel Assets	1401.27	111.81	43.06	-	1556.14	756.84	-	147.43	904.27	651.87	644.43
Hospital equipment	973.05	176.26	112.49		1261.80	289.43	183.23	472.66	789.14	683.62	
Canteen equipment	84.70	3.15	12.46		100.31	36.05	11.62	47.67	52.64	48.65	
<b>Total</b>	<b>142782.49</b>	<b>15289.56</b>	<b>10839.07</b>	<b>64.93</b>	<b>168846.19</b>	<b>38587.36</b>	<b>57.20</b>	<b>12165.62</b>	<b>50695.78</b>	<b>118150.40</b>	<b>104195.13</b>
<b>Intangible assets</b>											
Computer Software	274.12	21.93	44.13		340.18	274.12	66.06	340.19	-	-	-
<b>Capital Work in Progress</b>	<b>10194.69</b>	<b>4866.19</b>	<b>8325.97</b>		<b>23386.85</b>					<b>6967.44</b>	<b>10194.69</b>
Less: Transferred to Assets				16419.41							
Net Capital Work in Progress					6967.44						
<b>TOTAL</b>	<b>153251.30</b>	<b>20177.68</b>	<b>19209.17</b>	<b>16484.34</b>	<b>176153.81</b>	<b>38861.48</b>	<b>57.20</b>	<b>12231.68</b>	<b>51035.97</b>	<b>125117.84</b>	<b>114389.82</b>

As per our Report of even date attached

For POLINENI ASSOCIATES  
Chartered Accountants

D. SARABANANDA BABU

Partner

Membership No: 200955

FRN : 061325

*9/14*  
M POTHARAJU  
Registrar  
Place: Visakhapatnam  
Date: 24.06.2017

*K V GUPTA*  
K V GUPTA  
FA&CAO



**SCHEDULE 8 - INVESTMENTS**

INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS

Rupees in Lakhs

	2016-17	2015-16
1) Fixed deposits - Endowment fund	220.39	208.96
2) Fixed deposits - GITAM Corpus Fund	5031.59	3765.20
3) Fixed deposits - GITAM Social responsibility Fund	3354.66	2511.54
4) Fixed deposits - GITAM Foundation Fund	429.11	405.52
5) Fixed Deposits- GITAM Skill Development Fund	899.21	529.02
6) Fixed Deposits - Students welfare fund	6.65	6.17
<b>TOTAL</b>	<b>9941.61</b>	<b>7426.41</b>

Note: The Fixed deposits worth Rs. 7967.77 lakhs are pledged with Banks as security for short term loans.

**SCHEDULE 9 - CURRENT ASSETS**

	2016-17	2015-16
<b>1. STOCK</b>		
a) stores and spares	-	-
b) Stock of stationary	4.66	3.08
c) publications	-	0.02
d) study material	190.86	145.91
e) Lab consumables	-	-
f) clinic consumables	27.55	9.18
g) Food provisions at Hostels	21.06	19.99
h) Stock of Medicines	53.83	35.75
	<b>297.96</b>	<b>213.93</b>
<b>2. SUNDRY DEBTORS</b>		
a) Tuition fee receivable	1176.59	1041.13
b) Mess charges receivable	752.08	572.02
c) Rent and others receivable from tenants	40.19	53.90
d) other receivables	136.38	2.15
e) Others	40.64	7.54
	<b>2145.88</b>	<b>1676.74</b>
<b>3) cash on hand</b>	<b>0.01</b>	<b>1.62</b>
<b>4) Bank Balances</b>		
a) With Scheduled Banks		
- In Current accounts	677.61	474.28
- In Term deposit accounts		
i) Other Fixed deposits	279.45	618.21
ii) Fixed Deposits - Corpus with UGC	1200.84	1144.02
iii) Margin Money Deposits ( bank Guarantee)	189.92	154.39
	<b>1670.21</b>	<b>1916.62</b>
- In savings accounts	1227.83	1523.92
	<b>3575.65</b>	<b>3440.54</b>
	-	-
	-	-
<b>TOTAL</b>	<b>6019.50</b>	<b>5807.11</b>





**SCHEDULE 10 - LOANS, ADVANCES & DEPOSITS**

Rupees in Lakhs

	2016-17	2015-16
<b>1. Advances to the employees ( Non Interest bearing)</b>		
a) Salary	20.99	25.43
b) Medical advance	-	0.05
c) Others	-	-
	<b>20.99</b>	<b>25.48</b>
<b>2) Advances and other amounts receivable</b>		
a) On Capital Accounts	1017.22	1556.61
b) To suppliers	338.48	119.57
c) For Expenses- Admissions	46.44	50.96
d) Others	218.29	11.08
	<b>1620.43</b>	<b>1738.22</b>
<b>3) Prepaid Expenses</b>		
a) Insurance	11.17	10.86
b) GAT Expenses	837.57	811.64
c) Journals & Periodicals	16.09	48.76
d) Annual maintenance contracts	36.70	41.13
e) Gratuity	238.64	232.32
Fi Internet charges	8.10	6.63
g) Mediclaim	4.37	4.49
h) Others	156.74	191.68
	<b>1309.38</b>	<b>1347.51</b>
<b>4) Deposits</b>		
a) Telephone	3.83	3.25
b) lease rent	6.76	7.04
c) Electricity	153.24	124.74
d) Gas	0.98	0.91
e) Tender deposits	1.51	1.46
f) ISB Hyd	0.25	0.25
g) IIT Madras	0.10	0.10
h) Visakha Dairy	1.50	1.50
i) Others	5.63	5.53
j) Post office	0.20	0.20
k) TSRTC	41.75	41.07
	<b>215.75</b>	<b>186.05</b>
<b>5) other Receivables</b>		
a) Grants receivable	62.76	46.91
b) other receivables	33.96	34.19
	<b>96.72</b>	<b>81.10</b>
<b>6) Income - Tax Deducted at source</b>	155.49	61.73
<b>7) Service Tax paid under protest</b>	37.48	37.48
<b>TOTAL</b>	<b>3456.24</b>	<b>3477.56</b>





## INCOME AND EXPENDITURE ACCOUNT

### SCHEDULE 11 - ACADEMIC RECEIPTS

Rupees in Lakhs

	2016-17	2015-16
<b>FEE FROM STUDENTS</b>		
<b>A) Academic</b>		
1. Tuition fee	39753.28	32265.09
2. Admission fee	62.75	45.21
3.Registration fee	572.13	422.75
<b>Total ( A)</b>	<b>40388.16</b>	<b>32733.05</b>
<b>B) Examinations</b>		
1. Admission test fee	17.59	14.97
2. Annual examination fee	815.32	590.26
3. Marks sheet, certificate fee	499.38	435.44
<b>Total (B)</b>	<b>1332.29</b>	<b>1040.67</b>
<b>C) Other fees</b>		
1. Identity card fee	1.97	2.07
2. Fine/Miscellaneous fee	205.30	88.59
3. Internet fee	112.85	103.98
4. Transportation fee	-	16.28
5. Hostel fee	2173.23	2020.18
<b>Total ( C)</b>	<b>2493.35</b>	<b>2231.10</b>
<b>D) Sale of Publications</b>		
1. Sale of prospectus including admission forms	5.79	0.64
<b>Total ( D)</b>	<b>5.79</b>	<b>0.64</b>
<b>GRAND TOTAL ( A+B+C+D)</b>	<b>44219.59</b>	<b>36005.46</b>

### SCHEDULE 12 - GRANTS & DONATIONS ( Irrevocable Grants & Subsidies Received)

	2015-16	2014-15
1) Government Agencies	973.55	433.38
2) Others	-	-
<b>TOTAL</b>	<b>973.55</b>	<b>433.38</b>

### SCHEDULE 13 - INCOME FROM INVESTMENTS

	2016-17	2015-16
<b>Income from Earmarked/Endowment Fund</b>		
1) Income received		
a) GITAM Foundation fund	34.71	34.53
	34.71	
2) Income accrued		
a) Endowment fund	17.02	16.58
b) GITAM Development fund	289.82	243.17
c) GITAM Social Responsibility fund	191.21	162.22
d) GITAM students welfare fund	0.51	0.53
e) GITAM Skill development fund	42.53	22.55
<b>Total</b>	<b>541.09</b>	<b>445.05</b>
<b>Total</b>	<b>575.80</b>	<b>479.58</b>
<b>TRANSFERRED TO EARMARKED/ENDOWMENT FUNDS</b>	<b>575.80</b>	<b>479.58</b>
<b>Balance</b>	-	-



**SCHEDULE 14 - OTHER INCOME**

Rupees in Lakhs

	2016-17		2015-16	
<b>A. Income from Land &amp; Buildings</b>				
1. Hostel Room Rent	2616.86			2045.63
2. Rents on Lands	72.94			13.03
3. Hire charges of Auditorium/Play ground/Convention Centre etc.,	50.73			46.13
	-			
Total		2740.53		2104.79
<b>B. Sale of Institute' publications</b>				
<b>C. Income from Holding Events</b>				
1. Gross Receipts from annual function/ sports carnival	6.69			2.78
Less: Direct Expenditure incurred on the function	-	6.69		-
2. Gross receipts from Fetes	0.04			1.20
Less: Direct Expenditure incurred on the fetes	-	0.04		1.20
3. Others				
Total		6.73		2.78
<b>D) Interest on Term Deposits</b>				
1) With Scheduled Banks	173.67			261.25
2) With Non Scheduled Banks	-			
		173.67		261.25
<b>E) Interest on Savings accounts</b>				
1) With Scheduled Banks	59.52			55.35
2) With Non Scheduled Banks	-			
		59.52		55.35
<b>F) Interest from Debtors and Other Receivables</b>		5.93		7.08
<b>G ) Others</b>				
1. Income from Consultancy	42.96			30.87
2. RTI fees	-			-
3. Income from Royalty	-			-
4. Sale of application forms (Recruitment)	-			-
5. Misc. Receipts ( sale of tender form, waste paper etc.,	7.70			77.40
6. Profit on sale of Assets				
a) Owned assets	7.81			0.25
b) Assets acquired out of grants, or received free cost	-			3.83
7. Clinic Receipts	218.26			66.08
8. Pharmacy Receipts	301.38			93.41
9. Seminars & Workshops	66.26			78.33
10. Insurance Claim receipts	-			241.92
11. Un claimed credits written back	85.96			20.69
Total		730.33		612.78
<b>GRAND TOTAL ( A+B+C+D+E+F+G)</b>		<b>3716.71</b>		<b>3044.03</b>



**SCHEDULE 15 - STAFF PAYMENTS & BENEFITS**

Rupees in Lakhs

	2016-17		2015-16	
a) Salaries and Wages				
i) Salaries - teaching staff	9040.67		7390.89	
ii) Salaries - Non teaching staff	1882.23		1738.69	
iii) Salaries - Part time faculty	157.05		152.08	
		11079.95		9281.66
b) Contribution to Provident fund		450.33		413.68
c) Contribution to Gratuity fund		311.42		225.24
d) Staff welfare Expenses		36.63		37.50
e) Medical facility		-		1.97
f) Honorarium		34.59		24.28
g) others		0.25		0.41
<b>Total</b>		<b>11913.17</b>		<b>9984.74</b>

**SCHEDULE 16 - ACADEMIC EXPENSES**

	2016-17		2015-16	
a) Laboratory Expenses		79.55		67.62
b) Field Work/Participation		-		-
c) Seminars / Workshops		90.29		71.49
d) Payments to Visiting faculty		48.10		36.68
e) Examination		424.79		332.84
f) Students welfare expenses		51.73		51.15
g) Admission Expenses		1640.88		1199.00
h) Convocation expenses		85.19		65.72
i) Publications		13.75		11.27
j) Stipend/ Means- cum-Merit scholarships/Fee concession		749.05		536.38
k) Subscription Expenses		125.99		113.01
l) Faculty development expenses		31.90		15.78
m) Training & Placement		124.79		95.59
n) Consultancy charges		36.22		29.30
o) Industrial Tours and visits		6.86		7.85
p) Software expenses		-		-
q) Clinic expenses		103.96		76.26
r) Pharmacy expenses		228.01		63.44
s) Course material		296.47		244.83
t) GITAM Contribution to :				
i) R & D Projects		202.21		-
ii) GITAM Centre for Gandhian Studies		34.20		36.83
iii) Technical Education and Quality Improvement Program- TEQIP		30.00		-
u) Distance Learning study center expenses		666.19		382.70
<b>TOTAL</b>	<b>0</b>	<b>5070.13</b>	<b>-</b>	<b>3437.74</b>



**SCHEDULE 17 - ADMINISTRATIVE AND GENERAL EXPENSES**

Rupees in Lakhs

	2016-17		2015-16	
a) Electricity and Power		585.74		478.72
b) Insurance		38.26		27.87
c) Rent, rates and Taxes ( including Property Tax)		66.48		99.49
d) Postage & telegram, Telephones		60.82		81.06
e) Internet		117.92		117.33
f) Printing and Stationary		109.76		81.24
g) Traveling and Conveyance		90.15		78.00
h) staff recruitment expenses		12.95		58.20
i) Hospitality		111.81		75.40
j) Auditors remuneration		3.46		5.21
k) Professional charges		41.36		19.42
l) Advertisement and Publicity		114.89		115.89
m) security service charges		260.11		244.69
n) Meetings expenses		0.72		2.33
o) Registration & Inspection charges		54.01		23.59
p) Hostel Expenses		2135.23		1947.94
<b>TOTAL</b>		<b>3803.67</b>		<b>3456.38</b>

**SCHEDULE 18 - TRANSPORTATION EXPENSES**

	2016-17		2015-16	
1) Vehicles				
a) Running Expenses	174.03			142.27
b) Repairs & Maintenance	5.36			2.92
c) Insurance expenses	-			-
		<b>179.39</b>		<b>145.19</b>
2) vehicles taken on Rent/Lease				
a) Rent /Lease expenses	0.62	0.62		0.86
<b>TOTAL</b>		<b>180.01</b>		<b>146.05</b>



**SCHEDULE 19 - REPAIRS & MAINTANANCE**

Rupees in Lakhs

	2016-17		2015-16	
a) Buildings		585.48		355.25
b) Furniture & Fixtures		31.99		12.88
c) Plant & Machinery		51.60		62.12
d) Equipment		161.15		153.86
e) House Keeping services		415.99		337.23
f) Others		209.66		36.54
<b>TOTAL</b>		<b>1455.87</b>		<b>957.88</b>

**SCHEDULE 20 - FINANCE COSTS**

	2016-17		2015-16	
a) Interest on Fixed Loans	6893.12		8485.88	
Less: Interest Capitalized	167.05		1987.11	
		<b>6726.07</b>		<b>6498.77</b>
b) Interest on other Loans		1429.57		644.09
c) Bank Charges		114.46		51.24
d) Credit rating charges		3.62		8.02
e) Bank Guarantee charges		31.80		18.02
<b>TOTAL</b>		<b>8305.52</b>		<b>7220.14</b>

**SCHEDULE 21 - OTHER EXPENSES**

	2016-17		2015-16	
a) Bad and doubtful debts/ Advances written off		177.93		75.89
b) Irrecoverable balances written off		45.75		11.05
c) Foundation day expenses		39.71		19.40
d) Miscellaneous expenses		8.33		31.39
e) Revenue Grant In aid expenses		899.83		383.82
d) Horticulture expenses		230.77		153.43
<b>TOTAL</b>		<b>1402.32</b>		<b>674.98</b>

As per our Report of even date attached

For POLINENI ASSOCIATES

Chartered Accountants

*gkaj*  
**M POTHARAJU**  
 Registrar

Place: Visakhapatnam  
 Date: 24.06.2017

**K.V.GUPTA**  
 FA&CAO

*[Signature]*  
**D. KRISHNA BABU**  
 Partner

Membership No: 200955  
 FRN : 06132S



**GITAM UNIVERSITY**  
(Established u/s 3 of UGC Act, 1956.)  
Gandhinagar Campus, Rushikonda, Visakhapatnam-530045  
**Cash Flow Statement for the year ended 31st March 2017**

( Rupees In Lakhs)

**Cash Flow from Operating Activities:**

Surplus for the year 2124.20

Adjustments for the non-operating incomes/expenses

Depreciation	12027.11	
Depreciation on Research Equipment	204.57	
Interest expenses on loans	8155.64	
(Interest Income)	(239.12)	
(Profit on sale of Fixed assets)	(7.81)	
	20140.39	

**Surplus before changes in the Current Assets/Current Liabilities**

Increase In Current Assets	(531.85)	
Increase in Current Liabilities	3626.30	
	3094.45	

**Net Cash from Operating Activities**

25359.04

**Cash Flow from Investing Activities:**

Sale of fixed assets	15.54	
Purchase of Fixed assets	(25780.48)	
Purchase of Research equipment	(414.20)	
Decrease in Capital Work in Progress	3227.25	
Purchase of Investments	(2515.20)	
Interest received	239.12	
	(25227.97)	

**Cash Flow from Financing Activities:**

Additions to general fund during the year	788.96	
Endowment fund (principal sum)	3533.30	
Proceeds from long term borrowings (net)	3361.52	
Interest paid on loans	(8155.64)	
	-471.86	

**Net Cash Flow From Financing Activities**

-471.86

**Net Decrease in Cash equivalents**

(340.79)

**Cash and Cash equivalent at the beginning of the period**

3916.45

**Cash and Cash equivalent at the end of the period**

3575.66

For **POLINENI ASSOCIATES**  
Chartered Accountants

*M. Potharaju*  
**M.POTHARAJU**  
Registrar  
Place: Visakhapatnam  
Date: 24.06.2017

*K.V. Gupta*  
**K.V.GUPTA**  
FA&CAO

*DLSV Ramana Babu*  
**DLSV.RAMANA BABU**  
Partner  
Membership No: 200955  
FRN : 061325



**Schedule-22**  
**Significant Accounting Policies**

1. Books of account are maintained under accrual system of accounting and in accordance with the accounting standards mandated by the Institute of Chartered Accountants of India.
2. There are no prior period items that materially affect surplus or deficit during the year
3. Depreciation is provided under Written Down Value method at the following rates. In respect of assets that are used for less than six months, depreciation is provided at half of the rates.
 

Buildings	: 10%
Roads & Drains	: 10%
Water Works	: 15%
General Equipment	: 20%
Laboratory Equipment	: 20%
Office Equipment	: 20%
Computers	: 60%
Vehicles	: 20%
Telecom Equipment	: 20%
Internet Equipment	: 60%
Furniture	: 15%
Sports & Gym Equipment	: 20%
Library Books	: 60%
Software	: 100%
4. Donations Received and hostel admission receipts are treated as Capital and accordingly added to Capital Fund in the Balance Sheet. The Interest received on Earmarked Funds is added to the concerned fund account to meet the expenditure for the specific purpose.
5. Allocation to funds is made on the gross academic fee receipts in the following manner.
  - a) 3% to GITAM Development Fund
  - b) 2% to GITAM Social Responsibility Fund
  - c) 1% to GITAM Skill Development Fund
6. Revenue recognition  
Tuition and other fees are recognized as income on monthly pro-rata basis.
7. Fixed Assets  
Fixed Assets are stated at cost less depreciation under historical cost convention.





8. Grants received from various granting agencies and related expenditure are accounted for to the extent utilized. Unspent balances are shown as current liability under the head "grants received in advance".
9. Investments  
Investments are shown at cost of acquisition.
10. Employees Provident Fund contributions together with management contribution are being remitted monthly to the Regional Provident Fund Commissioner and management contribution is charged to Revenue.
11. The liability in respect of future gratuity payment is recognized in accordance with AS 15 (Employee Benefits). The liability is covered by a Group Gratuity Policy of LIC under which annual payments are made based on actuarial valuation.
12. Term Loans from banks are repayable in 5 years/7 years in half yearly/yearly installments.
13. Cost of Software is treated as Intangible Fixed Asset and depreciated @100%.
14. Information to be kept in Public Domain
- |   |                    |
|---|--------------------|
| a. No. of students  | : 19576            |
| b. Number of teachers   | : 1214             |
| c. Collection on account of building fund and expenditure thereof       | : Nil              |
| d. Collection for sports activities and expenditure thereof             |                    |
| Collection for sports activities  | :Rs.5.74 Lakhs     |
| Expenditure for Sports activities                                       | : Rs.9.79 Lakhs    |
| e. Collection for co-curricular activities and expenditure thereof      |                    |
| Collection for co-curricular activities                                 | : Rs.0.60 Lakhs    |
| Expenditure for co-curricular activities                                | : Rs.0.55 Lakhs    |
| f. Collection on account of development charges and expenditure thereof | : 0.55 Lakhs       |
| g. Collection for medical expenses and expenditure thereof :            |                    |
| Collection for medical expenses   | : Nil              |
| Expenditure for medical expenses  | : Rs.5.67 Lakhs    |
| h. Compliance with statutory dues like EPF and ESI                      | : Complying        |
| i. Salary structure of teachers   | : As per UGC norms |





**Notes on Accounts:**

1. Previous year figures have been re-grouped and re-classified wherever considered necessary to conform with the current year's presentation
2. All the figures are rounded off to the nearest lakh rupees.
3. Stocks are valued at cost.
4. Interest on borrowings availed from scheduled banks utilized for acquisition of fixed assets is capitalized on pro rata basis up to the date of putting to use of the related asset.
5. Contribution to Gratuity Fund includes provision for past liability in accordance with AS 15 of ICAI implemented from the financial year 2013-14.
6. Due to the sponsoring society - GITAM Rs.611.35 Lakhs

**Contingent Liability:****Disputed Service Tax:**

The Additional Commissioner of Central Excise and Customs raised a demand for Rs. 74.96 Lakhs towards Service Tax in respect of GITAM Institute of Foreign Trade for the period from 07/2003 to 12/2005 vide order No: CIV V/15/98/K2006-Adj. V15/77/07 Adj dated 31.03.2008. The Writ appeal filed against the above order is pending before the Andhra Pradesh High Court. An amount of Rs.37.48 Lakhs was paid under protest as per the directions of the Hon'ble High Court of Andhra Pradesh is shown under Loans and Advances.

As per our Report even date attached  
For POLINENI ASSOCIATES  
Chartered Accountants

  
M.POTHARAJU  
Registrar

  
K.V. GUPTA  
FA&CAD

  
DLSV RAMANA BABU  
Partner  
Membership No: 200955  
FRN: 06132S

Place: Visakhapatnam  
Date: 24-06-2017

