

A N N U A L R E P O R T

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G A R V & Associates

Chartered Accountants
19, R.N. Mukherjee Road
1st Floor, Eastern Building
Kolkata-700 001

HARI CHARAN GARG CHARITABLE TRUST

124, B. L. Saha Road , Kolkata – 700 053

Hari Charan Garg Charitable Trust

BALANCE SHEET as on 31.03.2020

Rs in Thousands

Schedule	As at 31st March, 2020		As at 31st March, 2019	
	Amount	Amount	Amount	Amount
<u>I. SOURCES OF FUNDS</u>				
(1) Fund				
(a) Corpus Fund		1751.00		1751.00
(b) General Fund		416937.97		366672.38
(c) Earmarked Fund	I	6613.50		5741.90
(2) Loans	II			
(a) Secured		791018.26		784103.28
(b) Unsecured		105887.56		89814.86
			896905.82	873918.14
(3) Gratuity Fund		14631.06		11131.06
TOTAL		1336839.36		1259214.48
<u>II. APPLICATION OF FUNDS</u>				
(1) Fixed Assets	III			
(a) Gross Block		666152.80		652176.01
(b) Less: Accumulated Depreciation		450434.06		425627.71
(c) Net Block			215718.73	226548.30
(2) Investments				
Investment in LIC Group Gratuity Fund			14631.06	11131.06
(3) Current Assets				
(a) Loans & Advances	IV	1209322.02		1057091.68
(b) Cash & Bank Balances	V	6986.82		12185.87
Total		1216308.84		1069277.55
Less: Current Liabilities	VI	133450.35		73953.40
Net Current Assets			1082858.48	995324.16
(4) Deferred Revenue Expenses				
(4A) Current Year Deferred Revenue Expenses			23631.07	26210.97
TOTAL		1336839.36		1259214.47

Notes on Accounts

N.B.: Notes on Accounts, Statement on Accounting Policies and Schedule I to XIV form an integral part of "Balance Sheet" & "Income & Expenditure Account"

Signed in Terms of our attached report of even date

For G A R V & ASSOCIATES

(Formerly Rustagi & Co.)

Chartered Accountants

Firm Reg. No.: 301094E

Ashish Rustagi

(ASHISH RUSTAGI)

Partner

Membership No. 062982



Place: Kolkata

Date: 11-04-2021

For and on Behalf of the Trust

HCG Charitable Trust

Dileep Singh Mehta

Trustee

Trustee

HCG Charitable Trust

Cecil Antony

Trustee

Trustee

Hari Charan Garg Charitable Trust

INCOME & EXPENDITURE for the period ended 31st March, 2020

Rs in Thousands

	Schedule	As at 31st March, 2020	As at 31st March, 2019
I. INCOME			
Collection from Students	VII	489884.75	437326.11
Other Income	VIII	2545.08	3908.75
TOTAL		492429.83	441234.87
II. EXPENDITURE			
Academic Expenses	IX	92417.46	86468.74
Manpower Expenses	X	134149.28	114986.13
Educational Counseling & Communication Expenses	XI	49800.24	41143.01
Administrative Expenses	XII	35769.62	33342.18
Interest & Bank Charges	XIII	105221.29	50052.88
TOTAL		417357.89	325992.94
Excess/(Deficit) of Income over Expenditure during the period before Depreciation		75071.93	115241.91
Less:- Depreciation		24806.34	25945.09
Excess/(Deficit) of Income over Expenditure during the period after Depreciation		50265.59	89296.82
Less: Earlier Tax Adjustment		0.00	0.00
Excess/(Deficit) of Income over Expenditure during the period after Earlier Tax Adjustment		50265.59	89296.82
Income over Expenditure brought forward from previous years		366672.38	277375.56
Balance carried forward to Balance Sheet		416937.97	366672.38

Notes on Accounts

N.B.: Notes on Accounts, Statement on Accounting Policies and Schedule I to XIV form an integral part of "Balance Sheet" & "Income & Expenditure Account"

Signed in Terms of our attached report of even date

For G A R V & ASSOCIATES

(Formerly Rustagi & Co.)

Chartered Accountants

Firm Reg. No.: 301094E

Ashish Rustagi
(ASHISH RUSTAGI)

Partner

Membership No. 062982



Place: Kolkata

Date: 11-01-2021

For and on Behalf of the Trust

HCG Charitable Trust

Dileep Singh Mehta Trustee
HCG Charitable Trust

Cecil Antony
Trustee

Trustee

Hari Charan Garg Charitable Trust

SCHEDULES forming part of the Balance Sheet as on 31st March. 2020

Rs in Thousands

	As at 31st March. 2020	As at 31st March. 2019
SCHEDULE : I		
EARMARKED FUND		
(A) NCPT Fund		
Balance as per last Account	401.13	487.86
Add: Interest Received	0.00	0.00
Add: Amount received for the purpose of fund	0.00	-
	401.13	487.86
Less: Expenditure Incurred	0.00	86.73
Balance carried forward	401.13	401.13
(B) R & D Project Fund		
Balance as per last Account	5340.77	4,185.30
Add : Grant Received.	940.00	1,718.39
	6280.77	5,903.69
Less: Expenditure Incurred	68.40	562.92
Balance carried forward	6212.37	5340.77
Total	6613.50	5741.90

SCHEDULE : II

Secured Loans

From Yes Bank (Over Draft A/c)	62366.74	58041.37
From Yes Bank Car Loan .	2386.79	473.41
From Yes Bank Ltd. As per Statement.	726264.73	725588.51

Unsecured Loans

791018.26	784103.28
105887.56	89814.86
896905.82	873918.14

SCHEDULE : IV

LOANS & ADVANCES

(Unsecured ; Considered Good)

Advances recoverable in cash or kind or value to be received

Advance for Project Capital Items	110073.92	59338.12
Staff Advances	3059.81	2165.39
Advance for Educational Project	292274.64	268133.68
Amount Recoverable	17500.00	17500.00
Security Deposit	1581.51	1119.01
Advance to Other	111537.86	47808.47
	536027.73	396064.67
Receivable against University Project	651150.00	651150.00
Student Fees Receivable	20884.43	2842.41
Income Tax deducted at Source	1259.86	7034.60
	1209322.02	1057091.68

SCHEDULE : V

CASH & BANK BALANCES

Cash-in-hand	221.85	2056.56
Balances with Scheduled Banks		
In Current Accounts	3424.29	6953.66
In Deposit Accounts	3340.68	3175.65
	6986.82	12185.87
	6986.82	12185.87



HCG Charitable Trust

Trustee

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Hari Charan Garg Charitable Trust

SCHEDULES forming part of the Balance Sheet as on 31st March 2020

Rs in Thousands

	As at 31st March, 2020	As at 31st March, 2019
<u>SCHEDULE : VI</u>		
CURRENT LIABILITIES & PROVISIONS		
SUNDRY CREDITORS:		
For Project Capital Expenses	954.68	1841.52
For Other Capital Expenses	609.46	0.00
For Operational Expenses	78108.88	37615.73
For Statutory Dues	14412.00	8072.01
	94085.03	47529.26
Interest on Secured Loan Accrued and Due.	13979.26	6719.55
Security Deposit Refundable to Project Creditors	0.00	0.00
Security Deposit Refundable to Students.	25337.39	19655.92
Other Liabilities.	48.67	48.67
	133450.35	73953.40



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SCHEDULES forming part of the Income & Expenditure for the period ended 31st March 2020

	As at 31st March. 2020	As at 31st March. 2019
<u>SCHEDULE VII</u>		
COLLECTION FROM STUDENTS		
Admission Fees	37712.73	44649.25
Tuition Fees	442520.19	381283.89
Hostel Fees	6028.50	7003.75
Other Fees.	<u>3623.33</u>	<u>4389.22</u>
	<u>489884.75</u>	<u>437326.11</u>

SCHEDULE VIII

OTHER INCOME

Accrued Interest on Fixed Deposit	887.56	2565.20
Miscellaneous Income	<u>1657.53</u>	<u>1343.55</u>
	<u>2545.08</u>	<u>3908.75</u>



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SCHEDULES forming part of the Income & Expenditure for the period ended 31st March 2020

	As at 31st March, 2020	As at 31st March, 2019
<u>SCHEDULE IX</u>		
ACADEMIC EXPENSES		
Affiliation, Inspection & Processing Fees	1135.21	3321.27
Student Fees Refund	136.00	333.00
Examination Cell Expenses	459.99	291.65
Donation paid for Educational Activities	76700.00	65000.00
Registration & Examination Fees	0.00	2413.15
Expenses on Seminar & Conferences	3103.16	3902.49
Visiting Faculty Charges	6865.40	2585.42
Student Welfare	437.40	4165.05
Laboratory Consumables	1490.81	641.26
Library Expenses	260.79	594.35
Training & Placement Charges	200.75	82.27
Faculty Travelling & Conveyance Charges	1240.18	2178.97
Printing & Stationery	225.64	414.33
Value Added services	162.12	545.54
	92417.46	86468.74
<u>SCHEDULE X</u>		
MANPOWER EXPENSES		
Salaries, Wages & Gratuity	129813.86	108343.65
Contributions to Provident & Other Funds	3574.08	3626.04
Staff Welfare & Other Expenses	761.34	3016.44
	134149.28	114986.13
<u>SCHEDULE XI</u>		
EDUCATIONAL COUNSELLING & COMMUNICATION EXPENSES		
COMMUNICATION EXPENSES-ELECTRONIC MEDIA	5818.74	7544.78
COMMUNICATION EXPENSES-PRINT MEDIA	22872.63	15811.79
EC & C - Other Charges	2858.13	4990.72
OUTDOOR BRANDING	2801.87	2586.46
Out Sourcing of Counseling	4651.74	4012.75
PRINT PRODUCTION	745.54	340.23
Seminar, Conference & Career Fare	6618.21	5486.37
TRAVELLING & CONVEYANCE EXPENSES (EC&C)	1181.41	369.92
WEBSITE BRANDING	2251.98	0.00
	49800.24	41143.01
<u>SCHEDULE XII</u>		
ADMINISTRATIVE EXPENSES		
College Campus Expenses	16,944.46	14,739.91
General Maintenance & Upkeep	216.63	65.01
College Guest House Expenses	670.34	346.60
Hostel Expenses	893.73	2,407.72
Auditors Remuneration	236.00	236.00
ITES Expenses	6,937.52	5,012.51
Printing & Stationery Expenses	325.63	168.78
Professional Charges	8,015.75	8,531.57
Social Welfare & Subscriptions	20.90	9.00
Other Administrative Expenses	563.46	14.30
Travelling Expenses of Non Academic Staff	614.28	1,477.95
Telephone & Communication Charges	330.92	332.83
	35769.62	33342.18



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SCHEDULES forming part of the Income & Expenditure for the period ended 31st March 2020

	As at 31st March, 2020	As at 31st March, 2019
SCHEDULE XIII		
INTEREST & BANK CHARGES		
Interest to YES Bank	96166.98	19148.26
Interest on Car Loan	94.17	55.06
Other Interest	8777.04	13022.42
Bank Charges	65.72	127.14
Bank Charges- Loan Processing	117.88	17700.00
	105221.29	50052.88



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SCHEDULE : III

FIXED ASSETS

Rs in Thousands

Description of Assets	Cost/Block Value as on 31st March 2019	Net of Additions/Deletions during the Year			Total Apr 2019 to March 2020	Cost/Block Value as on 31st March 2020	Depreciation		Closing WDV
		April 2019 to Sept 2019	Oct 2019 to March 2020	Sale during the year			Charged During the Period	Sale During the Period	
Land	6,288.08	-	-	-	-	6,288.08	-	-	6,288.08
Building	4,26,128.82	419.92	265.94	-	685.86	4,26,814.67	15,762.47	-	2,84,818.64
Electrical Installations	49,663.72	0.13	978.23	-	978.36	50,642.07	1,950.23	-	32,600.93
Furniture & Fixtures	77,062.12	834.09	643.83	-	1,477.93	78,540.05	2,771.72	-	53,272.66
Equipments	30,940.47	682.53	6,358.37	-	7,040.90	37,981.37	2,082.71	-	22,958.07
Computer Hardware & Software	44,791.71	7.50	914.06	-	921.56	45,713.27	1,123.82	-	43,570.50
Vehicles	5,481.62	1,147.56	1,279.00	-	2,426.56	7,908.18	535.64	-	4,233.38
Books	11,819.48	445.63	-	-	445.63	12,265.11	579.75	-	8,979.87
Grand Total	6,52,176.01	3,537.35	10,439.43	-	13,976.79	6,66,152.80	24,806.35	-	4,50,434.06
									2,15,718.73



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HARI CHARAN GARG CHARITABLE TRUST

SCHEDULE: XV

Significant Accounting Policies & Notes on Accounts:

1. Accounting Concept:

The financial statements are prepared under the historical cost convention in accordance with the generally accepted accounting principles and the rationales laid down by Accounting Standards issued by the Institute of Chartered Accountants of India, as applicable.

The Trust is not engaged in commercial, industrial or business activities and is not established for any profit motive and is established purely for charitable purposes.

2. The previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

3. Recognition of Income and Expenditure:

Fees received from the student are accounted for in the year of receipt and expenses are accounted on accrual basis.

4. Fixed Assets and Depreciation:

Fixed Assets are stated at their original cost of acquisition and/or construction and cost of improvements thereon inclusive of inward freight, duties and taxes, cost of installation, preoperational expenses including finance charges and other incidental expenses in relation such acquisition/ construction/improvements.

Depreciation on fixed assets is charged on written down value method at the rates prescribed in Income Tax Act, 1961 except on Library Books where it is charged at the rate of 15%.

5. Retirement Benefits:

The liability towards gratuity is covered by Group Gratuity Policy with Life Insurance Corporation of India. Contribution to the fund is based on actuarial valuation carried at the end of the year. Leave encashment is accounted for as per rules of the Trust. Leave encashment has been provided during this year.



6. Secured & Unsecured Loans:

Secured Loans

Loans from Yes Bank Ltd. :

Address: Stephen House, 56A Hemanta Basu Sarani,
Ground Floor, Kolkata-700001

Term Loan Limit :

- A) Number 1 : Rs. 45 Crore
- B) Number 2 : Rs. 25 Crore
- C) Number 3 : Rs. 18 Crore
- D) Number 4 : Rs. 10 Crore

Overdraft Limit

: Rs. 5 Crore

a) Term Loan and Overdraft from Yes Bank is secured against –

- (i) Exclusive charge on all current assets and movable fixed assets (both present & future) of the borrower;
- (ii) Exclusive charge on the following immovable properties-
 - a. 16.5 acre land (including built-up area of 4 lac sq.ft.) and structures (present & future) located at Durgapur and owned by NSHM Academy;
 - b. 2.4 acre land (including built-up area of 2 lacs sq. ft) and structures (present & future) located at Kolkata owned by the borrower;
 - c. Hostel Building located at Kolkata.
- (iii) 7.5 acres land and structure located at Durgapur, owned by NSHM Academy.
- (iv) Personal guarantees of present Trustees as per Loan Sanctioned Letters.
- (v) Other conditions as per Loan Sanctioned Letters.

b) Year ended balance on Unsecured Loan is inclusive of Interest Accrued and due.

7) The Trust has taken initiative to enter into a Joint Venture to construct a University at Rajarhat with another Trust vide Agreement. The amount paid by the Trust towards the same has been shown under the head advances as Joint Venture Advance.

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8. Current Assets, Current Liabilities

Balances shown under Receivables, Advances, some of the Sundry Creditors are subject to confirmation / reconciliation and consequential adjustment, if any. However the Trust has been sending letters for confirmation to these parties. In the opinion of trustees, the value of receivables, Advances, and Sundry Creditors on realization/payment in the ordinary course of operations will not be less/ more than the value at which these balances are stated in the Balance Sheet.

The Trust has filed insolvency proceedings in NCLT against SPS Ispat & Power Limited for recovery of advances given in respect of allotment of land for the educational projects in view of the fact that SPS Ispat & Power Limited failed in its obligation to deliver the commitments. The Trust had filed application to initiate corporate insolvency proceedings on 18.01.2019. During the year under review the case was admitted for hearing vide Order No. C.P.(IB) No. 265/KB/2019 dated 08.07.2019. The adjustment if any will be done at the time of final settlement.

Advances paid towards the acquisition of fixed assets outstanding at each Balance Sheet date and the cost of fixed assets not ready to use before such date are disclosed under capital work in progress or advances as applicable.

11. Income Tax

The Trust is registered U/s. 12A of the Income-tax Act, 1961 and is entitled to exemption U/s. 11 of the Income-tax Act, 1961. The trust is also registered u/s 10(23C)(vi) of Income Tax Act, 1961. Hence no provision for Income-tax is required to be made.

12. Borrowing Cost

Interest Expenses incurred on acquisition of qualifying assets has been capitalized till the date the asset has been put to use.

13. Deferred Expenditures

Educational Counseling and Communication Expenses is being amortized over a period two years as in the opinion of management the benefit for the same will be accruing over a period of two years.



14. Contingent Liabilities:

As reported by trustees there are no contingent liability except in respect of an income tax demand against which Trust has filed an appeal before the Authorities.

19. R.N.Mukherjee Road
Kolkata-700 001
Chartered Accountants

For G A R V & Associates
(Formerly Rustagi & Co.)
Firm Registration No.301094E

For HARI CHARAN
GARG CHARITABLE
TRUST

Dated : 11-04-2021

Ashish Rustagi
(ASHISH RUSTAGI)
PARTNER
Membership No. 062982



HCG Charitable Trust

Trustee

(1) Dileep Singh Mehta
HCG Charitable Trust

(2) Cecil Antony *Trustee*
TRUSTEES