

SARVAJANIK COLLEGE OF ENGINEERING & TECHNOLOGY

AUDIT REPORT FOR THE

F.Y.: 2025 - 26

:AUDITORS:

SURESH A. GANDHI & Co.

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

To,
The Management of
Sarvajanik College of Engineering & Technology
(an educational institute of Sarvajanik Education Society)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of Sarvajanik College of Engineering & Technology ("the Institute"), an educational institute of Sarvajanik Education Society, which comprise the Balance Sheet as at 31st March, 2026 and the Income and Expenditure Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, except for the effects of the matters described in the *Basis for Qualified Opinion* section of our report the aforesaid financial statements give a true and fair view of the financial position of the Institute as at 31st March, 2026 and of the excess of expenditure over income for the year ended on that date, in accordance with the applicable accounting principles and Accounting Standards applicable to the Institute.

Basis for Qualified Opinion

- (1) As disclosed in Note 3 to the financial statements, the Institute has a funded defined benefit gratuity plan administered through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC).

Based on the actuarial valuation as at 31st March, 2026, the present value of the defined benefit obligation is Rs.16,14,52,763/-, whereas the fair value of plan assets is Rs.18,25,31,217/-, resulting in a surplus of Rs.2,10,78,454/-.

The said Note further states that the surplus is available for adjustment against future contributions/premiums payable under the scheme. However, the Institute has not recognised the resulting economic benefit as an asset in the Balance Sheet and has continued to account for gratuity on the basis of contributions/premiums paid.



In our opinion, where the economic benefit is available to the Institute in the form of reduction in future contributions or other permissible economic benefits, the resulting asset is required to be recognised in accordance with the applicable requirements of AS 15 – Employee Benefits, subject to the limitation prescribed therein.

Consequently, the assets are understated and the excess of expenditure over income of the Institute are overstated by Rs.2,10,78,454/-.

- (2) As disclosed in Note 2(b), depreciation has been provided for the full year on additions to Building, Furniture and Equipment relating to the new building, although the completion certificate was received only on 30th March, 2026.

Depreciation on property, plant and equipment is required to be recognised with reference to the period from which the relevant asset is available for use. Based on the information and records made available to us, depreciation has been charged for the full year on the aforesaid additions although the relevant assets were not available for use for the full financial year.

Accordingly, depreciation expense for the year is overstated and the carrying amount of the related tangible assets and the excess of income over expenditure are correspondingly understated.

The excess depreciation arising from this treatment is Rs.45,97,514/-.

Consequently, the assets are understated and the excess of expenditure over income of the Institute are overstated by Rs.45,97,514/-

We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India (ICAI). 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 Institute in accordance with the ethical requirements applicable to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.



We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Management's Responsibility for the Financial Statements

The Management of the Institute is responsible for the preparation of these financial statements that give a true and fair view of the financial position and the excess of income over expenditure of the Institute in accordance with the applicable accounting principles and Accounting Standards applicable to the Institute.

This responsibility includes the maintenance of adequate accounting records in accordance with applicable requirements; safeguarding of the assets of the Institute; preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of internal financial controls relevant to the preparation and presentation of 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, Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting unless Management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibility

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 Standards on Auditing will always detect a material misstatement when it exists.



As part of an audit in accordance with Standards on Auditing issued by ICAI, 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.
- 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.
- 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.

Other Matter – Purpose of the Financial Statements

The financial statements of the Institute have been prepared for the purpose of reporting the financial information of the Institute to the statutory auditor of Sarvajanik Education Society for the purpose of preparation and consolidation of the financial statements of the Society.

Our audit opinion above relates solely to the financial statements of the Institute and should not be construed as an opinion on the consolidated financial statements of Sarvajanik Education Society.



Report on Other Legal and Regulatory Requirements

Based on the information and explanations given to us and based on our examination of the books and records of the Institute, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.
- b) In our opinion, proper books of account have been maintained by the Institute so far as appears from our examination of those books.
- c) The Balance Sheet and Income and Expenditure Account dealt with by this Report are in agreement with the books of account.
- d) The accounting policies adopted by the Institute and the disclosures made in the financial statements are, subject to the matters described in the Basis for Qualified Opinion section of our report, in accordance with the applicable accounting principles and Accounting Standards applicable to the Institute.
- e) The matters described in the Basis for Qualified Opinion section of our report are material to the financial statements and have been appropriately considered in arriving at our qualified opinion.

For Suresh A. Gandhi & Co.

Chartered Accountants

Firm Registration Number: 114917W

T. S. Gandhi

Tejas S Gandhi

Partner

Membership No. 108949

Place: Surat

Date: 31st August 2026

UDIN: 26108949 RLL00A2053



BALANCE SHEET AS AT 31ST MARCH, 2026

FUNDS & LIABILITIES	SCH.	As at 31.03.2026		As at 31.03.2025	
		Rs.	Rs.	Rs.	Rs.
RESERVES AND SURPLUS					
1 Institutions Fund	1		7,23,10,988		7,26,08,733
DEPRECIATION FUNDS	2		28,46,32,162		25,47,61,548
OTHER CURRENT LIABILITIES	3		9,09,69,888		7,79,57,588
PROVISIONS	3A		8,37,94,283		8,06,75,387
LOAN A/C - Sarvajanik Education Society			31,12,44,319		15,22,06,633
GRANT TOTAL Rs...			84,29,51,640		63,82,09,889

PROPERTIES & ASSETS	SCH.	As at 31.03.2026		As at 31.03.2025	
		Rs.	Rs.	Rs.	Rs.
NON-CURRENT ASSETS					
A PROPERTY, PLANT & EQUIPMENT (i) Tangible Assets	4		52,26,76,311		33,12,68,324
B NON-CURRENT INVESTMENT	5		58,759		58,759
CURRENT ASSETS					
A CASH AND CASH EQUIVALENTS	6		15,95,056		14,02,177
B OTHER CURRENT ASSETS	7		3,71,43,712		3,68,93,879
INCOME & EXPENDITURE A/C					
Opening Balance		26,85,86,750		25,03,12,218	
Surplus / (Deficit) during the year		(1,28,91,052)	28,14,77,802	(1,82,74,532)	26,85,86,750
GRANT TOTAL Rs...			84,29,51,640		63,82,09,889

As per our Report of even date

For SURESH A. GANDHI & Co.
Chartered Accountants
Firm Regn. No. 114917W

T. S. Gandhi
TEJAS S. GANDHI
PARTNER
M. No.: 108949



31 AUG 2026

UDIN: 26108949 RLLD00A2053

INCOME & EXPENDITURE A/C FOR THE YEAR ENDED 31ST MARCH, 2026

[A] INCOME	SCH.	F.Y. 2025-26		F.Y. 2024-25	
		Rs.	Rs.	Rs.	Rs.
TUITION FEES & OTHER FEES [NON-GST]					
1 Tuition / Semester Fees	8	35,82,58,596		32,00,86,742	
2 Other Fees	9	6,22,240	35,88,80,836	6,30,578	32,07,17,320
OTHERS					
A OTHERS [NON GST]					
1 Interest & Dividend	10	11,36,424		2,70,484	
2 Other Income		5,08,174		2,31,472	
3 Profit on sale of fixed asset		-	16,44,598	-	5,01,956
B OTHERS [GST]	11				
1 Sponsorship		2,44,997		2,58,962	
2 Charges for use of Premises		1,11,886	3,56,883	1,07,844	3,66,806
Total Income Rs...		[A]	36,08,82,317	[A]	32,15,86,082
[B] EXPENDITURE					
EMPLOYEES BENEFITS & EXPENSES					
1 Salary & Allowance	12	30,96,51,717		29,06,78,909	
2 Fixed Salary		1,40,72,678		1,30,78,368	
3 Leave Encashment - Provision		64,97,432		59,33,323	
4 Leave travel concession		2,35,127	33,04,56,954	6,66,226	31,03,56,826
SCHOLARSHIP & PRIZES	13				
1 Scholarship & Prizes			7,90,370		20,09,600
AFFILIATION AND ACCREDITION FEES	14				
1 Affiliation and accreditation Fees			7,77,000		4,21,000
ADMINISTRATIVE AND OTHER EXPENSES	15				
1 Administrative & Other Expenses			1,21,13,910		89,78,256
EXPENSES RELATED TO PROPERTIES	16				
1 Loss on sale of fixed asset		80,001		13,744	
2 Repairs & Maintenance		42,89,720	43,69,721	16,99,351	17,13,095
Total Expenses Rs...		[B]	34,85,07,955	[B]	32,34,78,777
Surplus / (Deficit) before Depreciation Rs...		[A - B]	1,23,74,362	[A - B]	(18,92,695)
[C] DEPRECIATION	17		2,52,65,414		1,63,81,837
Surplus / (Deficit) Rs...			(1,28,91,052)		(1,82,74,532)
[D] BUILDING RENT					
Surplus / (Deficit) Rs...			(1,28,91,052)		(1,82,74,532)

As per our Report of even date

For **SURESH A. GANDHI & Co.**
Chartered Accountants
Firm Regn. No. 114917W

T. S. Gandhi
TEJAS S. GANDHI
PARTNER
M. No.: 108949

31 AUG 2026



SCHEDULE FORMING PART OF BALANCE SHEET

(Amount in Rs.)

Schedule - 1:

Reserves and Surplus:

INSTITUTIONS FUND

Development Fund		
Particulars	31.03.2026	31.03.2025
Opening balance b/f	72,243,463	72,243,463
Add: Addition during the year		
	72,243,463	72,243,463
Less: Utilisation during the year:		
Balance c/f to next year	Sub-total (1)	
	72,243,463	72,243,463

Grant Amount		
Particulars	31.03.2026	31.03.2025
Opening balance b/f	365,270	362,065
Add: addition during the year	3,205	3,205
	368,475	365,270
Less: Utilisation during the year:	300,950	
Balance c/f to next year	Sub-total (2)	
	67,525	365,270
	Grand Total (1)+(2)	
	72,310,988	72,608,733

Schedule - 2:

Depreciation Fund

Particulars	31.03.2026	31.03.2025
Opening balance b/f	254,761,548	239,502,279
Add: Addition during the year	25,265,414	16,381,837
	280,026,962	255,884,116
Less: Deduction during the year:	1,830,911	1,122,568
add: Transfer from Arch	6,436,111	-
Balance c/f to next year	Sub-total	
	284,632,162	254,761,548

Schedule - 3:

Other Current Liabilities:

Sr	Particulars	31.03.2026	31.03.2025
1	Sundry Creditors	5,640,041	1,078,656
2	Sarvajanik University	64,804	-
3	College Deposit with SES	10,671,800	9,689,400
4	Library Deposit with SES	11,158,200	10,186,700
5	Advance tuition fee	59,138,682	51,682,441
6	Security & Tender Deposit	40,000	45,500
7	SES share & care and Jaybala Scholarship	3,465,991	3,265,291
8	Scholarship payable	790,370	2,009,600
	Total Rs.	90,969,888	77,957,588



SCHEDULE FORMING PART OF BALANCE SHEET

(Amount in Rs.)

Schedule – 3A

Provisions:

Sr	Particulars	31.03.2026	31.03.2025
1	Leave encashment payable	81,973,962	79,870,749
2	Salary payable	1,793,861	778,178
3	Audit fee payable	26,460	26,460
	Total Rs.	83,794,283	80,675,387

Schedule – 4:

Property, Plant and Equipment

Sr	Particulars	As on 01.04.2025	Addition	Deduction	Trans FROM ARCH	As on 31.03.2026
1	Furniture and fixture	23,650,243	5,355,457	37,730	-	28,967,970
2	Building	82,729,854	155,502,943		11,186,971	249,419,768
3	Computers	53,835,377	9,595,105	740,249	-	62,690,233
4	Library books	71,739,329	2,777,053	50,996	-	74,465,386
5	Equipment	93,138,013	8,932,595	1,113,162	-	100,957,446
6	Canteen Building	1,203,286			-	1,203,286
7	Vehicle	4,850			-	4,850
8	Gas connection	247,003			-	247,003
9	Electric fitting	4,720,369			-	4,720,369
	Total Rs.	331,268,324	182,163,153	1,942,137	11,186,971	522,676,311

Schedule – 5:

Non Current Investment:

Sr	Particulars	31.03.2026	31.03.2025
1	Fix Deposit with Axis	58,759	58,759
	Total Rs.	58,759	58,759

Schedule – 6:

Cash and Cash Equivalents:

Sr	Particulars	31.03.2026	31.03.2025
1	In Saving Account with Axis Bank- Collection	432,303	146,411
2	In Saving Account with Axis Bank- Expense	1,057,852	1,193,706
3	In Saving Account with Kotak Mahindra Bank	34,256	49,408
4	In Saving Account with Yes Bank	8,555	-
5	Cash in hand	62,090	12,652
	Total Rs.	1,595,056	1,402,177

Schedule – 7:

Other Current Assets:

Sr	Particulars	31.03.2026	31.03.2025
1	Prepaid expenses	858,347	2,019,874
2	College deposit with SES	10,671,800	9,689,400
3	Library deposit with SES	11,158,200	10,186,700
4	Other deposit	143,574	143,574
5	Share & Care Loan scholarship with SES	3,465,991	3,265,291
6	Sundry Debtors		85,000
7	Tuition fees receivable	10,845,800	11,504,040
	Total Rs.	37,143,712	36,893,879



SCHEDULE FORMING PART OF INCOME & EXPENDITURE

Schedule – 8:

Tuition Fees [Non-GST]

Sr	Particulars	F.Y. 2025-26	F.Y. 2024-25
1	Tuition Fee		
	First Year	115,565,027	107,179,857
	Second Year	109,373,578	86,349,705
	Third Year	68,390,695	64,718,440
	Fourth Year	64,929,296	61,838,740
	Total Rs.	358,258,596	320,086,742

Schedule – 9:

Other Fees [Non-GST]

Sr	Particulars	F.Y. 2025-26	F.Y. 2024-25
1	FORM FEE	520,550	529,800
2	Transcript fee	2,450	5,000
3	Transfer fee	1,800	4,000
4	Library fine	35,720	38,230
5	Marksheet fine	13,800	19,200
6	I CARD fine	29,600	30,000
7	Other fine /bank charges	18,320	4,348
	Total Rs.	622,240	630,578



SCHEDULE FORMING PART OF INCOME & EXPENDITURE

Schedule – 10:

Others [Non-GST]

Sr	Particulars	F.Y. 2025-26	F.Y. 2024-25
1	Interest and Dividend:		
	Interest -Saving Bank	220,683	267,136
	Interest -fixed deposit	3,579	3,348
	Interest -Saving Bank sac	406,355	-
	Interest -Saving Bank- alumni	505,807	-
	A	1,136,424	270,484
2	Profit on sale of Fixed asset	-	-
	B	-	-
3	Other Income		
	Amt. written back	300,950	-
	Excess Gratuity	-	117,213
	Journal printing	34,112	55,120
	Scrape Income	14,336	1,516
	Other Income	158,776	57,623
	C	508,174	231,472
	Total Rs. (A+B+C)	1,644,598	501,956

Schedule – 11:

Others [GST]

Sr	Particulars	F.Y. 2025-26	F.Y. 2024-25
1	Sponsorship Income	244,997	258,962
2	Photocopy Rent Income	111,886	107,844
	Total Rs.	356,883	366,806



SCHEDULE FORMING PART OF INCOME & EXPENDITURE

DETAILS OF ACCOUNTING EXPENSES HEAD		F.Y. 2025-26	F.Y. 2024-25
Schedule-12			
EMPLOYEES BENEFITS & EXPENSES			
1 SALARY AND ALLOWANCES			
1	Basic Salary	65,015,153	58,148,452
2	Grade Pay	13,347,916	12,888,534
3	Dearness Allowance	190,611,535	181,797,101
4	House Rent Allowance	15,257,992	14,815,630
5	Compensatory Local Allowance	479,467	463,993
6	Medical Allowance	213,301	212,935
7	Traveling Allowance	1,500,269	1,501,562
8	Other Allowance	19,048,657	16,664,863
9	Provident Fund Contribution	4,177,427	4,185,839
SUB TOTAL		309,651,717	290,678,909
2	FIXED SALARY	14,072,678	13,078,368
3	Leave Encashment	6,497,432	5,933,323
4	Leave travel concession	235,127	666,226
TOTAL		330,456,954	310,356,826

Schedule-13

SCHOLARSHIP & PRIZES

1	SCHOLARSHIP & PRIZES	790,370	2,009,600
TOTAL		790,370	2,009,600

Schedule-14

AFFILIATION AND ACCREDITATION FEES

1	Accreditation Fees	777,000	421,000
2	Affiliation Fees		
TOTAL		777,000	421,000



SCHEDULE FORMING PART OF INCOME & EXPENDITURE

(Amount in Rs.)

DETAILS OF ACCOUNTING EXPENSES HEAD

Schedule 15

F.Y. 2025-26

F.Y. 2024-25

ADMINISTRATIVE AND OTHER EXPENSES

1 ADMINISTRATIVE & OTHER EXPENSES [CONTINGENCIES]

Administrative Expenses

Advertisement Expenses	63,642	148,472
Audit Fees	28,910	28,910
Bank Commission	6,521	-
Photocopy Expenses	313,009	236,537
Membership Fees		45,725
Other Contingencies	509,763	176,846
Postage Expenses	67,361	32,542
Printing Expenses	344,427	483,549
Technical Event Expenses	152,352	186,210
TDS filing charges	2,646	3,150
Security Expenses	1,015,994	856,340
Travelling & Conveyance Expenses	38,314	50,073
Training & placement expenses	116,372	113,559
Sports - expenses	262,339	63,089
Visiting faculty Salary	370,750	276,250
interest - sac reimbursement	406,355	-
interest - alumni reimbursement	505,807	-

TOTAL

4,204,562

2,701,252

Annual Maintenance Charges

Watercooler air-conditioner	174,093	206,902
CCTV Camera	37,723	33,945
Computer Expenses	506,117	569,595
House keeping expenses	1,310,654	1,240,083
Internet Charges	217,058	215,932
Cricket Ground Maintenance expenses	1,877,064	331,499
Software Expenses	249,344	262,028
Elevator expenses	14,967	17,415
Telephone	11,816	16,732
Website Charges	12,744	23,364

TOTAL

4,411,580

2,917,495

Electric Charges

Electric Charges	1,308,304	1,250,920
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TOTAL

1,308,304

1,250,920

Insurance Premium

Building, Computer and Equipment	453,666	406,736
Staff Insurance	63,462	59,950

TOTAL

517,128

466,686

Laboratory Expenses

Laboratory Expenses	927,000	872,389
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TOTAL

927,000

872,389



SCHEDULE FORMING PART OF INCOME & EXPENDITURE

DETAILS OF ACCOUNTING EXPENSES HEAD		F.Y. 2025-26	F.Y. 2024-25
Library Expenses			
	Library Stationary Expenses	24,954	43,532
	TOTAL	24,954	43,532
Meeting Expenses			
	Seminar Expenses	120,601	120,635
	TOTAL	120,601	120,635
Municipal Taxes			
	Municipal Tax	165,929	155,561
	Water Tax	176,697	236,540
	TOTAL	342,626	392,101
Provident Fund/ESI Charges			
	ESI Admin charges	15,683	-
	PF Admin Expenses	197,257	176,867
	TOTAL	212,940	176,867
Telephone Expenses			
	Telephone & Mobile	44,215	36,379
	TOTAL	44,215	36,379
GRAND TOTAL		12,113,910	8,978,256

Schedule 16

EXPENSES RELATED TO PROPERTIES

1	Loss on Furniture, Fixtures, Computer, etc.,	80,001	13,744
2	Repairs & Maintenance		
	1 Repairs to Building	4,250,815	1,564,696
	2 Repairs to Electric Fitting	38,905	134,655
TOTAL		4,369,721	1,713,095

Schedule 17

DEPRECIATION

1	Depreciation on Buildings	9,769,893	1,849,687
2	Depreciation on Computers and Peripherals	7,263,989	7,718,191
3	Depreciation on canteen Buildings	23,259	24,483
4	Depreciation on Equipments	3,975,300	3,029,165
5	Depreciation on Furniture & Fixtures	1,007,646	545,298
6	Depreciation on Gas Connection	186	219
7	Depreciation on Library Books	2,827,265	2,813,249
8	Depreciation on Electric fitting	101,409	89,472
9	Depreciation on Vehicles	14	17
10	Depreciation on assets of Tifac	296,453	312,056
TOTAL		25,265,414	16,381,837



Hiren H. Patel
HIREN H. PATEL
 Principal
 Sarvajanic College of Engg. & Tech
 Surat

Notes forming part of the financial statements:**1. Basis of Preparation**

The financial statements of Sarvajanic College of Engineering & Technology ("the Institute"), an educational institute of Sarvajanic Education Society, have been prepared under the historical cost convention on an accrual basis of accounting, except where otherwise specifically stated, in accordance with generally accepted accounting principles in India and the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable to the Institute, and having regard to the applicable provisions of the Gujarat Public Trusts Act, 1950 and the rules made thereunder.

These financial statements have been prepared for the purpose of reporting the financial information of the Institute to the statutory auditor of Sarvajanic Education Society for the purpose of consolidation with the financial statements of the Society.

2. Significant Accounting Policies**a) Tangible Assets:**

Tangible assets are stated at cost of acquisition, including directly attributable costs incurred to bring the assets to the location and condition necessary for their intended use, net of recoverable taxes, trade discounts and rebates.

Capital expenditure incurred on assets under construction is carried as capital work-in-progress until the assets are ready and available for their intended use, after which they are transferred to the respective class of tangible assets.

b) Depreciation:

Depreciation on tangible assets is provided on the written down value method over the useful life of the assets as assessed by the Management, having regard to the nature of the assets and their expected useful lives and residual values.

Depreciation is ordinarily charged from the date on which the respective asset is available for use.

However, during the year, the Institute has provided depreciation for the full year on additions to Building, Furniture and Equipment relating to the new building for which the completion certificate was received on 30th March 2026.



c) Revenue Recognition:**Revenue**

Tuition fees and other fees are recognised on an accrual basis in the period to which they relate.

Other income is recognised on an accrual basis when there is reasonable certainty regarding its ultimate collection and the amount can be measured reliably.

Government grants and other grants are recognised in accordance with their nature and the terms and conditions attached to the grant. Grants relating to revenue expenditure are recognised in income over the periods necessary to match them with the related costs. Grants relating to specific projects or purposes, to the extent not recognised as income, are carried as unutilised grant/appropriate liability until the related conditions are fulfilled or the amount becomes refundable, as applicable.

Where grants are received for specific projects and remain unutilised at the year-end, the unutilised portion is separately disclosed and accounted for in accordance with the terms and conditions of the respective grant.

Expenses

All major items of expenses are accounted for on accrual basis and necessary provision for the same are made on a prudent basis.

d) Investments:

Investments are stated at cost

e) Employee Benefits - Gratuity

The Institute provides gratuity benefits to eligible employees in accordance with the Payment of Gratuity Act, 1972.

The gratuity scheme is administered through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) and constitutes a funded defined benefit plan.

The gratuity liability is determined on the basis of an actuarial valuation carried out at the balance sheet date using the Projected Unit Credit Method.



The Institute has historically accounted for gratuity contributions / premiums on payment basis. Accordingly, the actuarially determined surplus in the gratuity fund has not been recognised as an asset in the Balance Sheet.

3. Employee Benefits – Defined Benefit Gratuity Plan

The Institute provides gratuity benefits to eligible employees in accordance with the Payment of Gratuity Act, 1972.

The gratuity scheme is administered through a Group Gratuity Scheme with Life Insurance Corporation of India (LIC) and constitutes a funded defined benefit plan. The gratuity liability is determined on the basis of an actuarial valuation carried out at the balance sheet date using the Projected Unit Credit Method.

During the year, the accumulated corpus of the earlier group gratuity scheme was transferred to the new Group Gratuity Scheme administered by LIC. Such transfer represents movement of plan assets and does not constitute gratuity cost for the year.

Based on the actuarial valuation report obtained from LIC, the gratuity fund is in surplus as at 31st March 2026. The fair value of plan assets exceeds the present value of the defined benefit obligation by Rs.2,10,78,454/- as at 31st March 2026.

The Institute has historically accounted for gratuity contributions/premiums on payment basis. Accordingly, though the actuarial valuation indicates a surplus in the gratuity fund, the same has not been recognised as an asset in the Balance Sheet.

Actuarial Assumptions

Particulars	31 st March 2026	31 st March 2025
Discount Rate	7.25%	7.25%
Salary Escalation Rate	7.00%	7.00%



Reconciliation of Defined Benefit Obligation

Particulars	31st March 2026 (Rs.)
Present value of obligation at beginning of year	15,57,22,498
Interest cost	1,12,89,881
Current service cost	40,64,015
Benefits paid	(40,00,000)
Actuarial gain on obligation	(56,23,631)
Present value of obligation at end of year	16,14,52,763

Reconciliation of Fair Value of Plan Assets

Particulars	31st March 2026 (Rs.)
Fair value of plan assets at beginning of year	6,80,61,358
Return on plan assets	1,78,96,925
Transfer of accumulated corpus from earlier gratuity scheme	10,05,72,934
Benefits paid	(40,00,000)
Fair value of plan assets at end of year	18,25,31,217

Funded Status of the Plan

Particulars	31st March 2026 (Rs.)
Present value of defined benefit obligation	16,14,52,763
Fair value of plan assets	18,25,31,217
Surplus in gratuity fund	2,10,78,454

Actuarial Valuation Information

Particulars	31st March 2026 (Rs.)
Current service cost	40,64,015
Interest cost	1,12,89,881
Return on plan assets	1,78,96,925
Actuarial gain on obligation	56,23,631

(Previous year figures not provided as the necessary information has not been made available by the Life Insurance Corporation of India)



The actuarial valuation indicates a surplus of Rs.2,10,78,454 in the gratuity fund as at 31st March 2026. The surplus is available for adjustment against future contributions/premiums payable under the scheme. However, in accordance with the accounting policy consistently followed by the Institute, the surplus has not been recognised as an asset in the Balance Sheet.

The above disclosures are based on the actuarial valuation report issued by Life Insurance Corporation of India as at 31st March 2026.

4. Related Party Transactions

The Institute is an educational institute of Sarvajanic Education Society.

During the year, there were no transactions with related parties requiring disclosure under the applicable accounting framework, other than transactions, balances or contributions arising in the ordinary course of the relationship with Sarvajanic Education Society, if any, which have been appropriately considered in the books of account. (Previous Year: Nil)

5. Contingent Liabilities

There are no contingent liabilities as at 31st March 2026 requiring disclosure in the financial statements (Previous Year: Nil).

6. Events Occurring After the Balance Sheet Date

There are no material events occurring after the Balance Sheet date that require adjustment or disclosure in the financial statements.

7. Inventories

The Institute does not have inventories requiring recognition as at 31st March 2026.

Accordingly, the relevant disclosure relating to inventories is not applicable.

8. Foreign Contributions

The institute has not received any foreign contribution during the year (Previous Year: Nil).



9. The figures have been rounded off to the nearest rupees. Previous year's figures have been regrouped/rearranged wherever necessary to make them comparable with the current year's presentation.

For Suresh A. Gandhi & Co.
Chartered Accountants
Firm Registration Number: 114917W

For Sarvajanic College of Engineering &
Technology


Tejas S. Gandhi
Partner
Membership No. 108949
Place: Surat
Date: 31st August 2026



SARVAJANIK EDUCATION SOCIETY
SARVAJANIK COLLEGE OF ENGINEERING & TECHNOLOGY, SURAT.

GROSS BLOCK													
SR. NO.	DESCRIPTION	AS ON 1/4/25	ADDITION	DEDUCTION	TRANSFER FROM ARCH	TOTAL Rs.	AS ON 1/4/25	ADDITION	DEDUCTION	TRANSFER FROM ARCH	TOTAL Rs.	NET BLOCK	
												AS ON 31/3/26	AS ON 31/3/25
1	Furniture & Fixture	23,650,243	4,897,495	37,730		28,510,008	18,692,261	984,748	29,731		19,647,278	8,862,730	4,957,982
2	furniture aft 30/9		457,962			457,962	-	22,898			22,898	435,064	-
3	Vehicles	4,850	-			4,850	4,757	14			4,771	79	93
4	Gas Connection	247,003	-			247,003	245,763	186			245,949	1,054	1,240
5	ELEC FITTING	4,720,369	-			4,720,369	3,706,289	101,409			3,807,698	912,671	1,014,080
	ELEC FITTING aft 30/9		-			-	-	-			-	-	-
6	Dept. Equipment	93,138,013	7,391,324	1,113,162		99,416,175	74,695,563	3,859,704	1,010,659		77,544,608	21,871,567	18,442,450
7	dept. Equipment aft 30/9		1,541,271			1,541,271		115,596			115,596	1,425,675	-
8	COMPUTER	53,835,377	-	740,249		53,095,128	40,472,602	5,344,967	739,996		45,077,573	8,017,555	13,362,775
9	COMPUTER aft 30/9		9,595,105			9,595,105	1,919,022	1,919,022			1,919,022	7,676,083	-
10	Library Books	71,739,329	-			71,739,329	66,059,223	2,271,854			68,331,077	3,408,252	5,680,106
11	Library Books aft 30/9		2,777,053	50,996		2,726,057	47,585,795	555,411	50,525		504,886	2,221,171	-
12	Building	82,729,854	155,502,943		11,186,971	249,419,768		9,769,893		6,436,111	63,791,799	185,627,969	35,144,059
	Building after 30/9		-			-	-	-			-	-	-
13	Canteen Building	1,203,286	-			1,203,286	738,105	23,259			761,364	441,922	465,181
14	Tifac Building					-	2,561,190	296,453			2,857,643		
	TOTAL	331,268,324	182,163,153	1,942,137	11,186,971	522,676,311	254,761,548	25,265,414	1,830,911	6,436,111	284,632,162	240,901,792	79,067,966



Hiren H. Patel
HIREN H. PATEL
Principal
Sarvajani College of Engg. & Tech
Surat