



Tikekar & Associates LLP
Chartered Accountants
LLP No. AAG-1307

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INTERNAL AUDITOR'S REPORT

To the Members of **ADMISSIONS REGULATING AUTHORITY (ARA)**

1) Report on Financial Statements:

We have audited the accompanying financial statements of **ADMISSIONS REGULATING AUTHORITY**, which comprise the Balance Sheet as at March 31, 2017, and the Income & Expenditure Account for the period ended on that date, and a summary of significant accounting policies and other explanatory information.

2) Authority Management's Responsibility for the Financial Statements:

Authority Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Authority in accordance with the Accounting Standards generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and free from material misstatement, whether due to fraud or error.

3) Auditor's Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued 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 procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedures selected depend on the auditor's judgement, 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 control relevant to the Authority's preparation and fair presentation of the financial statements 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 Authority's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management of the Authority, 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.



4) **Auditor's Opinion:**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Maharashtra Unaided Private Professional Education Institutions (Regulation of Admissions and Fees) Act, 2015 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India subject to following observations/notes:

- i. In the absence of up-to-date list of all Unaided Private Professional Educational Institutions who are liable to pay processing fees, we are not in a position to comment whether entire processing fee/penalty amount due to Admissions Regulating Authority has been recovered or not.
- ii. Some of the negotiable instruments as on March 31, 2017, which could not be encashed amounting to Rs. 23,28,050 have not been included in Processing Fees Income.
- iii. In some cases, we found that some of the Unaided Private Professional Educational Institutions had either paid short amounts of processing fees or failed to pay delay charges on the processing fees. In absence of up-to-date records of such cases and also in the absence of exact quantification of such income not recovered, we are not in a position to comment as to the extent of income which is under reported & also further whether the Authority has subsequently recovered the same or not.
- iv. Profession Tax deducted at source from salaries of employees has not been paid into Government treasury- amount not quantified. The amount of profession tax & interest/penalty thereon has not accounted for as expense. We are not in a position to comment as to the extent to which surplus is overstated.
- v. No income tax has been deducted at source from payment of professional fees, car hire charges. The amount of interest/penalty payable thereon has not been accounted for as expense- amount not quantified. We are not in a position to comment as to the extent to which surplus is overstated.
- vi. Pension payable to employees of erstwhile Shikshan Shulka Samiti has not been provided for- the amount not quantified. We are not in a position to comment as to the extent to which surplus is overstated.
- vii. In respect of salary amounting to Rs. 26,24,157/- paid directly by Government of Maharashtra to some of the employees who are on deputation to ARA, the same is required to be reimbursed to Government of Maharashtra. This amount is not provided for as expense. We are not in a position to comment as to the extent to which surplus is overstated.
- viii. The office of ARA is situated in premises belonging to Government Polytechnic. No provision has been made for rent, electricity dues and other expenses payable to Government Polytechnic. We are not in a position to comment as to the extent to which surplus is overstated.



- x. The Cash Balance as per books at the end of November 2016 and December 2016 was found to be negative. The management is advised to look into the concerned matter.
- a) in the case of the Balance Sheet, of the state of affairs of the Authority as at March 31, 2017; and
- b) in the case of the Income and Expenditure Account, of the surplus of the Authority for the year ended on that date.

For Tikekar & Associates LLP
Chartered Accountants
FRN: W100141

Deepak P. Tikekar

Deepak P. Tikekar
(Designated Partner)
Membership No. : 034561

Place: Mumbai
Date: 21-03-2018



Statement of Accounting Policies

1. Background:

The Admissions Regulating Authority (ARA) was constituted under the Maharashtra Unaided Private Professional Education Institutions (Regulation of Admissions and Fees) Act, 2015.

2. Basis of Accounting:

- a) The Financial Statements have been prepared in accordance with the generally accepted Accounting Policies and as required by the provisions of the Maharashtra Unaided Private Professional Education Institutions (Regulation of Admissions and Fees) Act, 2015.
- b) The Authority generally follows Cash System of Accounting which recognizes significant items of Income on receipt basis and expenditure on actual payment.

3. Fixed Assets and Depreciation:

- a) Fixed Assets are stated at cost.
- b) Fixed Assets acquired by erstwhile Shikshan Shulka Samiti are used by ARA. However, proper list of assets should be prepared and the same needs to be incorporated in the books of ARA.
- c) Depreciation on fixed assets has been provided at rate prescribed under Income Tax Act, 1961

4. Investments:

The Authority holds investments in Fixed Deposits which are stated at cost.

5. Corpus Amount :

Amount of Rs. 4,02,29,32/- received from erstwhile Shikshan Shulk Samiti on closure of bank account has been shown as Corpus amount.

6. Revenue Recognition:

- a) Processing fees from Unaided Private Professional Education Institutions are accounted on receipt basis. Delayed charges are included in Processing Fees.
- b) Penalty charges levied on the institutions are also accounted on receipt basis. Penalty of Rs. 1,90,00,000/- which is disputed in appeal has not been accounted for as income and shown under the head "current liability".
- c) Salary of some of the employees on deputation to ARA is recoverable from Government of Maharashtra. The same will be included as income on receipt basis.

7. Expenses :

- a) Salary paid by ARA to some of the employees on deputation from Government of Maharashtra has been debited to expense account. These employees have also received salary from Government of Maharashtra directly. The concerned employees have to reimburse the salary to ARA- amount of Rs. 1,26,378/-
- b) In respect of salary amounting to Rs. 26,24,157/- paid directly by Government of Maharashtra to some of the employees who are on deputation to ARA, the same is required to be reimbursed to Government of Maharashtra. This amount is not provided for as expense.

The office of ARA is situated in premises belonging to Government Polytechnic. No provision has been made for rent, electricity dues and other expenses payable to Government Polytechnic.




ADMISSIONS REGULATING AUTHORITY


AY 2017-18

Fixed Assets Schedule for the year ended 31st March 2017

Sr. No	Asset	Rate	WDV as on 01/04/2016	More Additions than 182 days	Less Additions than 182 days	Sale	Depreciation	WDV as on 31/03/2017
1	Locker	10%	-	-	6,374.00	-	318.70	6,055.30
	Total		-	-	6,374.00	-	318.70	6,055.30




~~Secretary~~
Admissions Regulating Authority
Mumbai, Maharashtra State


Under Secretary
Admissions Regulating Authority
Mumbai, Maharashtra State

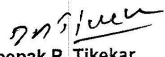
ADMISSIONS REGULATING AUTHORITY

Receipts and Payments Account for the year ended 31st March 2017

Receipts	Amt (Rs.)	Amt (Rs.)	Payments	Amt (Rs.)	Amt (Rs.)
Opening Balance			Fixed Assets		
Bank Accounts	-		Locker		6,374.00
Cash-in-hand	-		Investments		
Capital Account		40,229,320.00	Fixed Deposits		49,700,000.00
Corpus Amount			Expenses		
Current Liabilities			Contractual Employee Salary	698,761.00	
Penalty Charges Disputed in Court	19,000,000.00		Honararium & TA	619,237.00	
Security Deposit - Sai Samarth Feet	7,600.00	19,007,600.00	Meeting Expenses	27,992.00	
Income			Newspapers, Books & Periodicals	1,032.00	
Penalty Charges	1,410,000.00		Notary Charges	2,500.00	
Processing Fees	213,542,007.00	214,952,007.00	Office Expenses	22,092.00	
Saving Bank Account Interest		2,198,303.00	Over Time Charges	212,955.00	
			Petrol Expenses	131,987.00	
			Postage & Courier	2,352.00	
			Printing & Stationary Expenses	28,593.00	
			Professional Fees Paid	1,641,500.00	
			Salary to Govt. Staff	126,378.00	
			Sitting Allowance to Members	295,599.00	
			Snacks & Refreshment Expenses	58,244.00	
			Telephone & Mobile Expenses	28,212.00	
			Travelling Expenses	276,221.00	
			Web Design Charges	509,350.00	4,683,005.00
			Closing Balance		
			Bank Accounts	221,988,579.00	
			Cash-in-hand	9,272.00	221,997,851.00
Total		276,387,230.00	Total		276,387,230.00


As per our Report of even date


For Tikekar and Associates LLP
Chartered Accountants
FRN : W100141


Deepak P. Tikekar
(Designated Partner)
Membership No. 034561
Date : 21-03-2018



For Admissions Regulating Authority


~~Secretary~~
Secretary
Admissions Regulating Authority
Mumbai, Maharashtra State


Under Secretary
Under Secretary
Admissions Regulating Authority
Mumbai, Maharashtra State

ADMISSIONS REGULATING AUTHORITY

Income and Expenditure Account for the period ended 31st March 2017

Expenditure	Amt (Rs.)	Amt (Rs.)	Income	Amt (Rs.)	Amt (Rs.)
<u>To Employee Benefit expenses</u>			By Processing Fees		213,542,007.00
Contractual Employee Salary	698,761.00		By Penalty Charges		1,410,000.00
Over Time Charges	212,955.00		<u>By Interest</u>		
Honararium & TA	619,237.00	1,657,331.00	Bank FD Interest	1,523,654.00	
Salary to Govt.Staff	126,378.00		Saving Bank Account Interest	2,198,303.00	3,721,957.00
To Depreciation		318.70			
To Meeting Expenses		27,992.00			
To Newspapers, Books & Periodicals		1,032.00			
To Notary Charges		2,500.00			
To Office Expenses		22,092.00			
To Petrol Expenses		131,987.00			
To Postage & Courier		2,352.00			
To Printing & Stationery Expenses		28,593.00			
To Professional Fees Paid		1,641,500.00			
To Sitting Allowance to Members		295,599.00			
To Snacks & Refreshment Expenses		58,244.00			
To Telephone & Mobile Expenses		28,212.00			
To Travelling Expenses		276,221.00			
To Web Design Charges		509,350.00			
To Excess of Income over Expenditure		213,990,640.30			
Total		218,673,964.00	Total		218,673,964.00

As per our Report of even date

For Tikekar and Associates LLP
Chartered Accountants
FRN : W100141

Deepak P. Tikekar
Deepak P. Tikekar
(Designated Partner)
Membership No. 034561

Date : 21-03-2018
Place : Mumbai



For Admissions Regulating Authority

Rajesh
Secretary
Secretary
Admissions Regulating Authority
Mumbai, Maharashtra State

[Signature]
Under Secretary
Under Secretary
Admissions Regulating Authority
Mumbai, Maharashtra State

ADMISSIONS REGULATING AUTHORITY

Balance Sheet as on 31st March 2017

Liabilities	Amt (Rs.)	Amt (Rs.)	Assets	Amt (Rs.)	Amt (Rs.)
Capital Account			Fixed Assets		
Corpus Amount	40,229,320.00		Locker	6,374.00	
Reserve and Surplus	213,990,640.30	254,219,960.30	Less: Depreciation	318.70	6,055.30
Current Liabilities			Investments		
Penalty Charges Disputed in Court	19,000,000.00		Bank FD Interest(Accrued)	1,523,654.00	
Security Deposit - Sai Samarth Fleet	7,600.00	19,007,600.00	Fixed Deposits	49,700,000.00	51,223,654.00
			Current Assets		
			Bank Accounts	221,988,579.00	
			Cash-in-hand	9,272.00	221,997,851.00
Total		273,227,560.30	Total		273,227,560.30

As per our Report of even date

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Chartered Accountants
FRN : W100141

Deepak P. Tikekar
Deepak P. Tikekar
(Designated Partner)
Membership No. 034561

Date : 21.03.2018
Place : Mumbai



For Admissions Regulating Authority

Secretary
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Secretary

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Mumbai, Maharashtra State

Under Secretary
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Mumbai, Maharashtra State

