

AUDIT REPORT OF

PEOPLES' EMPOWERMENT
GROUP FOUNDATION

FOR THE YEAR ENDED 31.03.2022

CSM & Associates
CHARTERED ACCOUNTANTS



CSM & Associates
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Peoples Empowerment Group Foundation**

Report on the Financial Statements

We have audited the accompanying financial statements of Peoples Empowerment Group Foundation, which comprise the Balance Sheet as at 31st March, 2022, and Statement of Income & Expenditure for the year ended 31st March 2022, and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Peoples Empowerment Group Foundation as at March 31, 2022, and its profit for the year ended on that date in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India ('ICAI').

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. 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 Entity in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Management's Responsibility for the Financial Statements

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets and for preventing and detecting frauds and other irregularities; selection and application of

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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 Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material 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 the 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Peoples Empowerment Group Foundation'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 Peoples Empowerment Group Foundation to cease to continue as a going concern.





CSM & Associates
Chartered Accountants

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in: -

- i. Planning the scope of the audit work and in evaluating the results of our work; and
- ii. To evaluate the effect of any identified misstatements in 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 a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs as at March 31, 2022, and its surplus for the year ended on that date, except to the extent that Peoples Empowerment Group Foundation has not provided for depreciation on fixed assets held under the head, Buildings.

For CSM & Associates
Chartered Accountants
Firm Registration Number: 123622W


Irani Sarosh Hormaz
(Partner)

Place: Pune

Date: 30th September, 2022

Unique Document Identification Number for this document is 22108399AXNBTY9990

Membership No.: 108399

PEOPLES EMPOWERMENT GROUP FOUNDATION

BALANCE SHEET AS AT MARCH 31, 2022

	Particulars	Note	As at 31st March 2022	As at 31st March 2021
I.	SOURCES OF FUNDS			
(1)	Surplus and Earmarked Funds			
	(a) Reserves and surplus	3	4,15,12,142	3,59,80,925
	(b) Earmarked funds	4	19,95,58,000	19,95,58,000
(2)	Non-current liabilities			
	(a) Long Term Borrowings	5	3,70,45,462	4,11,97,894
	(b) Other long-term liabilities			
(3)	Current liabilities			
	(a) Other current liabilities	6	1,78,15,355	1,85,94,343
	(b) Short-term provisions		-	-
	TOTAL		29,59,30,959	29,53,31,162
II.	APPLICATION OF FUNDS			
(1)	Non-current assets			
	(a) Property, Plant & Equipment			
	i) Tangible assets	7	21,12,74,349	21,64,65,229
	ii) Intangible assets			
	iii) Capital work-in-progress	8	7,73,53,272	5,61,00,808
	(b) Advances for Capital Investments	9	-	1,42,38,881
	(c) Long-term loans and advances		-	-
	(d) Other non-current assets		-	-
(2)	Current assets			
	(a) Cash and cash equivalents	10	21,82,013	30,41,882
	(b) Loans & Advances	11	16,02,216	16,02,216
	(c) Sundry Debtors	12	32,52,425	37,78,778
	(d) Other Current Assets	13	2,66,684	1,03,367
	TOTAL		29,59,30,959	29,53,31,162

See accompanying notes to the financial statements

For Peoples Empowerment Group Foundation

As per our report of even date attached

For CSM & Associates

Chartered Accountants

Firm Registration No: 123622W

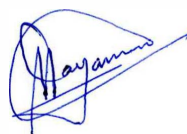


Dr. Pramod Kumar

Trustee

Date: 30.09.2022

Place: Pune



Dr. Subramaniam Jayaraman

Trustee



Irani Sarosh Hermaaz (Partner)

Membership No. : 108399

Date: 30.09.2022

Place: Pune

PEOPLES EMPOWERMENT GROUP FOUNDATION

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2022

	Particulars	Note	For the Year ended 31.03.2022	For the Year ended 31.03.2021
I. Income				
	a) Income from Student Fees	14	87,12,070	1,96,88,021
	b) Donations Received		2,86,70,000	1,93,66,000
	c) Bank Interest		57,625	55,627
	d) Other Income	15	74,429	53,111
	Total Income		3,75,14,124	3,91,62,759
II Expenses				
	a) Employee Benefit Expenses		1,13,87,279	1,28,90,572
	b) Depreciation on Building		37,36,702	
	c) Depreciation other than Building		28,11,573	33,13,560
	d) Other expenses on objects of the Society	16	1,40,47,352	86,51,778
	Total Expenses		3,19,82,906	2,48,55,910
III	Net surplus for the year transferred to Balance Sheet		55,31,217	1,43,06,849

See accompanying notes to the financial statements

For Peoples Empowerment Group Foundation

As per our report of even date attached

For CSM & Associates

Chartered Accountants

Firm Registration No: 123622W



Dr. Pramod Kumar

Trustee

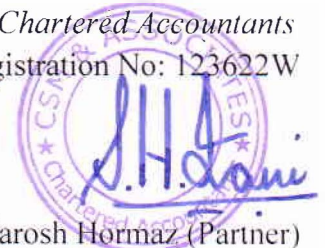
Date: 30.09.2022

Place: Pune



Dr. Subramaniam Jayaraman

Trustee



Irani Sarosh Hormaz (Partner)

Membership No. : 108399

Date: 30.09.2022

Place: Pune

PEOPLES EMPOWERMENT GROUP FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2021

1. General Information

The Peoples Empowerment Group Foundation, having its Head Office at New Delhi, was established on 13th May 2015 under Haryana Registration and Regulation of Societies Act, 2012 (Haryana Act No. 1 of 2012) for the purpose of imparting education by establishing and operating schools and colleges and conducting incidental activities thereon.

2. Summary of Significant Accounting Policies

2.1. Basis of Accounting

The financial statements that comprise Balance Sheet and Income & Expenditure Account together with notes are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with applicable Accounting Standards issued by the Institute of Chartered Accountants of India. The financial statements are prepared under the historical cost convention on going concern and on accrual basis unless otherwise stated.

2.2. Use of Estimates

The presentation of financial Statements in accordance with Generally Accepted Accounting Principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the year. Examples of such estimates include useful life of fixed assets, employee benefits, contingent liabilities etc. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.3. Appropriation to Reserves and Allocation to Earmarked Funds

- Donations received for buildings and / or for research are credited directly to the respective reserve account.
- Income from investments of Earmarked Funds is added to Earmarked Funds.
- Any transfer to specific Funds from the surplus from the year is specifically mentioned in the Statement of Income & Expenditure.
- Advance received from Peoples Empowerment Group, Pune for collaboration for Joint Program to be conducted by the Society has been earmarked to a separate fund set up specifically for this purpose.

2.4. Property, Plant & Equipment (PPE) and Capital Work-in-Progress

Tangible Assets

Property, Plant and Equipment (PPE) are stated at historical cost less accumulated depreciation. The cost represents purchase price (net of recoverable taxes) and all other direct expenses in respect of acquisition or construction of fixed assets for the period up to the date the asset is ready for its intended use. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalized and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed asset is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance. Sale of assets are deducted from the value of the block of fixed asset similar to the accounting of Fixed Assets as in the Income Tax Rules, 1962 read with Section 32 of the Income Tax Act, 1961.

Depreciation on all tangible fixed assets (except Land & Building) are provided on a written down value method based on the estimated useful life on the same rates as prescribed in the Income Tax Rules, 1962 read with Section 32 of the Income-tax Act, 1961 from the date the asset is actually put to use.

Depreciation on Building put to use has been provided @2.50% per annum. Since the Society has claimed application on the construction of the Building, the depreciation on Building though provided in the books of accounts of the Society is not claimed as application for tax purposes in the return of income filed.

Capital Work in Progress

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment, under Capital work-in-progress. The cost includes the purchase cost including import duties and non-refundable taxes, any directly attributable costs. Capital Work in Progress is transferred to respective Capital assets on the date of put to use of those assets.

Intangible Assets

Intangible assets are carried at cost less accumulated amortization. The cost of an intangible asset comprises its purchase price (net of recoverable taxes) and any directly attributable expenditure on making the assets ready for its intended use.

2.5. Cash and cash equivalents

Cash and cash equivalents comprises of cash in hand and balances in savings and current accounts with banks.

2.6. Revenue Recognition

- Membership fees from members are recognized as income in the year of receipt.

- Income from students:

Fees collected from students are accounted in the year in which the batch commences in the academic year. Income from cancellation of student admission is accounted for at the time of withdrawal of admission.

- Sale of Prospectus:

Sale of prospectus is considered in the year in which the prospectus is sold.

2.7. Prior Period Items & Extraordinary Items

Prior Period Adjustments & Extra-ordinary Items if any, having material impact on the financial affairs of the Society are disclosed separately.

2.8. Provisions, Contingent liabilities and Contingent assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized. Contingent assets are neither recognized nor disclosed in the financial statements. Losses arising from claims, litigations, assessments, fines, penalties, right to compensate etc. are provided for when it is probable that liability may be incurred & the amount can be reasonably estimated.

2.9. Estimation of uncertainties relating to the global health pandemic from COVID-19

The Society has considered the possible effects that may result from COVID-19 on the carrying amounts of financials assets, inventory, receivables, property plant and equipment, Intangibles etc., as well as liabilities accrued. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Society has used internal and external information such as our current contract terms, investment profile, future volume estimates from the business etc.

Having reviewed the underlying data and based on current estimates the Society expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. The impact of COVID-19 on the Society's financial statements may differ from that estimated as at the date of approval of these financial statements and the Society will continue to closely monitor any material changes to future economic conditions.

NOTE 3: RESERVES AND SURPLUS

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Balance at the beginning of the year	3,59,80,925	2,16,74,075
Add : Appropriation from Statement of Income & Expenditure	55,31,217	1,43,06,849
Sub-Total	4,15,12,142	3,59,80,925
Transfer from / (to) Earmarked Funds (Utilization)/Addition	-	-
Balance at the end of the year	4,15,12,142	3,59,80,925

NOTE 4: EARMARKED FUNDS**CORPUS FUND**

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Balance at the beginning of the year	3,00,00,000	3,00,00,000
Appropriation from Statement of Income and Expenditure	-	-
Transfer from/(to) Reserves and Surplus	-	-
Contribution received / Addition during the year Income & Expenditure Statement	-	-
Balance at the end of the Year	3,00,00,000	3,00,00,000

LAND & BUILDING FUND

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Balance at the beginning of the year	2,50,00,000	2,50,00,000
Appropriation from Statement of Income and Expenditure	-	-
Transfer from/(to) Reserves and Surplus	-	-
Contribution received / Addition during the year	-	-
Interest Income during the year appropriated through the Income & Expenditure Statement	-	-
Balance at the end of the Year	2,50,00,000	2,50,00,000

FUND FOR JOINT PROGRAM WITH Peoples Empowerment Group, Pune

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Balance at the beginning of the year	14,45,58,000	14,45,58,000
Appropriation from Statement of Income and Expenditure	-	-
Transfer from/(to) Reserves and Surplus	-	-
Contribution received / Addition during the year	-	-
Interest Income during the year appropriated through the Income & Expenditure Statement	-	-
Balance at the end of the Year	14,45,58,000	14,45,58,000

NOTE 5 : LONG TERM BORROWINGS

Amount (Rs.)

Particulars	31.03.2022	31.03.2021
Loan from Trustee		
- Dr. Pramod Kumar	3,70,45,462	4,11,97,894
TOTAL	3,70,45,462	4,11,97,894

NOTE 6 : OTHER CURRENT LIABILITIES

Amount (Rs.)

Particulars	31.03.2022	31.03.2021
a) Expenses and other payables		
i) Audit Fees Payable	9,14,500	7,34,500
ii) Other Payables	3,13,995	88,659
b) Other Current Liabilities		
i) Sundry Creditors	1,24,92,770	1,27,64,434
ii) Statutory dues		
- Tax Deducted at Source	1,14,180	80,052
- GST payable	2,60,548	2,52,098
- Profession Tax	200	9,400
iii) Deposits received	37,19,162	46,65,200
TOTAL	1,78,15,355	1,85,94,343

NOTE 7 - TANGIBLE ASSETS

Land & Building (See Note below)											
Particulars	Cost					Depreciation				Net Block	
	As at 01.04.2021	Additions / purchase more than 6 months	Additions / purchase less than 6 months	Deductions / transfer/ Reimbursement	As at 31.03.2022	Rate	As at 01.04.2021	For the Year	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Land	4,54,81,139	-	-	-	4,54,81,139	-	-	-	-	4,54,81,139	4,54,81,139
Building - Academic Block	14,94,68,097	-	-	-	14,94,68,097	2.50	-	37,36,702	37,36,702	14,57,31,395	14,94,68,097
Total - Land & Building (A)	19,49,49,236	-	-	-	19,49,49,236		-	37,36,702	37,36,702	19,12,12,534	19,49,49,236
Other Tangible Assets											
Particulars	Cost					Depreciation				Net Block	
	As at 01.04.2021	Additions / purchase more than 6 months	Additions / purchase less than 6 months	Deductions / transfer/ Reimbursement	As at 31.03.2022	Rate	As at 01.04.2021	For the Year	Up to 31.03.2022	As at 31.03.2022	As at 31.03.2021
Furniture & Fixtures	1,47,61,206	46,200	-	-	1,48,07,406	10	31,59,504	11,64,790	43,24,294	1,04,83,112	1,16,01,702
Computers	28,48,917	-	14,997	-	28,63,914	40	20,68,938	3,14,991	23,83,929	4,79,985	7,79,979
Library Books	12,46,854	9,000	-	-	12,55,854	40	8,86,848	1,47,602	10,34,450	2,21,404	3,60,006
Plant & Machinery	71,22,625	55,810	4,050	-	71,82,485	15	23,88,300	7,18,825	31,07,125	40,75,360	47,34,325
Electric Fittings	54,90,568	-	12,27,338	-	67,17,906	10	14,50,587	4,65,365	19,15,952	48,01,954	40,39,981
Total - Other Assets (B)	3,14,70,170	1,11,010	12,46,385	-	3,28,27,565		99,54,177	28,11,573	1,27,65,750	2,00,61,815	2,15,15,993
Total - Tangible Assets (A+B)	22,64,19,406	1,11,010	12,46,385	-	22,77,76,801		99,54,177	65,48,275	1,65,02,452	21,12,74,349	21,64,65,229

Note : Depreciation has been changed on Building @ 2.5% but not claimed as application under the Income-tax Act, 1961.
For all other assets, Depreciation has been considered as per rates prescribed under Income-tax Rules, 1962.

NOTE 8 - WORK IN PROGRESS (include assets purchased but not put to use)

Particulars	Cost			As at 31.03.2021
	As at 01.04.2020	Additions / purchase during the year	Transferred to Fixed Asset	
Hostel - Work in Progress	5,61,00,808	2,12,52,464	-	7,73,53,272
Total	5,61,00,808	2,12,52,464	-	7,73,53,272

NOTE 9 : ADVANCES FOR CAPITAL INVESTMENTS

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Arth Ceramics Pvt Ltd		-
AV Constructions		62,91,448
KK Solutions		32,00,000
Volta Green Structures Pvt Ltd		47,47,433
TOTAL	-	1,42,38,881

NOTE 10: CASH AND CASH EQUIVALENTS

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
a) Cash in hand	5,839	4,397
b) Balances with banks		
- Axis Bank - Account No. 915010046571410	3,94,762	2,01,106
- Axis Bank - Account No. 916010047468457	1,00,946	1,11,205
- Axis Bank - Account No. 920010000412674	1,55,515	1,50,935
- Axis Bank - Account No. 918010060098965	4,81,892	15,82,635
c) Fixed Deposit with Bank		
Fixed Deposit with Axis Bank	10,43,059	9,91,605
TOTAL	21,82,013	30,41,882

NOTE 11: LOANS & ADVANCES

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Deposit with AICTE	15,00,000	15,00,000
Electricity Security Deposit	1,02,216	1,02,216
TOTAL	16,02,216	16,02,216

NOTE 12: SUNDRY DEBTORS

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
On account of Student Fees	32,52,425	37,78,778
TOTAL	32,52,425	37,78,778

NOTE 13: OTHER CURRENT ASSETS

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Receivable from AICTE	1,00,000	1,00,000
Receivable from Bajaj Alliance	8,468	-
Prepaid Expenses	2,01,919	1,29,689
Interest Accrued but not due	-	21,053
Staff Advance	(43,703)	(1,47,375)
TOTAL	2,66,684	1,03,367

NOTE 14: INCOME FROM STUDENT FEES

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Student Fees Received	78,59,670	1,82,59,334
Income from Placement Fees	3,80,000	12,20,000
Income from Hostel	3,52,400	48,687
Income from Alumini Fees	1,20,000	1,60,000
TOTAL	87,12,070	1,96,88,021

NOTE 15: OTHER INCOME

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Interest on Income tax Refund		-
Sale of Prospectus	38,444	6,248
Misc. Income	28,985	39,864
Admission Cancellation	7,000	7,000
International Conference (ICSSR)		-
TOTAL	74,429	53,111

NOTE 16: OTHER EXPENSES ON OBJECTS OF THE SOCIETY

Particulars	Amount (Rs.)	
	31.03.2022	31.03.2021
Audit Fees	1,50,000	1,50,000
Admission Expenses	5,19,513	2,75,000
AICTE Application Fees	90,000	90,000
Profession Tax	5,000	-
AMC of IT Items	45,067	1,00,294
Bank Charges	1,114	1,316
Advertisement, Branding & Promotion Expenses	25,99,018	3,93,471
Canteen Expenses	2,47,270	-
Convocation Expenses	80,575	-
Donation		22,252
Electricity Expenses (including genset expenses)	5,18,634	4,63,365
Gardening Expenses	2,35,154	78,212
Hotel, Lodging and Boarding	25,992	-
House keeping expenses	13,22,431	7,18,539
Insurance	1,12,364	1,14,374
Interest on TDS payments	1,336	1,40,519
Interest on GST		3,636
Late fee on delay in filing of GST		30,350
Internet Charges	4,24,800	1,82,534
Miscellaneous Expenses	72,873	23,609
Municipality Taxes	3,96,534	-
Office Expenses	71,412	1,12,179
Orientation Programme Expenses		42,480
Postage & Courier	66,894	19,533
Printing & Stationary	1,43,059	69,126
Professional Fees	10,34,060	2,90,995
Repairs & Maintainance - Others	4,93,175	1,91,765
Repairs & Maintainance - Building	24,62,320	12,07,928
Security Staff	18,52,563	22,04,263
Staff Welfare	2,70,733	86,406
Student Welfare	6,504	-
Subscriptions	1,23,799	1,12,090
Student related Expenses	9,710	-
Telephone Expenses	76,968	66,426
Travelling & Conveyance	5,88,481	3,01,716
Waiver of Student Fees	-	11,59,400
TOTAL	1,40,47,352	86,51,778