

SSN Trust

Financial Statements for the year ended

31 March 2019

B S R & Associates LLP

Chartered Accountants

Building No.10, 8th Floor, Tower-B
DLF Cyber City, Phase - II
Gurugram - 122 002, India

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees of SSN Trust

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **SSN Trust** ("the Trust"), which comprise the balance sheet as at 31 March 2019, the income and expenditure account and the cash flow statement for the year then ended, and notes to the financial statements, including a summary of the 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 financial position of the Trust as at 31 March 2019, its excess of expenditure over income and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Trust in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Trustee's Responsibility for the Financial Statements

The Board of Trustees of the Trust is responsible for the matters stated in Clause 15 of the Trust Deed dated 12 December 1994 with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Trust in accordance with the accounting principles generally accepted in India, including the Accounting Standards, to the extent applicable, issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the Trust 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.

In preparing the financial statements, trustees are responsible for assessing the Trust'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 trustees either intends to revoke the Trust or to cease operations, or has no realistic alternative but to do so.

Board of Trustees is also responsible for overseeing the Trust's financial reporting process.



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 the Trustees.
- Conclude on the appropriateness of Trust'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 Trust'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 Trust to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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



B S R & Associates LLP

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 B S R & Associates LLP

Chartered Accountants

Firm's Registration No. 116231 W/W-100024



Rakesh Dewan

Partner

Membership No. 092212

Place: Gurugram

Date: 8 May 2019

(10)

SSN Trust
Balance Sheet as at 31 March 2019
(All amounts are in Rupees, unless otherwise stated)

	Note	As at 31 March 2019	As at 31 March 2018
Funds employed			
Unrestricted funds			
Corpus fund	3(a)	2,505,036,393	2,505,036,393
Deficit in income and expenditure account	3(b)	(2,802,638,244)	(2,577,990,684)
		<u>(297,601,851)</u>	<u>(72,954,291)</u>
Restricted funds			
Loans	4	41,033,330	38,673,740
Caution money received from students	5	1,959,437,592	1,497,435,821
		26,435,480	23,785,043
Total		<u><u>1,729,304,551</u></u>	<u><u>1,486,940,313</u></u>
Application of funds			
Property, plant and equipment	6	1,278,498,840	1,242,327,172
Intangible assets	7	1,741,615	2,107,595
Capital work-in-progress	8	6,252,960	4,437,690
Intangible assets under development	9	1,831,428	1,831,428
		<u>1,288,324,843</u>	<u>1,250,703,885</u>
Investments	10	574,846,944	305,000,000
		<u>1,863,171,787</u>	<u>1,555,703,885</u>
Current assets			
Receivables	11	5,169,839	8,583,550
Cash and bank balances	12	313,172,482	229,450,652
Other current assets	13	106,202,506	163,752,984
Loans, advances and deposits	14	54,998,807	45,451,018
		<u>479,543,634</u>	<u>447,238,204</u>
Less: Current liabilities and provisions			
Current liabilities	15	(261,152,297)	(229,667,345)
Provisions	16	(352,258,573)	(286,334,431)
		<u>(613,410,870)</u>	<u>(516,001,776)</u>
Net current liabilities		<u>(133,867,236)</u>	<u>(68,763,572)</u>
Total		<u><u>1,729,304,551</u></u>	<u><u>1,486,940,313</u></u>

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **BSR & Associates LLP**
Chartered Accountants
Firm Registration Number: 116231W/W-100024



Rakesh Dewan
Partner
Membership No.: 092212

Place: Gurugram
Date : 8 May 2019

For and on behalf of SSN Trust



Roshni Nadar Malhotra
Trustee

Place: Noida
Date : 8 May 2019

SSN Trust**Income and Expenditure Account for the year ended 31 March 2019**

(All amounts are in Rupees, unless otherwise stated)

	Note	Year ended 31 Mar 2019	Year ended 31 March 2018
Income			
Fees from students	17	736,228,672	642,171,564
Donation and grants		75,589,028	98,034,848
Income from sale of admission forms and prospectus		7,854,350	9,149,250
Rental income (from letting out of college premises)		32,695,338	22,202,459
Other income	18	82,386,374	63,140,053
Total		934,753,762	834,698,174
Expenditure			
Staff payments and benefits	19	604,877,677	589,552,845
Transportation expenses	20	57,989,795	52,022,238
Affiliation charges	21	3,277,815	4,389,510
Administrative and general expenses	22	197,609,343	178,286,321
Repairs and maintenance	23	90,775,051	78,627,742
Expenses from restricted funds	4	73,200,126	95,186,248
Depreciation and amortisation expense	24	125,935,169	147,503,144
Other expenses	25	5,736,346	3,476,760
Total		1,159,401,322	1,149,044,808
Excess of expenditure over income for the year		(224,647,560)	(314,346,634)

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **BSR & Associates LLP**

Chartered Accountants

Firm Registration Number: 116231W/W-100024

**Rakesh Dewan**

Partner

Membership No.: 092212

Place: Gurugram

Date: 8 May 2019

For and on behalf of SSN Trust

**Roshni Nadar Malhotra**

Trustee

Place: Noida

Date: 8 May 2019

SSN Trust
Cash flow statement for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Cash flow from operating activities:		
Excess of expenditure over income	(224,647,560)	(314,346,634)
Adjustments:		
Depreciation and amortisation	125,935,169	147,503,144
Interest income	(28,548,535)	(28,453,383)
Loss on sale on property, plant and equipment	2,528	1,513,566
Liabilities no longer required written back	(1,373,163)	(470,583)
Bad debts written off	1,442,972	1,342,200
Profit on sale of mutual fund	(15,246,945)	-
Finance expense	1,771	527
Operating profit before working capital changes	(142,433,763)	(192,911,163)
Adjustments for changes in working capital :		
- Increase/(decrease) in restricted fund	2,359,590	(27,326,538)
- Increase in caution money	2,650,437	154,070
- Increase in current liabilities	30,540,146	8,758,274
- Increase in loans, advances and deposits	(739,912)	(648,863)
- Increase in receivables and other current assets	(512,826)	(5,037,656)
- Increase in provision	65,924,142	65,126,569
Cash used in operations	(42,212,186)	(151,885,307)
Income tax paid	(8,297,333)	(5,389,251)
Net cash used in operating activities (A)	(50,509,519)	(157,274,558)
Cash flow from investing activities:		
Purchase of property, plant and equipment	(162,852,302)	(80,153,693)
Proceeds from sale of property, plant and equipment	1,101,073	-
Interest received	88,582,578	4,338,736
Purchase of investments	(624,500,000)	(300,000,000)
Sale/redemption of investments	369,900,000	-
Investment in bank deposits (having original maturity of more than 3 months)	(85,268,607)	(7,059,951)
Maturity of bank deposits (having original maturity of more than 3 months)	-	6,642,896
Net cash used in investing activities (B)	(413,037,258)	(376,232,012)
Cash flow from financing activities:		
Proceeds from unsecured loan	782,300,000	947,200,000
Repayment of unsecured loan	(320,300,000)	(460,000,000)
Donation received	-	38,050,000
Net cash provided by financing activities (C)	462,000,000	525,250,000
Net decrease in cash and cash equivalents (A+B+C)	(1,546,777)	(8,256,570)
Cash and cash equivalents at the beginning of the year	68,351,316	76,607,886
Cash and cash equivalents at the end of the year	66,804,539	68,351,316
Components of cash and cash equivalents		
Cash on hand	83,281	78,890
Balance with banks:		
- On savings account	66,721,258	68,272,426
	66,804,539	68,351,316

Notes :

The above cash flow statement has been prepared in accordance with 'Indirect method' as set out in the Accounting Standard - 3 on 'Cash Flow Statement' issued by the Institute of Chartered Accountant of India.

The notes referred to above form an integral part of the financial statements.

As per our report of even date attached

For BSR & Associates LLP

Chartered Accountants

Firm Registration Number: 116231W/W-100024

Rakesh Dewan

Partner

Membership No.: 092212

Place: Gurugram

Date : 8 May 2019

For and on behalf of SSN Trust

 Roshni Nadar Malhotra
Trustee

Place: Noida

Date : 8 May 2019

SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

1. Background

SSN Trust was established in the year 1994 with the purpose of imparting education with opportunity for research and development within India and to make contributions or to provide assistance by way of grants or otherwise to any charitable trust or institutions having similar objects.

The Trust is registered under 12A read with section 12AA of the Income Tax Act, 1961 (the "Act"). The management of the Trust believes that the activities of the Trust qualify for exemption under section 11 of the Act and hence no provision for tax has been created.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The accompanying financial statements of SSN Trust ("the Trust") have been prepared under the historical cost convention, on accrual basis of accounting, in accordance with Generally Accepted Accounting Principles in India ('GAAP') including Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable.

2.2 Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and the disclosure of contingent liabilities on the date of the financial statements. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Funds

General fund: General fund represents the Corpus of the trust and is not subject to any restrictions on its utilisation.

Restricted funds: Restricted Funds are subject to certain restrictions set out by the contributor and agreed to by the trust when accepting the contribution. These are held in trust and deposits/investments are generally earmarked against them. Income transferred to restricted fund is subject to the same restrictions as the fund.

2.4 Property, plant and equipment and depreciation

Property, plant and equipment are carried at cost, less accumulated depreciation and/or accumulated impairment loss, if any. The cost of property, plant and equipment comprises its purchase price, including import duties and other non-refundable taxes or levies (other than those subsequently recoverable from tax authorities), and any directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

Subsequent expenditures related to an item of property, plant and equipment are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

An item of property, plant and equipment is eliminated on disposal or when no future economic benefits are expected from its use and disposal. The gain or loss arising on disposal is recognised in the Income and Expenditure account.

Depreciation is charged for the full year in case of additions made during the year, whereas, no depreciation is charged on the assets sold, discarded, demolished or destroyed during the year.

Depreciation on property, plant and equipment is charged on written down value basis in order to reflect the actual usage of the asset basis the rates mentioned below:

Nature of Assets	Depreciation Rates
Building	5%
Computers	60%
Furniture and Fittings	25%
Office Equipment	20%
Library books	60%
Vehicles	30%

2.5 Intangible assets

Intangible assets comprise software. Intangible assets that are acquired by the Trust are measured initially at cost. After initial recognition, an intangible asset is carried at cost less any accumulated amortisation and impairment loss, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Software is amortised on written down value basis at the rate of 60%

2.6 Capital work in progress

Property, plant and equipment under construction are disclosed as capital work in progress.

2.7 Operating leases

Assets acquired under leases other than finance leases are classified as operating leases. The total lease rentals (including scheduled rental increases) in respect of an asset taken on operating lease are charged to the Income and Expenditure account on a straight line basis over the lease term unless another systematic basis is more representative of the time pattern of benefit.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

2.8 Revenue recognition

- Tuition fee and hostel fee are recognised in the academic year to which they pertain on an accrual basis.
- Hostel admission fees collected at the time of initial admission of students are recognised as income when received.
- Exam fees collected at the time of examination of students are recognised as income when received.
- Income from sale of admission forms and prospectuses is recognised on receipt basis.

2.9 Other income

- Interest income is recognised on a time proportion basis taking into account the amount outstanding and the interest rate applicable.
- Rental Income is recognised on time proportion basis over the period for which rent is receivable.
- Income from training programme is recognised on completion of service.

2.10 Caution money deposit

At the time of admission of a student to the School, caution money is received which is refundable to the student at the time the student leaves the School. Caution money is of the nature of deposit and is therefore disclosed as a liability in the financial statements.

The amount of caution money refundable to students beyond 12 months from the balance sheet date and during 12 months from the balance sheet date is disclosed separately as non-current and current liability respectively.

2.11 Grants and donations

Grants and donations meant for meeting revenue expenditure, upon incurrence of such expenditure, the same is charged to the income and expenditure account and a corresponding amount is transferred from the concerned restricted fund account to the credit of the income and expenditure account. Where the grants and donations is meant for meeting capital expenditure, upon incurrence of the expenditure, the relevant asset account is debited which is depreciated over the period of useful life.

Grants and donations not subject to external restrictions are recognised as income on receipt basis.

2.12 Investments

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

Long-term investments are carried at cost less any other-than-temporary diminution in value, determined separately for each individual investment.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Income and Expenditure Account.

Profit or loss on sale of investments is determined on the basis of weighted average carrying amount of investments disposed of.

2.13 Employee benefits

Short term employee benefits

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, wages, and bonus are recognised in the Income and Expenditure account in the period in which the employee renders the related service.

Provident fund (Defined contribution plan)

The Trust's contributions towards provident fund, which are being deposited with the Regional Provident Fund commissioner, are charged to the Income and Expenditure account in the period in which the employee renders the related service.

Gratuity (Defined benefit plan)

The Trust's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried at the year end using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. Actuarial gains and losses are recognized immediately in the Income and Expenditure account. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the market yields on Government securities as at the balance sheet date.

Other long term benefits

Benefits under the Trust's compensated absences and performance incentive schemes constitute other long term employee benefits. The obligation in respect of unavailed scheme is provided on the basis of actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method and actuarial gains and losses are recognised immediately in the Income and Expenditure account.

2.14 Foreign currency transactions

Foreign currency transactions are recorded at the exchange rates prevailing on the date of transaction. Exchange differences arising on the settlement of transactions, are recognised as income or expense in the Income and Expenditure Account in the year in which they arise.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

2.15 Provisions and contingent liabilities

A provision is created when there is a 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 the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognised nor disclosed in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the assets and related income are recognised in the period in which the change occurs.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

3(a). Corpus fund	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	2,505,036,393	2,466,986,393
Add: Receipts during the year	-	38,050,000
Balance at the end of the year	2,505,036,393	2,505,036,393
3(b). Deficit in income and expenditure account	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	(2,577,990,684)	(2,263,644,050)
Less: Excess of expenditure over income for the year	(224,647,560)	(314,346,634)
Balance at the end of the year	(2,802,638,244)	(2,577,990,684)
4. Restricted funds	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	38,673,740	66,000,278
Add: Receipts during the year	75,559,716	67,859,710
Less: Funds utilised during the year	73,200,126	95,186,248
Balance at the end of the year	41,033,330	38,673,740
5. Loans	As at 31 March 2019	As at 31 March 2018
Secured:		
From Tamilnadu Mercantile Bank Limited *	37,592	35,821
Unsecured:		
From related parties **	1,959,400,000	1,497,400,000
	1,959,437,592	1,497,435,821
* loan on deposits repayable on demand with interest rate of 11.25% per annum		
** As per the terms of the contract, the loan is interest-free and repayable on demand.		



6. Property, plant and equipment

Description	Gross block			Depreciation			Net block
	As at 1 April 2018	Additions during the year	Disposals during the year	As at 31 March 2019	Additions during the year*	Disposals during the year	As at 31 March 2019
Owned assets							
Land	283,591,708	-	144,000	283,447,708	-	-	283,447,708
Building	1,301,090,061	58,335,296	-	1,359,425,357	40,967,058	-	778,374,083
Computers	220,400,495	16,739,826	-	237,140,321	22,371,685	-	14,314,520
Furniture and fixtures	124,601,046	12,333,617	-	136,934,663	13,584,933	-	33,601,622
Office equipment	437,070,224	67,652,977	959,601	503,763,600	42,573,629	-	162,420,132
Library books	42,231,614	3,463,959	-	45,695,573	3,139,026	-	3,694,719
Vehicles	7,685,109	2,818,835	-	10,503,944	1,432,910	-	2,646,056
Total	2,416,670,257	161,344,510	1,103,601	2,576,911,166	124,069,241	-	1,278,498,840

Description	Gross block			Depreciation			Net block
	As at 1 April 2017	Additions during the year	Disposals/ Adjustments during the year	As at 31 March 2018	Additions during the year	Disposals during the year	As at 31 March 2018
Owned Assets							
Land	283,591,708	-	-	283,591,708	-	-	283,591,708
Building	1,290,917,919	10,172,142	-	1,301,090,061	40,026,170	-	761,005,845
Computers	252,502,206	14,471,626	46,573,337	220,400,495	26,010,766	46,558,355	19,946,379
Furniture and fixtures	118,904,728	10,147,117	4,450,799	124,601,046	25,882,330	3,893,935	34,852,938
Office equipment	434,540,678	15,767,585	13,238,039	437,070,224	37,385,172	12,320,763	138,300,385
Library books	39,244,871	2,986,743	-	42,231,614	13,931,910	-	3,369,786
Vehicles	9,348,372	-	1,663,263	7,685,109	1,654,984	1,638,811	1,260,131
Total	2,429,050,482	53,545,213	65,925,438	2,416,670,257	144,891,332	64,411,864	1,242,327,172

7. Intangible assets

Description	Gross block			Amortisation			Net block
	As at 1 April 2018	Additions during the year	Disposals during the year	As at 31 March 2019	Additions during the year	Disposals during the year	As at 31 March 2019
Software	29,641,017	1,499,949	-	31,140,966	1,865,928	-	1,741,615
Total	29,641,017	1,499,949	-	31,140,966	1,865,928	-	1,741,615

Description	Gross block			Amortisation			Net block
	As at 1 April 2017	Additions during the year	Disposals during the year	As at 31 March 2018	Additions during the year	Disposals during the year	As at 31 March 2018
Software	27,420,695	2,220,322	-	29,641,017	2,611,812	-	2,107,595
Total	27,420,695	2,220,322	-	29,641,017	2,611,812	-	2,107,595



8. Capital work-in-progress

	As at 31 March 2019	As at 31 March 2018
Balance at the beginning of the year	4,437,690	1,693,580
Add: Additions during the year	34,510,719	8,098,274
Less: Capitalised during the year	32,695,449	5,354,164
Balance at the end of the year	6,252,960	4,437,690

9. Intangible assets under development

	As at 31 March 2019	As at 31 March 2018
Opening balance	1,831,428	-
Add: Additions during the year	-	1,831,428
Less: Capitalised during the year	-	-
Closing balance	1,831,428	1,831,428

10. Investments

(valued at cost, unless otherwise stated)

Long-term investments

Investment in deposits with financial institutions: unquoted

Tamil Nadu Power Finance Corporation Limited	2,500,000	2,500,000
Tamil Nadu Transport Development Finance Corporation Limited	2,500,000	2,500,000
	5,000,000	5,000,000

Current investments

Investments in mutual funds: unquoted

	Units	Value	Units	Value
SBI liquid fund direct plan	30,276.56	84,058,346	110,401.92	300,000,000
Kotak fixed maturity plan series 235 direct plan	5,800,000.00	58,000,000	-	-
Kotak fixed maturity plan series 237 direct plan	1,000,000.00	10,000,000	-	-
Aditya Birla Sun Life fixed term plan series-QM (1100 Days) direct plan	5,000,000.00	50,000,000	-	-
Aditya Birla Sun Life fixed term plan series-QN (1100 Days) direct plan	4,000,000.00	40,000,000	-	-
Sundaram fixed term plan IK direct plan	4,000,000.00	40,000,000	-	-
Reliance fixed horizon fund -XXXVIII Series 06 direct plan	2,500,000.00	25,000,000	-	-
ICICI Prudential fixed maturity plan series 83 (1100 Days)	1,500,000.00	15,000,000	-	-
Invesco India fixed maturity plan series 32 plan D (1099 Days)	2,650,000.00	26,500,000	-	-
HDFC overnight fund direct plan	29,038.54	81,288,598	-	-
Axis Banking and PSU debt fund direct plan	85,126.48	140,000,000	-	-
		569,846,944		300,000,000
Total cost		574,846,944		305,000,000

Market value of investments in mutual funds Rs. 604,436,520 (previous year Rs. 300,778,361)

Details of units of mutual fund purchased and redeemed during the year ended 31 March 2019

Detail of Mutual Funds	For the year ended 31 March 2019			
	Purchases during the year		Redemption during the year	
	Units	Amount	Units	Amount
SBI liquid fund direct plan	39,631.65	110,000,000	119,757.01	340,999,998
Kotak fixed maturity plan series 235 direct plan	5,800,000.00	58,000,000	-	-
Kotak fixed maturity plan series 237 direct plan	1,000,000.00	10,000,000	-	-
Aditya Birla Sun Life fixed term plan series-QM (1100 Days) direct plan	5,000,000.00	50,000,000	-	-
Aditya Birla Sun Life fixed term plan series-QN (1100 Days) direct plan	4,000,000.00	40,000,000	-	-
Sundaram fixed term plan IK direct plan	4,000,000.00	40,000,000	-	-
Reliance fixed horizon fund -XXXVIII Series 06 direct plan	2,500,000.00	25,000,000	-	-
ICICI Prudential fixed maturity plan series 83 (1100 Days)	1,500,000.00	15,000,000	-	-
Invesco India fixed maturity plan series 32 plan D (1099 Days)	2,650,000.00	26,500,000	-	-
HDFC overnight fund direct plan	39,295.05	110,000,000	10,256.51	28,900,000
Axis Banking and PSU debt fund direct plan	85,126.48	140,000,000	-	-
	26,614,053	624,500,000	130,014	369,899,998

Details of units of mutual fund purchased and redeemed during the year ended 31 March 2018

Detail of Mutual Funds	For the year ended 31 March 2018			
	Purchases during the year		Redemption during the year	
	Units	Amount	Units	Amount
SBI liquid fund direct plan	110,401.92	30,000,000	-	-
	110,401.92	30,000,000	-	-

11. Receivables

(Unsecured and considered good, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Fees receivable	5,169,839	8,583,550
	5,169,839	8,583,550

12. Cash and bank balances

	As at 31 March 2019	As at 31 March 2018
Cash on hand	83,281	78,890
With scheduled banks #		
- on saving accounts	66,721,258	68,272,426
- Bank deposits with original maturity of less than twelve months	146,367,943	61,099,336
- Bank deposits (due to mature after 12 months from the reporting date)	100,000,000	100,000,000
Total	313,172,482	229,450,652

Bank Balance includes restricted cash Rs. 41,407,710 (Previous year Rs. 39,112,983) on account of grants received during the year for research projects from various institutions and Rs. 256,364 (Previous year Rs. 253,603) on account of scholarship received from Directorate of Technical Education to be payable to students. This will be utilised for the specific purposes for which it has been received.



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

13. Other current assets

(Unsecured and considered good, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Interest accrued on bank deposits	91,935,313	151,969,356
Fees receivable from government	7,917,030	6,955,100
Other receivables	6,350,163	4,828,528
	<u>106,202,506</u>	<u>163,752,984</u>

14. Loans, advances and deposits

(Unsecured and considered good, unless otherwise stated)

	As at 31 March 2019	As at 31 March 2018
Advances to staff (non interest bearing)	748,939	737,589
Advances to other suppliers	1,668,731	5,332,361
Advance income tax	22,160,481	13,863,146
Advances for capital works	750,795	240,253
Balance recoverable from government authorities (GST)	973,382	121,582
Prepaid expenses	15,287,539	13,524,427
Deposits (other than bank deposits)	13,408,940	11,631,660
	<u>54,998,807</u>	<u>45,451,018</u>

15. Current liabilities

	As at 31 March 2019	As at 31 March 2018
Creditors		
- For goods and services	30,680,989	20,575,283
- For capital goods	3,146,013	2,394,225
Expenses payable	2,856,254	9,078,597
Employee related payables	6,336,492	-
Retention money	2,320,118	753,937
Deferred revenue	188,526,965	160,986,890
Caution money received from students	9,095,445	7,593,258
Advance fees collected from students	2,078,509	2,151,570
Student fund	11,107,202	8,908,998
Security deposit payable	4,048,044	3,279,849
Statutory dues payable	956,266	13,944,738
	<u>261,152,297</u>	<u>229,667,345</u>

16. Provisions

	As at 31 March 2019	As at 31 March 2018
Provision for gratuity	220,751,190	191,446,397
Provision for compensated absences	61,509,399	54,005,914
Provision for performance incentive	69,997,984	40,882,120
Total	<u>352,258,573</u>	<u>286,334,431</u>



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
17. Fees from students		
Tuition fees	581,604,526	519,363,224
Hostel fees	167,180,712	142,217,828
Exam fees	4,486,673	-
Hostel admission fees	16,973,173	15,875,000
	770,245,084	677,456,052
Less: Scholarship granted during the year	34,016,412	35,284,488
	736,228,672	642,171,564
18. Other income		
Interest on bank deposits	27,587,023	26,889,678
Interest on saving bank and others	961,512	1,563,705
Interest on income tax refund	342,381	-
Liabilities no longer required written back	1,373,163	470,583
Insurance claim received	876,313	4,354,249
Profit on sale of mutual fund	15,246,945	-
Income from training programme	25,330,448	15,855,257
Miscellaneous income	10,668,589	14,006,581
	82,386,374	63,140,053
19. Staff payments and benefits		
Salaries and wages including allowances		
- teaching staff	472,802,621	421,749,824
- non teaching staff	72,976,620	72,241,713
Contribution to provident fund and other funds		
- teaching staff	6,456,145	6,872,406
- non teaching staff	4,163,981	4,179,184
Gratuity expenses *	32,513,832	68,049,377
Staff welfare	15,964,478	16,460,341
	604,877,677	589,552,845
* Since an actuarial valuation is done for gratuity for the trust as a whole, details of contribution in respect of each individual are not available for breakup into teaching and non-teaching staff.		
20. Transportation expenses		
- in respect of vehicles not owned by college including rentals paid	57,989,795	52,022,238
	57,989,795	52,022,238
21. Affiliation charges		
Affiliation charges	2,602,815	3,564,510
Registration and affiliation fees	675,000	825,000
	3,277,815	4,389,510



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

	Year ended 31 March 2019	Year ended 31 March 2018
22. Administrative and general expenses		
Electricity and fuel expenses	26,948,053	27,575,257
Rent	25,807,946	24,519,253
Insurance charges	2,038,869	2,484,394
Rates and taxes	3,027,239	2,315,774
Travelling and conveyance expenses	14,628,208	13,928,935
Communication expenses	4,687,358	5,100,115
Donation paid	30,000	40,000
Lab consumables and work shop expenses	9,085,413	9,433,959
Advertisement	3,969,666	6,856,230
Postage and telegram	832,933	860,565
Printing and stationery	13,263,180	12,024,667
Legal and professional expenses *	27,121,747	12,805,907
Stipend expenses	14,415,335	13,521,565
Students welfare	15,534,686	11,017,169
Subscription	11,066,536	13,147,741
Security charges	13,153,849	10,717,630
Loss on sale of property, plant and equipment	2,528	1,513,566
Community welfare expenses	11,995,797	10,423,594
	197,609,343	178,286,321

*** Remuneration to auditors**

	Year ended 31 March 2019	Year ended 31 March 2018
Statutory audit	1,618,000	1,500,000
Reimbursement of expenses	113,260	105,000
	1,731,260	1,605,000

	Year ended 31 March 2019	Year ended 31 March 2018
23. Repairs and maintenance:		
Building	18,080,242	14,540,350
Others	72,694,809	64,087,392
	90,775,051	78,627,742

	Year ended 31 March 2019	Year ended 31 March 2018
24. Depreciation and amortisation		
Depreciation on property, plant and equipment	124,069,241	144,891,332
Amortisation of intangible assets	1,865,928	2,611,812
	125,935,169	147,503,144

	Year ended 31 March 2019	Year ended 31 March 2018
25. Other expenses		
Bad debts written off	1,442,972	1,342,200
Miscellaneous expenses	4,293,374	2,134,560
	5,736,346	3,476,760



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

26. Disclosure of related party transactions:

i. Key Managerial Personnel (KMP)

Mr. Shiv Nadar, Managing Trustee
Mrs. Kiran Nadar, Trustee
Mrs. Roshni Nadar Malhotra, Trustee
Mr. Shikhar Neelkamal Malhotra, Trustee.
Mr. Pawan K Danwar, Chief Financial Officer

ii. Entities in which KMP have substantial interest directly/indirectly

HCL Corporation Private Limited
Vama Sundari Investments (Chennai) Private Limited
Vama Sundari Investments (Delhi) Private Limited
HCL Technologies Limited
HCL Infosystems Limited
HCL Infotech Limited
HCL Services Limited
HCL Talentcare Private Limited
HCL Training & Staffing Services Private Limited
Vamasundari Scholarship Trust
KRN Education Private Limited

iii. Entities in which KMP have significant influence

Shiv Nadar Foundation (SNF)



SSN Trust**Notes to the financial statements for the year ended 31 March 2019****(All amounts are in Rupees, unless otherwise stated)****Details of transactions with related parties**

Nature of transactions with related parties	Year ended 31 March 2019	Year ended 31 March 2018
Loan taken		
HCL Corporation Private Limited	28,500,000	134,300,000
Vama Sundari Investments (Delhi) Private Limited	7,37,300,000	686,700,000
Shiv Nadar Foundation	16,500,000	126,200,000
Loan repayment		
Shiv Nadar Foundation	-	460,000,000
HCL Corporation Private Limited	162,800,000	-
Vama Sundari Investments (Delhi) Private Limited	157,500,000	-
Purchase of property, plant and equipment		
HCL Infosystems Limited	-	-
HCL Talent Care Private Limited	-	9,212,857
HCL Services Limited	-	120,000
HCL Infotech Limited	-	-
Reimbursement of expense incurred by them on behalf of trust		
Shiv Nadar Foundation	-	627,000
Vamasundari Scholarship Trust	431,288	216,978
HCL Infosystems Limited	1,643,898	1,643,898
Rendering of services – training program		
Vama Sundari Investment (Delhi) Private Limited	12,415,018	11,765,265
HCL Training & Staffing Services Private Limited	11,375,000	768,000
HCL Technologies Limited	475,000	-
Rent expense		
Vama Sundari Investments (Chennai) Private Limited ** (VSICPL)	22,331,520	26,183,709
Rental income		
Shiv Nadar Foundation (SNF) *	225,240	225,240
HCL Training & Staffing Services Private Limited	140,500,69	4,932,635
Donation and grants		
HCL Corporation Private Limited	-	-
Vama Sundari Investments (Delhi) Private Limited	944,000	500,000
Corpus Received		
HCL Corporation Private Limited	-	22,050,000
KRN Education Private Limited		16,000,000



SSN Trust**Notes to the financial statements for the year ended 31 March 2019****(All amounts are in Rupees, unless otherwise stated)**

Amounts outstanding with related parties	As at 31 March 2019	As at 31 March 2018
Sundry creditors		
Vama Sundari Investments (Chennai) Private Limited	24,118,044	-
Loan, deposits and advances		
HCL Technologies Limited	-	49,289
Unsecured loans		
Shiv Nadar Foundation	692,900,000	676,400,000
HCL Corporation Private Limited	-	134,300,000
Vama Sundari Investments (Delhi) Private Limited	1,266,500,000	686,700,000

* During the year ended 31 March 2019 trust has received rent amounting to Rs 225,240 (previous year Rs 225,240) from SNF for the premises utilised for the purpose of running a school by SNF, collectively owned by SSN Trust, Guddu Investments (Chennai) Private Limited and Shiv Nadar Foundation.

** During the year ended 31 March 2019 trust has paid Rs 22,331,520 (previous year Rs 26,183,709) for the premises utilised by it for running the college, collectively owned by SSN Trust and VSICPL. Further, the Trust had entered into financing agreement with VSICPL for construction of building at Chennai campus of SSN College of Engineering managed by the Trust. It has been mutually agreed between the parties that all completed superstructure by the Company on the licensed land shall belong to Company and the Trust respectively in the ratio of the Investment made by each in the total cost of construction of the completed superstructure.

27. Employee benefits:

Contribution to defined contribution plan recognised as expense for the year in the Income and Expenditure account are as under:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Contribution to Provident Fund and other funds *	10,189,437	10,629,943
Contribution to Employee State Insurance Scheme *	430,689	421,647
Total	10,620,126	11,051,590

* Recognised under contribution to provident fund and other funds (refer note 19).

Gratuity Plan: The Trust operates a gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days of basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Trust on retirement or separation or death or permanent disablement in terms of the provisions of the Payment of Gratuity Act, 1972. The benefits vest after five years of continuous service except in case of death where no vesting conditions apply.



SSN Trust**Notes to the financial statements for the year ended 31 March 2019****(All amounts are in Rupees, unless otherwise stated)**

The following tables set out the disclosures in respect of the gratuity plan as required under AS 15 (revised):

- i. The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Change in the defined benefit obligations		
Defined benefit obligation at the beginning of the year	19,14,46,392	130,158,111
Current service cost	2,00,06,281	18,851,133
Past service cost	--	15,935,104
Interest cost on defined benefit obligation	1,47,41,372	9,761,858
Actuarial (gain)/loss on obligation	(22,33,821)	23,501,280
Benefits paid	(32,09,039)	(6,761,094)
Defined benefit obligation at the end of the year	22,07,51,185	191,446,392

- ii. The amounts recognised in the Income and Expenditure account are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Expense recognised in the Income and Expenditure Account *		
Current Service cost	2,00,06,281	18,851,133
Past service cost	--	15,935,104
Interest cost	--	9,761,858
Actuarial (gain)/loss recognised in the year	(22,33,821)	23,501,280
Net Gratuity cost	3,25,13,832	68,049,375

- iii. Principal actuarial assumptions in respect of provision for gratuity and compensated absences at the balance sheet date are as follows:

Particulars	Year ended 31 March 2019	Year ended 31 March 2018
Assumptions		
Discount rate	7.65%	7.70%
Salary escalation rate	8.00%	8.00%
Employee turnover rate	5.00%	5.00%
Expected average remaining working lives of employees (years)	22.36	23.12
Retirement age (in years)	65 years	65 years



SSN Trust**Notes to the financial statements for the year ended 31 March 2019****(All amounts are in Rupees, unless otherwise stated)**

iv. Experience adjustments:

	As at 31 March 2019	As at 31 March 2018	As at 31 March 2017	As at 31 March 2016	As at 31 March 2015
Defined Benefit Obligation	22,07,51,185	191,446,392	130,158,111	108,968,522	85,549,776
Net liability	22,07,51,185	191,446,392	130,158,111	108,968,522	85,549,776
Experience Adjustments (gain)/loss on plan liabilities	33,38,107	8,688,956	(157,176)	(12,672,278)	(14,819,617)

Compensated absences

The Trust provides for the liability for the compensated absences on the basis of actuarial valuation at the year end. As per actuarial valuation carried out, defined benefit obligation, compensated absences in respect of the employees of the Trust as at 31 March 2019 is Rs 61,509,396 (previous year Rs 54,005,914). The Trust has accordingly charged off Rs 19,608,542 (previous year Rs 24,298,502) to the Income and Expenditure account of expense for compensated absences.

Faculty performance incentive plan

The Trust has a faculty performance plan ('the plan') wherein the plan spreads over 7 years with earning opportunities at the end of the 3rd year, 5th year and 7th year of service based on the past performance of the employee of the entity. As per actuarial valuation carried out, defined benefit obligation, faculty performance incentive in respect of the employees of the entity as at 31 March 2019 is Rs. 69,997,984 (previous year Rs. 40,882,120) and has accordingly charged Rs. 33,549,808 (previous year Rs. 2,400,017) to the salary wages and bonus schedule on account of amount paid and additional provision created during the year.

28. During the year, the Trust has given donations to the following bodies with the approval of the President of college:

Party Name	Year ended 31 March 2019	Year ended 31 March 2018
Sri Chinamman Temple Kalavakkam	10,000	10,000
Sri Gangai Amman Temple, Kalavakkam	10,000	10,000
Arulmigu Shri Dharmaraja Throwpathi Amman Temple, Thaiyur	-	10,000
Sri Arulmighu Nallaththoraman Chinnamman Sengeniamman, Sri Madhuraiveeran Temple	10,000	10,000
	30,000	40,000



SSN Trust

Notes to the financial statements for the year ended 31 March 2019

(All amounts are in Rupees, unless otherwise stated)

29. The trust has taken premises for college in Kanchipuram District Tamil Nadu from under non-cancellable lease of 12 months. Rent expense of Rs 22,331,520 (previous year Rs 23,168,952) has been recognized in the Income and Expenditure relating to such lease.

The Trust has also taken office under cancellable operating lease. Rent expense of Rs 3,476,426 (previous year Rs 1,350,301) has been recognized in the Income and Expenditure relating to such lease.

For B S R & Associates LLP

Firm Registration Number: 116231W/W-100024



Rakesh Dewan

Partner

Membership Number: 092212

Place: Gurugram

Date: 8 May 2019

For and on behalf of SSN Trust



Roshni Nadar Malhotra

Trustee

Place: Noida

Date: 8 May 2019