

Schedules forming part of financial statements for the year ended 31st March, 2021

SCHEDULE A: SIGNIFICANT ACCOUNTING POLICIES

A.01 Background

Shreemati Nathibai Damodar Thackersey Women's University and its Departments/Institutions (collectively referred to as "SNDTWU" or "the University"), was established in the year 1916 and accorded statutory recognition by the Government in the year 1951. SNDTWU is currently governed by the Maharashtra Public Universities Act, 2016 (subsequent to repeal of The Maharashtra University Act, 1994).

The central office of the University is located at 1, Nathibai Thackersey Road, Churchgate, Mumbai and its activities are concentrated at three campus located in Churchgate, Juhu and Pune in addition to distance learning activities.

The University is a public benefit entity under Maharashtra Universities Act, 2014 and does not carry out the activities of commercial, industrial or business nature.

The principal activities of the University are teaching and research. The activities of the University are substantially dependent on financial support and resources by way of grants from State and Central Governments.

The Financial Statements are presented in Indian Rupees (INR) which is the University's functional and presentation currency.

The Financial Statements of the University for the year ended 31st March, 2020 were approved in accordance with the resolution of the Management Council on 20.07.2023

The financial statements are prepared with the objective of presenting a true and fair view of the financial position and transactions of University and have therefore been Prepared in accordance with the requirements of the accounting standards applied on voluntary basis to the extent that they are meaningful and appropriate to the University.

A.02 Tax-exempt status

The University is an exempted assessee under section 10(23C)(iiiab) of the Income Tax Act, 1961.

A.03 Basis of Accounting and compliance with Accounting Standards

The University maintains its accounts on accrual basis (except in the case of Interest income on Bank Fixed Deposits and Central Grant UGC/Salary grant per the decision of the Management Council of the University at its meeting held on 21st February 2014) in accordance with Generally Accepted Accounting Principles (GAAP) in compliance with the Rules and Procedures laid down in "The Maharashtra Universities Account Code 2014" (the 'Code').

The accounting standards issued by the Institute of Chartered Accountants of India are not strictly applicable to University. Wherever possible and practical University has complied with Accounting Standards on voluntary basis.

Accounting Judgements and Estimates

The preparation of the University financials statement requires management to make judgements, estimates and assumptions that affect the reported amount of revenue, expenses, assets, liabilities and accompanying disclosures that are not readily apparent from other sources or those involving uncertainty about future events or those involving subjective decisions or assessments. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. The management continually

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evaluates these estimates and assumptions based on the most recently available information. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

A.04 Basis of Presentation

The University presents its financial statements applying the Rules and Financial Procedures laid down in the Code with effect from 1st April, 2013.

Changes in Accounting Policies and Prior Period Adjustments

Changes in accounting policies are made since the Code has been followed which is on cash basis (except in respect of certain policy decisions taken by the Management Council of the University) as per the decision of the Management Council of the University at its meeting held on 21st February 2014.

During the financial year 2020-21, prior period adjustments, where material, have been effected through Accumulated Surplus, which is not conformity with the accounting policy.

A.05 Basis of consolidation

The consolidated financial statements (CFS) of university includes the University (Standalone) and its Departments/Institutions in which the University has financial interest and can influence and control their decision-making policy. As a matter of fact, the department/institutions have to operate as per Guidelines, Rules & Regulations formulated by the university.

The list of departments/institutions excluded in CFS, if any, are disclosed in Notes to Accounts.

The Financial Statement of the institutions / departments have been prepared in compliance with the Code and is audited by the Statutory Auditors and Internal Auditors of the University respectively except the departments which are not unaudited. Consistent accounting policies are employed in the preparation and presentation of the consolidated financial statements. Keeping with the past practice, balances outstanding between University and its Departments/Institutions and those between inter-departments/institutions are not eliminated on consolidation which is not in adherence with the general principle of consolidation.

A.06 Revenue (other than grants) and expenditure recognition

Account head	Recognition principle
Academic and examination fees income	Accrual Basis
Other fees income from students	Accrual Basis
Other fees income from government freeships	Accrual Basis
Publishing and printing income	Accrual Basis
Grant Income	Accrual basis
Interest income on fixed deposits	Accrual Basis as per the decision of the Management Council of University at its meeting held on 21 st February 2014
Interest on Savings Banks	Cash Basis
Miscellaneous Income	Cash Basis

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Salaries and Employment-related payments	Accrual Basis(Salary Structure is Followed from March to February)
Other expenses	Accrual basis

A.07 Government grants, Endowments/Earmarked Funds and Charitable donations

Generally, grants are accounted on receipt basis on fulfilment of terms and conditions specified by the respective Granting Authorities. The accounting treatment is as follows:

Revenue (recurring) grants

Recurring grant is received from the State Government and Central Government. Recurring grant is recognised as income in the period to which it relates.

Salary grants receivable from the Government for payment of salaries of approved personnel are accounted on accrual basis, but the salary structure is followed from March to February.. Unreimbursed portion of salary expenses (difference between salary paid to approved personnel and salary grant received) is carried forward as "Salary Grant Receivable" in the Balance Sheet, till the completion of the assessment as per the directive of the Management Council of the University issued in its meeting held on 21st February 2014.

Capital (non-recurring) grants and donations

Grants and donations are received for the purposes of funding the acquisition and construction of tangible fixed assets. In the case of depreciable assets these are credited to capital grants and carried under "Reserves and Surplus". The depreciation pertaining to the said asset is recouped out of the grant except Leelabai Thackersey College of Nursing, UG Churchgate, Mumbai where the depreciation is not recouped with grant as grant is not seen in the trial balance. Depreciation has been debited to assets account till FY 2017-18 which effectively increase the value of fixed assets.

In respect of Grants and donations received for purposes other than above, Fund is created for the same and the expenses incurred relating to the said grant are recovering from the respective fund.

A.08 Fixed Assets and depreciation accounting

Fixed assets are capitalized at acquisition cost, including directly attributable costs such as freight, insurance and specific installation charges for bringing the assets to working condition for use. Expenditure relating to existing fixed assets is added to the cost of the assets, where it increases the performance / life of the asset as assessed earlier.

Fixed assets are eliminated from financial statements only on disposal. Profit / Loss on sale of Fixed Assets is calculated without charging depreciation in the year of sale. Gains/loss are credited/charged to Income & Expenditure account.

Fixed Assets acquired out of grants recognised in the accounts have restrictions as to their disposal. Fixed assets (other than vehicles) are disclosed at gross value in the balance sheet. The accumulated depreciation is shown on the liabilities side of the Balance Sheet. Fixed Assets under Work in progress are capitalised on completion of construction.

Depreciation & Amortisation:

Depreciation/Amortisation on fixed assets are provided on the written down value method at the rates and in the manner specified under the Income Tax Act, 1961.

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Depreciation/Amortisation for the year (other than depreciation on vehicles) is credited to Depreciation Reserve and disclosed on the Liabilities side of the Balance Sheet.

No depreciation is provided on freehold land or on assets under construction/capital work in progress. Depreciation on fixed assets has not been provided in Department of Grants.

A.09 *Investments*

Investments are carried at cost. In accordance with the consistently followed practice University discloses balance in Fixed Deposits with Banks as Investments. In certain cases, accrued interest on these deposits re-invested as fixed deposits on the date of renewal.

A.10 *Memorandum Inventory Record*

Publications, journals, prospectus, tutorial / syllabus materials, chemicals and medicines are treated as consumed in the year of purchase. The University however maintains memorandum record for its consumption and usage.

A.11 *Leases*

Leases are classified as finance leases when substantially all the risks and rewards of ownership are transferred to the lessee.

All other leases are classified as operating leases.

Leases are generally renewable by mutual consent and on mutually agreeable terms.

A.12 *Foreign currency transactions*

Foreign Currency transactions are translated into the functional currency using the exchange rate prevailing at the dates of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at exchange rates prevailing on reporting date and the translation differences are charged/credited to the Income and Expenditure account.

A.13 *Exceptional Items*

When items of income and expense are material, their nature and amount are disclosed separately, either on the face of the Income and Expenditure Statement or in the notes to the accounts, depending on how significant the items are to an understanding of University's financial performance.

A.14 *Provisions, Contingent Liabilities and Contingent Assets*

A Provision is recognised, if as a result of a past event, the University has a present obligation (legal or constructive) that can be estimated reliably and its probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the expenditure required to settle the present obligation at the balance sheet date.

A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of University, or a present obligation that is not recognised because it is not probable that a payment will be required to settle the obligation or the amount of the obligation cannot be measured sufficiently reliably. A contingent liability is disclosed unless the possibility of a payment is remote.

Contingent assets are disclosed in the financial statements when an inflow of economic benefit is probable. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

A.15 *Absorption of common overheads and support services*

All costs of overheads and support services are usually not charged to services to Departments/institutions but absorbed by the University (Standalone). Where overhead costs are allocated, the basis of the charge varies according to the nature of the support service provided.

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A.16 *Events occurring after the Balance Sheet date*

Where material events occurring after the date of the Balance Sheet, are considered up to the date of approval of accounts by the Management Council.