

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE INDIAN INSTITUTE OF INFORMATION TECHNOLOGY DESIGN AND MANUFACTURING, KURNOOL FOR THE YEAR ENDED 31 MARCH 2024**

We have audited the attached Balance Sheet of the Indian Institute of Information Technology Design and Manufacturing, Kurnool as at 31 March 2024, Income & Expenditure Account and Receipts & 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. 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, Income & Expenditure Account and Receipts & Payments Account dealt with by this report have been drawn up in the format approved by Ministry of Education, Government of India.

iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Institute.

iv. We further report that:

**Comment on Accounts**

- A. BALANCE SHEET : NIL**
- B. INCOME & EXPENDITURE :NIL**
- C. GENERAL:**

**Reference Number: OBS-1418431**

**C.1** The Institute had shown an amount of Rs.14000741/- under Schedule 22- Prior Period Expenses which includes prior period depreciation of Rs.61,87,306 /- on assets capitalized during the year 2023-24. The fact of delayed capitalisation of assets was not disclosed as a Note under Schedule 4.

**Reference Number: OBS-1418430**

**C.2** In compliance to comment raised in the SAR-2022-23, the Institute had transferred certain assets procured out of Sponsored Project funds from 4A (Assets-Grant in aid) to 4D (Assets- Others). However, the same was not been disclosed under Schedule 4.

**Reference Number: OBS-1424474**

**C.3** The following general observations are made:

A) Despite being pointed out in the previous Audit Reports of 2019-2020, 2020-2021, 2021-2022 & 2022-23, Retirement benefits were not accounted for on Actuarial valuation.

B)The Institute has not compiled separate accounts in respect of NPS fund.

**Reference Number: OBS-1443445**

**C.4** The following differences have been noticed in grant position as per the Annual Accounts 2023-24 and as per the Utilization certificate forwarded to Ministry.

Head of Account	Opening Balance	Grant Received during the year	Total	Expenditure Incurred	Closing Balance
OH 31(as per UC)	90957532	10200000	101157532	97204000	3953532
OH 35 (as per UC)	93390196	1063900000	1157290196	817790196	339500000
OH 36 (as per UC)	-66150221	106000000	39849779	120596000	-80746221
Total as per Utilization Certificate	118197507	1180100000	1298297507	1035590196	262707311
Total Grants as per Annual Accounts 2023-24	219492460	1182134701	1401627161	793135286	608491875

Difference accounts - UC)	(Annual	101294953	2034701	103329654	-242454910	345784564
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This needs reconciliation.

**D. Grant-in-aid:** Institute has received Grants – in – Aid of Rs.118.01 crore<sup>1</sup> during the year and utilized Rs.79.31crore<sup>2</sup>as of 31<sup>st</sup> March 2024.

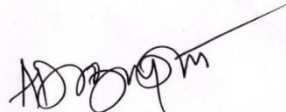
**E. Management Letter:** Deficiencies which have not been included in the Separate Audit Report have been brought to the notice of the Director, Indian Institute of Information Technology, Design and Manufacturing, Kurnool through a Management letter issued separately for remedial / corrective action.

v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & 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 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 Indian Institute of Information Technology, Design and Manufacturing, Kurnool as at 31 March 2024; and

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

  
 (Anindya Dasgupta)  
 Principal Director of Audit (Central), Hyderabad

<sup>1</sup> Recurring Grant: Rs. 10200000 Salary Grant Rs.106000000 and Capital Grant Rs. 1063900000 totaling to ₹118,01,00,000)

<sup>2</sup> Revenue: Rs.11,62,00,000 and Capital Rs.67,9,35,286 totalling to Rs.79,31,35,286

## ANNEXURE TO SAR

1. **Adequacy of Internal Audit System:** There is no Internal Audit Wing in the Institute. However, the Internal Audit of the Institute was conducted by a Chartered Accountant firm.
2. **Adequacy of Internal Control System:** Internal control system is adequate except:
  - **Non-Maintenance of Fixed Deposits Register:** The institute is not maintaining Fixed Deposits Register. Due to non-maintenance of the Fixed Deposit Register; the details of interest received, interest earned, FDs opened/renewed/closed could not be verified.
3. **System of Physical verification of fixed assets:** Physical verification of Fixed Assets was in progress for the year 2023-24
4. **System of Physical verification of inventory:** Not applicable
5. **Regularity in payment of statutory dues:** Statutory dues were paid regularly.



(Ch.V. Sai Prasad)

Director/ Central Expenditure Audit  
O/o Principal Director of Audit (Central)