

# KJ Somaiya School of Engineering (KJSSE)

## Financial Report – Academic Year 2024-2025 (Loss Scenario – Dummy Data for AI Testing)

### Executive Summary

This simulated financial report reflects a loss-making academic year for KJSSE. The institution experienced reduced enrollment, delayed grant disbursements, and increased infrastructure costs. The report highlights operational deficits, liquidity pressure, debt exposure, and financial risk indicators.

### Revenue Statement (INR)

Source	Amount (INR)
Tuition Fees	■ 39,20,00,000
Hostel & Facility Fees	■ 6,10,00,000
Research Grants	■ 3,25,00,000
Industry Sponsorships	■ 2,10,00,000
Donations & Endowments	■ 1,40,00,000
Total Revenue	■ 52,05,00,000

### Expenditure Statement (INR)

Category	Amount (INR)
Faculty & Staff Salaries	■ 34,50,00,000
Infrastructure & Maintenance	■ 12,40,00,000
Utilities & IT Services	■ 5,60,00,000
Research & Development	■ 6,10,00,000
Student Activities & Events	■ 3,80,00,000
Administrative Expenses	■ 4,75,00,000
Total Expenditure	■ 67,15,00,000

### Net Operating Result

Total Revenue: ■ 52.05 Cr  
Total Expenditure: ■ 67.15 Cr  
**Net Operating Loss: ■ 15.10 Cr**

## Cash Flow Overview

Opening Cash Balance: ■ 18.40 Cr  
Net Operating Loss: ■ -15.10 Cr  
Capital Investments: ■ 7.20 Cr  
Debt Servicing (Interest + Principal): ■ 4.30 Cr  
**Closing Cash Balance: ■ -8.20 Cr (Overdraft Position)**

## Balance Sheet Snapshot

Total Assets: ■ 176.00 Cr  
Long-term Debt: ■ 58.00 Cr  
Short-term Liabilities: ■ 16.20 Cr  
Net Institutional Equity: ■ 101.80 Cr (Declining YoY)

## Financial Risk Indicators

- Revenue decline of ~18% due to lower student admissions.
- Operating loss margin: 29% of total revenue.
- Debt-to-asset ratio increased to 0.33.
- Negative operating cash flow for 2 consecutive quarters.
- High fixed salary commitments limiting flexibility.
- Potential covenant breach risk on existing term loans.

## Turnaround & Recovery Recommendations

- Immediate cost rationalization (optimize non-essential expenses).
- Freeze new hiring and restructure administrative overhead.
- Renegotiate loan terms and explore debt restructuring.
- Launch executive certification programs for alternative revenue.
- Seek strategic industry partnerships for sponsored labs.
- Build liquidity buffer through bridge financing or grants.