



Speed Post
भारतीय लेखा परीक्षा तथा लेखा विभाग
कार्यालय महानिदेशक लेखा परीक्षा (केन्द्रीय), चण्डीगढ़
Indian Audit & Accounts Department
Office of The Director General of Audit (Central),
Chandigarh



No: डी.जी.ए. (सी)/के. व्यय/SAR IITR 2018-19/2019-20/1666

दिनांक: 14.10.2019

सेवा मे,

सचिव,
शिक्षा विभाग,
मानव संसाधन विकास मंत्रालय,
भारत सरकार
नई दिल्ली - 110001

विषय: **Indian Institute of Technology, Ropar** के वर्ष 2018-19 के लेखाओं पर पृथक लेखापरीक्षा प्रतिवेदन

महोदय,

कृपया Indian Institute of Technology, Ropar के वर्ष 2018-19 के लेखाओं पर पृथक लेखापरीक्षा प्रतिवेदन (Separate Audit Report) संसद के दोनों सदनों के समक्ष प्रस्तुत करने हेतु सलंग्न पायें। संसद में प्रस्तुत होने तक प्रतिवेदन को गोपनीय रखा जाए।

संसद में प्रस्तुत करने के उपरांत प्रतिवेदन की पांच प्रतियाँ इस कार्यालय को भी भेज दी जाएँ।

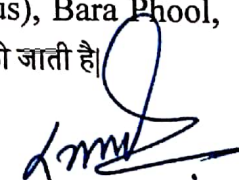
कृपया इस पत्र की पावती भेजें।

संलग्न: उपरोक्त अनुसार

भवदीय,

हस्ता/-
महानिदेशक

✓ उपरोक्त की प्रतिलिपी वर्ष 2018-19 की पृथक लेखापरीक्षा प्रतिवेदन की प्रति सहित आवश्यक कार्यवाही हेतु निदेशक, Indian Institute of Technology Ropar (Main Campus), Bara Phool, Birla Seed Farms, Rupnagar, Punjab, India - 140001 को प्रेषित की जाती है।


उप निदेशक (केन्द्रीय व्यय)

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of the Indian Institute of Technology, Ropar (Punjab) for the year ended 31 March 2019

We have audited the Balance Sheet of the Indian Institute of Technology, Ropar (Punjab) as at 31 March 2019, Income & Expenditure Account and Receipts and Payments Account for the year ended on that date under Section 19 (2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 23 (2) of the Indian Institute of Technology Act, 1961 as amended by Indian Institute of Technology (Amendment) Act, 2012. These financial statements are the responsibility of the Institute's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and disclosure norms, etc. Audit observations on financial transactions with regard to compliance with the Law, Rules & Regulations (Propriety and Regularity) and efficiency-cum-performance aspects, etc., if any, are reported through Inspection Reports/ CAG's Audit Reports separately.
3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test basis, evidences supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.
4. Based on our audit, we report that:
 - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) The Balance Sheet and Income and Expenditure Account/Receipt and Payment Account dealt with by this Report have been drawn up in the format prescribed by the Ministry of Human Resource Development, Government of India vide order No. 29-4/2012-FD dated

17 April 2015.

iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Indian Institute of Technology, Ropar in so far as it appears from our examination of such books.

iv) We further report that:

A. Balance Sheet

Application of Funds

Fixed Assets (Schedule 4)

Buildings on lease hold land (Transit Campus): ₹4.35 crore

The Institute has depicted the buildings (Gross) amounting to ₹ 4.80 crore under the head "Buildings-on Leasehold Land" and charged total depreciation amounting ₹ 44.94 lakh @ 2 per cent (including ₹ 9.60 lakh for the year 2018-19). However, the land on which the buildings are constructed has been given by the Punjab State Government to the Institute for transit campus only, until the main campus is ready. Since the title of the land is not with the Institute, cost of buildings should have been treated as deferred revenue expenditure to be amortised over the useful life of the buildings i.e. over the period for which land has been given to the Institute.

The Institute has also not disclosed these facts in the 'Notes on Accounts'.

B. Notes on Accounts

Significant Accounting Policies (Schedule 23)

Reference is invited to the Notes on Accounts at Sl. No. 2 which *inter alia* states that the fee from students and sale of admission forms are accounted for on cash basis. This policy of the Institute is against the instructions of the MHRD, which require these items to be accounted on accrual basis. Accountal of tuition fee of ₹ 2.07 crore for the months April to June 2019 (pertaining to the financial year 2019-20) in current year and non accountal of tuition fees of April 18 to June 18 in current year is against the accrual concept of accounting. The Institute should follow the accrual system of accounting instead of cash basis of accounting.

C. General

C.1 The Institute has shown Advances on Capital Account of ₹ 119.75 crore in Schedule 8 whereas the amount of advances as per the Form-65 (Schedule of Deposits work) received from CPWD as on 31.03.2019 was ₹ 124.18 crore. The difference of ₹ 4.43 crore was the

interest earned on the advance given to CPWD, it should be accounted for in the books of accounts.

C.2 As per Rule 230(8) of General Financial Rules 2017 all interests or other earnings against Grants-in-aid or advances (other than reimbursement) released to any Grantee Institution should be mandatorily remitted to the Consolidated Fund of India immediately after finalisation of the accounts. However, the Institute has treated the amount of interest earned on Grant-in-aid of ₹ 1.88 crore as income of the Institute instead of Current Liabilities Payable to the Government.

D. Grant-in-Aid

Out of the available funds of ₹433.14 Crore (OH-31: ₹ 63.92 crore, OH-35: ₹ 328.49 crore and OH-36: ₹ 40.73 crore including unspent balance of previous year balance of ₹ 327.29 crore (OH-31: ₹ 3.07, OH-35: ₹ 323.49 and OH-36: ₹ 0.73 crore) and Grant-in-Aid received during the year ₹ 105.85 crore (OH-31: ₹ 60.85 crore, OH-35: ₹ 5.00 crore and OH-36: ₹ 40.00 crore); the Institute utilized ₹ 265.88 crore (OH-31: ₹ 65.88 crore, OH-35: ₹ 163.44 crore and OH-36: ₹ 36.56 crore) leaving unspent balance ₹ 167.26 crore (OH-31: ₹ -1.96 crore, OH-35: ₹ 165.05 crore and OH-36: ₹ 4.17 crore) inclusive of Capital Advance to CPWD ₹ 119.75 crore as on 31.03.2019.

E. Management letter

Deficiencies which have not been included in the Audit report have been brought to the notice of the Institute's management through a management letter issued separately for remedial/ corrective action.

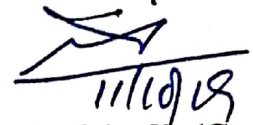
v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income and Expenditure Account and Receipts and Payments Account dealt with by this report are in agreement with the books of accounts.

vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India:

a. In so far as it relates to the Balance Sheet, of the state of affairs of the Indian Institute of Technology, Ropar as at 31st March 2019; and

- b. In so far as it relates to Income & Expenditure Account, of the deficit for the year ended on that date.

For and on behalf of the C & AG of India



**Director General of Audit (Central),
Chandigarh**

Place: Chandigarh

Date: 11/10/2019

Annexure to Audit Report

1. Adequacy of Internal Audit System.

The Institute has established an Internal Audit Wing.

2. Adequacy on Internal Control System

The Internal Control System in the Institute is inadequate in view of the following:

- (i) The Institute books the entire consumption of Laboratory consumables, stores, stationery, etc based on merely issuance of these items to the indenter laboratories/departments and does not depict any closing stock in respect of the items remaining unutilised with the concerned laboratories/departments at the end of the year;
- (ii) As per the terms and conditions for release of the project grants, the Institute was required to maintain a separate audited account for each Project for which the grant was released. A part or whole of each Grant must be kept in an interest earning account and the interest thus earned was required to be treated as credit to the Grantee Institute and adjusted towards further instalment of that particular grant. However, no separate bank accounts were maintained by the Institute for each sponsored as well as other projects and in the absence of separate accounts, proper ascertainment of accrued/earned interest in each project account was not being done;
- (iii) Delay in finalization of Physical Verification Reports.

3. Physical verification of Fixed Assets including library books

Physical verification of Fixed Assets including library books for the year 2018-19 was in progress.

4. Physical verification of Inventories

Physical verification of Inventories for the year 2018-19 was in progress.

5. Regularity in payment of Statutory Dues

As per books of accounts the Institute was regular in depositing statutory dues.


Deputy Director