

**INSTITUTE OF HOTEL MANAGEMENT CATERING  
TECHNOLOGY & APPLIED NUTRITION-GOA.**

**REGISTRATION NO. :- 175 DATED 24.04.1967**

SCHEDULES FORMING PART OF THE ACCOUNTS FOR  
THE YEAR ENDED **31-03-2023.**

**SCHEDULE 24 - NOTES TO ACCOUNTS**

**A. SIGNIFICANT ACCOUNTING POLICIES.**

**1. ACCOUNTING CONVENTION**

- 1.1 The financial statements of Institute of Hotel Management, Goa, are based on historical costs and have been prepared on accrual basis in accordance with the generally accepted accounting principles in India and Accounting Standards issued by ICAI.

**2. INVENTORY VALUATION**

- 2.1 Inventories are valued at cost since the same are expected to be realized in supply of services at fair market value.

**3. FIXED ASSETS**

- 3.1 Fixed assets are stated at cost of acquisition (inclusive of freight duties, taxes and incidental expenses) related to acquisition and bringing the assets to the present state and location, less depreciation.

**4. DEPRECIATION:**

- 4.1 Depreciation is charged on **Written Down Value** of the Assets in accordance with rates specified in the Income Tax Rules, 1962. Fixed Assets and accumulated Depreciation thereon was shown under Assets and Liabilities in the Accounts till 2009-10. However w.e.f. 2010-11 the Assets are shown at its W.D.V.

Depreciation on additions is computed and charged at full rate as applicable in the year of purchase. No depreciation is charged on asset in the year of disposal.

- 4.2 Depreciation as reflected in the Income and Expenditure statement has been computed after considering net effect of deferred Income from Grant in Aid related to Capital Expenditure.

**5. GOVERNMENT GRANTS / SUBSIDIES**

- 5.1 Grants in respect of **specific fixed assets** acquired are shown as a part of Corpus Fund and not reduced from the cost of the related asset. In respect of Capital Grants in Aid received and utilized for acquisition of capital assets before 01.04.2010, the value of such capital Grants to the extent of Depreciation written off on the related assets, have not been written back to the income and



expenditure deduction from the cost of the related asset. Grants received for Revenue Expenses are credited to Income and Expenditure account.

5.2 Government **grants / subsidy** are accounted on accrual basis.

## 6. **RETIREMENT BENEFITS**

This Institute being the central autonomous body is governed by the Central Civil Services (Pension) Rules, 1972 as per the staff regulation of the society.

### 6.1 Pension:

The pension payable to the employees of this Institute as per the Central Civil Services (Pension) Rules, 1972 who joined on or before 31.12.2003 has been ascertained on actuarial basis by Life Insurance Corporation of India and provision has been made for the present value of past service benefits only to the extent of amount paid towards the scheme.

### 6.2 Gratuity:

Liability towards gratuity payable on death/retirement of employees is computed not on actuarial basis but in accordance with the provisions of the Central Civil Service Rules.

### 6.3 Encashment of Leave:

Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit at the end of each year and the same has been calculated and provision is made in the books of accounts.

### 6.4 National Pension System (New Pension Scheme):

New Pension Scheme is made applicable to the employees who joined on or after 01.01.2004 and all the employees have to make mandatory contribution of 10% of (Basic Pay + D.A.) and the Institute makes 14% contribution w.e.f 01.04.2019. The liability has been ascertained and has been fully paid.

## B- **NOTES ON ACCOUNTS**

### 1. Pension Fund

Employees pension liability for employees joined on or before 31.12.2003 has been ascertained through Life Insurance Corporation towards past service benefits and current service cost on actuarial basis and Institute has so far kept under the Group Superannuation Cash Accumulation Scheme an amount of ₹13.63 Crores.

### 2. General Provident Fund and New Pension Scheme

Accounts of General Provident Fund are maintained separately from the Institutes accounts and accounted on cash basis. However the Financial Statements of the fund are attached to the Institute's since it is part of the Institute's obligation under Government Rules.





**a. General Provident Fund:**

Institute of Hotel Management, Catering Technology & Applied Nutrition is covered under the GPF-cum-Pension Scheme introduced with the direction of the Ministry of Tourism, Government of India vide their letter no.1(21)/90-HMC dated 1<sup>st</sup> January 1992. All rules and regulations and service conditions are governed and made applicable to the employee at par with the employees of the Government of India. As per the Government instructions and the rate of interest as declared every year the interest is payable on G.P.F. Accounts of the employees and the provision is not made for the same.

**b. New Pension Scheme:**

The New Pension Scheme has been introduced and made applicable to the employees of this Institution from 01.01.2004 as per the Government Instructions. The legacy fund has been remitted to New Pension Trust Account on 30.06.2013 as per the directives of Ministry of Tourism, Government of India in its letter dated 25.11.2011 and letter dated 10.09.2012 received from Pension Fund Regulatory & Development Authority.

3. Deferred Income from prior years, previously qualified in Audit Report of preceding financial period, has been appropriately accounted for in current year. The total amount qualified in previous year related to Capital Expenditure ₹7,18,09,410/-.

During the current reporting period, the Institute has diligently identified and adjusted a portion of qualified capital expenditure of ₹ 3,75,71,891.00

4. Figures of the previous year have been regrouped/ rearranged, wherever necessary to make them comparable with those of the Current Years.
5. Schedules 1 to 24 are annexed to and form an integral part of the Balance Sheet as at 31.03.2023 and the Income and Expenditure Account for the year ended on that date.
6. No provision for Income Tax is made in view of exemption u/s 11 & 12.

**7. Financial and Operational Highlights for the year 2022-2023**

**a. Investments**

Institute has made investments under earmarked funds as on 31.03.2023:

- |  |                  |
|--|------------------|
| 1. Group Gratuity Scheme with LIC  | ₹ 3,10,42,895.59 |
| 2. Pension Scheme (GSCA) with LIC  | ₹13,63,36,230.34 |
| 3. Encashment of Leave Fund invested in Fixed Deposit with Canara Bank   | ₹ 1,11,74,005.62 |
| 4. HB/Conveyance Advance Fund invested in fixed deposit with Canara Bank | ₹ 46,49,454.82   |
| 5. Depreciation Fund invested in Fixed Deposit with Canara Bank          | ₹ 2,93,58,741.32 |
| 6. Hostel Fund invested in Fixed Deposit with Canara Bank                | ₹ 22,46,689.00   |
| 7. Endowment Scholarship Fund invested in Fixed Deposit with Canara Bank | ₹ 8,95,543.00    |



The Institute has also invested in Fixed/Term Deposits with the Banks amounting to ₹15,99,86,003.24 on which the institute has earned interest of ₹71,87,083.00 during the year.

**b. Government Grants/Financial Assistance**

Details of Grants/Financial Assistance received during the year: **NO GRANTS RECEIVED IN FY 2022-23.**

However, the Institute has spent the amount from its surplus and Grant yet to be received from MOT for the following programme :

**(A) CBSP Scheme**

|   |   |               |
|---|---|---------------|
| 1. Grant-in-Aid Mid-Day Meal Scheme                             | : | ₹ 1,76,788.00 |
| 2. Grant-in-Aid Skill Testing and Certification                 | : | ₹ 97,746.00   |
| 3. Grant-in-Aid Tourism Awareness Programme<br>At Iconic places | : | ₹ 28,512.00   |

**(B) Asst. to IHMs/FCIs etc. Scheme:**

|   |   |               |
|---|---|---------------|
| 1. GIA- Extension & Renovation of Computer Lab                        | : | ₹11,29,417.00 |
| 2. GIA -Renovation & Alteration of Girls Common<br>Room & Locker Room | : | ₹ 1,15,732.00 |

**c. Gratuity and Pension**


Provision for Gratuity as per the Central Civil Service (Pension) Rules, 1972 has been made for ₹3,98,67,606.10 up to 31.03.2023 and against the same an amount of ₹3,10,42,895.59 has been invested with LIC under New Group Gratuity Cash Accumulation Scheme. The said policy can be surrendered at any time and entire amount lying with LIC can be refunded by LIC having no surrender charges since the policy has already completed 3 years.


Provision for Pension as per Central Civil Service (Pension) Rules 1972 has been made for ₹15,59,90,625.69 upto 31.03.2023 and against the same an amount of ₹13,63,36,230.34 has been invested with LIC under Group Superannuation Cash Accumulation Scheme. The said policy can be surrendered at any time.


**d. Leave Encashment**

The provision under Encashment of Leave of ₹99,39,625.00 up to 31.03.2023 has been made and against the same ₹1,11,74,005.62 Lakhs has been kept in Term Deposits with Syndicate Bank.

Date: 17.10.2023

  
(POOJA SHETGAONKAR)  
ACCOUNTANT

  
(DONNA D'SOUZA)  
PRINCIPAL/SECRETARY

  
(VENKATESH SHENAI)  
Partner  
M.No.152865

UDIN: 23152865BGRSSU9689

AS PER OUR REPORT OF EVEN DATE  
FOR VENKATESH SHENAI AND ASSOCIATES  
CHARTERED ACCOUNTANT  
F.R.NO.135678W

