

Speed Post



संख्या / No.....

भारतीय लेखापरीक्षा और लेखा विभाग

कार्यालय प्रधान निदेशक लेखापरीक्षा (केन्द्रीय), अहमदाबाद
शाखा कार्यालय राजस्थान, जनपथ, जयपुर-302 005

INDIAN AUDIT AND ACCOUNTS DEPARTMENT

Office of the Principal Director of Audit (Central), Ahmedabad
Branch office Rajasthan, Janpath, Jaipur-302 005

दिनांक / Date.....

To,
The Secretary, Government of India,
Ministry of Human Resources Development,
Department of Secondary & Higher Education,
Shastri Bhawan New Delhi-110001

Sub.: Separate Audit Report on the accounts of Indian Institute of Technology, Jodhpur
for the year 2017-18.

Sir,

Please find enclosed the Separate Audit Report on the accounts of Indian
Institute of Technology, Jodhpur for the year 2017-18 along with copy of Annual Accounts.

2. The Audited accounts and Separate Audit Report required to be placed before the AGM of the Apex Governing Body of the Institute for consideration and adoption and resolutions passed thereon before these are sent by the Ministry for being placed before parliament.
3. The dates of presentation of Audited Accounts and Separate Audit Report before the Parliament may please be intimated. Five sets of printed documents (Audit Report, Annual Report & Audited Accounts) may also please be sent to this office.
4. Hindi version of the Separate Audit Report will be issued shortly.
5. Kindly acknowledge receipt of the documents.

Encl.: As above

Yours sincerely,

Sd-
Director/CRA-II

✓ NO. CRA-II(Exp.)/SAR/ITJ/17-18/1034 18.10.18
Copy of the Separate Audit Report and Audited Accounts forwarded to **Prof. C. V. R.**

Murty, Director, Indian Institute of Technology, Jodhpur, NH-65, Karwar, Jodhpur - 342011 (Rajasthan) with the remarks to ensure that Audited Accounts and Separate Audit Report is adopted/considered in the AGM of Institute's Apex Governing Body and resolution adopted/considered on the Audited Accounts and report thereon may be furnished to this office.

Encl : As above

S(A)

[Signature] 18/10/18
Director/CRA-II

Separate Audit Report on the accounts of the Indian Institute of Technology, Jodhpur for the year 2017-18.

We have audited the attached Balance Sheet of the Indian Institute of Technology, Jodhpur (IITJ) as at 31 March 2018, the Income and Expenditure Account and the 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 IIT Act, 1961 and IIT (Amendment) Act, 2012. These financial statements are the responsibility of IIT'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, 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, Income & Expenditure Account and Receipts & Payments Account dealt with by this report have been drawn up in the format approved by Ministry of Human Resources 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, Jodhpur as required in so far as it appears from our examination of such books.
- iv. We further report that:

Comments on accounts

A. Balance Sheet

A.1 Assets

A.1.1 Fixed Assets (Schedule-4) ₹ 936.04 crore

A.1.1.1 Work in progress- ₹ 368.08 crore

(a) It is overstated by ₹ 343.00 Crore IITJ has given ₹ 343.00 Crore to CPWD as capital advance for phase-II development and shown this advance in schedule 4 as work in progress.

This resulted into overstatement of work in progress by ₹ 343.00 crore and understatement of loans and advances by the same amount.

(b) IITJ has given ₹ 15.00 lakh to PWD as capital advance for the work of under pass at NH-65 between institute land at permanent campus and shown this advance in schedule 4 as work in progress.

This resulted into overstatement of work in progress by ₹ 15.00 lakh and understatement of loans and advances by the same amount.

(c) It is overstated by ₹ 201.88 lakh. The IITJ awarded "Construction Work of Temporary Porta Cabin Structure at Temporary Academic Campus" amounting to ₹ 201.88 lakh to CPWD which was completed and taken over by the IITJ on 22 Jan 2013. However, IITJ has shown the created Fixed Assets as Work-in- Progress as on 31 march 2018. Consequently depreciation for 6 year form 2012-13 to 2017-18 i.e. ₹ 90.84 lakh was not charged on these Assets.

It resulted in understatement of Fixed Asset by ₹ 111.04 Lakh (₹ 201.88 lakh-₹ 90.84 lakh), Deficit by ₹ 90.84 lakh and overstatement of Work-in- Progress by ₹ 201.88 Lakh.

This was pointed out in previous SAR i.e. 2015-16 & 2016-17. But necessary rectification has not been carted all so for.

(d) It includes expenditure incurred on construction of volleyball court at temporary campus amounting ₹ 3.25 lakh. As per the memorandum of understanding between Jai Narin Vyas University and IITJ this is revenue expenditure.

This resulted in understatement of Deficit amounting to ₹ 3.25 lakh and overstatement of work in progress amounting to ₹ 3.25 lakh.

This was pointed out in previous SAR i.e. 2016-17 but no action was taken by the Institute.

A.1.1.2

Loans, Advance & Deposits : Schedule-8- ₹ 1.61 crore

This includes ₹ 1.43 lakh paid to PHED Jodhpur as security deposit on 12/05/2017. IITJ has not shown this amount as security deposit under the Schedule -8 Loan Advance & Deposits with PHED and booked this amount under fixed assets (schedule-4)

This resulted in understatement of Loans, Advance and deposit by ₹ 1.43 and overstatement of fixed assets by the same amount.

A.1.1.3

Fixed Assets: Schedule 4 - ₹ 936.04 crore

It is overstated by ₹ 1.50 crore. IITJ charged depreciation @ 7.5% as against the prescribed rates of 8% for Scientific & Laboratory Equipment, 10% for Library Books, 40% for Computer Software & 40% for E-Journals issued by MHRD in Formats and guidelines notes on financial statements IITJ charged ₹ 74 lakh depreciation instead of ₹ 224 lakh

This resulted in understatement of depreciation by ₹1.50 crore and overstatement of fixed Assets by ₹ 1.50 crore.

C General

(a) Institute has not made the provision of retirement benefit on the basis of actuarial valuation as prescribed in AS-15.

(b) Non-preparation of NPS Tier-1 Accounts by IIT, Jodhpur.

IITJ has not prepared NPS Tier-1 Accounts (Balance Sheet Income & Expenditure and Receipts and Payment Account) as prescribed in approved format of accounts of financial statements for Central Higher Education Institutions by MHRD,

(c) Contingent Liability and Notes to accounts

IITJ has disclosed in schedule - 24 "Notes to accounts" that there was committed liability of ₹13.95 crore regarding purchase order issued by the institute against which no payment has been made yet.

In this committed liability, Institute included purchase order amounting to ₹ 10.66 crore which were in process and orders were not issued. Institute should have shown only those items for which purchase orders were issued. Value of these items was ₹ 3.29 crore only.

D. Grant in Aid

During the year 2017-18 the IIT Jodhpur received/adjusted grant in aid of ₹ 548.30 crore under plan from the MHRD. Unspent grant of ₹ 14.35 crore was available in the beginning of the year. Out of total available Grant-in-Aid ₹ 562.65 crore, IIT Jodhpur could utilize a sum of ₹ 515.23 crore leaving a balance of ₹ 47.42 crore

E. Net Effects of Audit Comments on Accounts

The net effect of comments given in the preceding paras is that as on 31st March, 2018, the assets were overstated by ₹ 244.09 lakh and deficit was understated by ₹ 244.09 lakh

(v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipts & 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 Separate 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 , Jodhpur as at 31 March 2018, and

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

Date:

For and on behalf of the C&AG of India

Place:

Archana Guejar
Principal Director of Audit (Central)
Ahmedabad

Annexure

1. Adequacy of Internal Audit System

- (i) There was no internal audit system in the institute. However, the financial transactions are pre-audited.
- (ii) Internal audit manual has been prepared.

2. Adequacy of Internal control System

- (i) Internal control/ check system was not adequate as Physical Verification of fixed assets was not done.

3. Physical Verification of fixed assets.

The physical verification for the year 2016-17 and 2017-18 was not conducted

4. Physical Verification of inventory

No inventory was disclosed at the year end.

5. Regularity in payment of statutory dues

The statutory dues were being deposited by the institute on regular basis.



Sr. Audit Officer/CRA-II

Statement of Net Effect of Audit

Indian Institute of Technology, Jodhpur for the year 2017-18.

(₹ in lakh)

S.No	Comments	Liabilities		Assets		Deficit	
		Overstated	Understated	Overstated	Understated	Overstated	Understated
1	B.1.1.1(a)			34300.00	34300.00		
2	B.1.1.1(b)			15.00	15.00		
3	B.1.1.1(c)			201.88	111.04		90.84
4	B.1.1.1(d)			3.25			3.25
5	B.1.1.2			1.43	1.43		
6	B.1.1.3			150.00			150.00
	Total			34671.56	34427.47		244.09
	Effect				244.09		244.09

Deficit understated

₹ 244.09 lakh

Assets overstated

₹ 244.09 lakh

[Signature]

Sr.Audit Officer/CRA-II