



CONSOLIDATION - REPORT

We have checked, within the scope of our assignment, the consolidation, for the year ended 31st March 2013, of the financial statements of the following 23 Centrally Funded Institutions (CFIs), 20 States and National Project Implementation Unit (NPIU), implementing Technical Education Quality Improvement Programme Phase-II Project under World Bank Credit No. 4685-OIN, which includes the Statement of Source and Application of Funds and Reconciliation of Claims to Total Application of Funds for the year ended 31st March, 2013. These statements have been audited and reported upon by other auditors, appointed for the purpose. For the purpose of the consolidation, we have reviewed and relied upon the reports of the said auditors.

CFIs	STATES
1. NIT, Agartala	1. Andhra Pradesh
2. NIT, Patna	2. Haryana
3. SLIET, Sangrur	3. Jharkhand
4. Zakir Hussain College, Aligarh	4. Karnataka
5. NERIST, Itanagar	5. Kerala
6. Assam University, Silchar	6. Madhya Pradesh
7. MNNIT, Allahabad	7. Maharashtra
8. MANIT, Bhopal	8. Punjab
9. NIT, Calicut	9. Tamil Nadu
10. ISM, Dhanbad	10. UT-Chandigarh
11. NIT, Durgapur	11. Uttar Pradesh
12. MNIT, Jaipur	12. Uttarakhand
13. NIT, Jamshedpur	13. West Bengal
14. NIT, Kurukshetra	14. Bihar
15. VNIT, Nagpur	15. Rajasthan
16. NIT, Rourkela	16. Chhattisgarh
17. NIT, Silchar	17. UT-Puduchery
18. SVNIT, Surat	18. Gujrat
19. NITK, Surathkal	19. Himachal Pradesh
20. NIT, Trichy	20. Odisha
21. NIT, Warangal	
22. NIT, Hamirpur	
23. NIT, Jalandhar	





Except as otherwise stated hereunder, the financial statements of the Constituents above-mentioned, have been stated as drawn up as per the requirements of the Financial Management Manual of Technical Education Quality Improvement Programme Phase-II issued in December 2009 by Department of Higher Education, Ministry of Human Resource and Development, Government of India.

Not required to carry out an audit of the individual financial statements, we do not express an audit opinion on the statements as consolidated; and observe as under:

1. Information in accordance with the individual financial statements audited by other Auditors has been considered for preparation of the Consolidated financial statements for the year 2012-13, comprising the Balance Sheet and schedules annexed thereto, Income & Expenditure Account, Receipts & Payments Account, Statement of Source and Application of Funds and Reconciliation of Claims to Total Application of Funds for the year ended on 31st March, 2013.
2. Information in accordance with the individual financial statements audited by other Auditors; and the reports and key observations issued by them have been considered for preparation of the under-mentioned Consolidated Reports on Annual Statutory Audit defined in Annex-X of the Financial Management Manual:-
 - a. Expenditure Incurred by Implementing Entities (States/CFIs/NPIU),
 - b. Date of Audit Report, and
 - c. Key Observations of Auditor
3. Ineligible expenditure (including outstanding bills and expenditure not claimed) of ₹ 482.18 lacs has been reported in the Statement of Reconciliation of Claims to Total Application of Funds of following implementing units:
 - a. State of West Bengal ₹ 2.21 lacs
 - b. State of Rajasthan ₹ 55.50 lacs
 - c. State of Punjab ₹ 6.04 lacs
 - d. State of Andhra Pradesh - ₹ 178 lacs
 - e. State of Bihar ₹ 52.23 lacs
 - f. State of Haryana ₹ 0.35 lacs
 - g. State of Kerala ₹ 2.32 lacs
 - h. State of Himachal Pradesh ₹ 0.07 lacs
 - i. UT - Puduchery ₹ 0.22 lacs
 - j. NIT, Agartala ₹ 1.41 lacs
 - k. NPIU ₹ 49.47 lacs
 - l. Assam University, Silchar ₹ 0.90 lacs
 - m. NIT Calicut ₹ 0.09 lacs
 - n. ISM, Dhanbad - ₹ 0.05 lacs





o. MNIT, Jaipur -	₹ 109.10 lacs
p. NIT, Rourkela -	₹ 24.22 lacs

4. Some Institutions / States have not provided figures for previous year in Receipt and Payment Account. Accordingly, figures of previous year have not been given in Consolidated Receipt and Payment Account prepared.
5. Thirteen constituents have treated grant as capital in nature and taken it directly to Capital Grant/Capital Reserve in Balance Sheet amounting to ₹ 9317.62 Lacs (refer Note no. 4 of CFI and 3 of States in Notes to Accounts). Further, three constituents have adopted "Income Approach" for accounting of government grant and have transferred an amount of ₹ 234.95 lacs to Income & Expenditure Account corresponding with the amount of expenses incurred by the respective constituents during the year out of total grant received for ₹ 1100 lacs for the year (refer Note No. 5 of CFI in Notes to Accounts). Rest of the other Implementing Entities have treated grant as revenue in nature and transferred the entire amount of grant received during the year to Income and Expenditure Account.
6. Two Centrally Funded Institutions and two States have neither received funds nor reported expenditure and accordingly have not got their accounts audited. A declaration/certificate regarding the same has been submitted by the respective Registrars or by NPIU. The same have, accordingly, not been considered in for consolidation. (Refer Note no. 3 of CFI and 2 of States)
7. Eighteen implementing entities have capitalised Fixed Assets purchased during the year in Balance Sheet amounting to ₹ 915.22 lacs and not charged to Income & Expenditure Account as recommended in Financial Management Manual, whereas the other Implementing Entities have charged the same to Income & Expenditure Account. (Refer note no. 6 of CFI's and 4 of States for details).
8. Amount of expenditure submitted in FMR by the respective State/Institutions/CFI have not been stated in audit reports of some of the State/Institutions/CFI. The same have been supplied and certified by management of NPIU for consolidation purposes. Further, even in cases where the information was available in the audit report, we observed differences in the FMR expenditure as stated by the auditor and as certified by management of NPIU. (Refer to Consolidated Report on Annual Statutory Audit relating to expenditure incurred by implementing entities for details)
9. Qualification of individual Auditors of States/CFI/NPIU are given in Annexure A.



