



भारतीय लेखापरीक्षा और लेखा विभाग
INDIAN AUDIT & ACCOUNTS DEPARTMENT
महानिदेशक लेखापरीक्षा (केन्द्रीय) का कार्यालय, मुंबई
O/o the DIRECTOR GENERAL OF AUDIT (CENTRAL), MUMBAI
C-25, Audit Bhavan, Bandra Kurla Complex, Mumbai- 400 051
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क्र. म.नि.ले.प.(के.)/ना.एवं.स्वा.नि./एस.ए.आर/2023-24/IISER, Pune/388

दिनांक: 09.09.24

10.09.24

सेवा में,

सचिव, भारत सरकार

शिक्षा मंत्रालय,

उच्च शिक्षा विभाग, शास्त्री भवन,

नई दिल्ली – 110001.

विषय – वर्ष 2023-24 के लिए भारतीय विज्ञान शिक्षा एवं अनुसंधान संस्थान, पुणे के लेखों पर प्रथक लेखापरीक्षा प्रतिवेदन।

महोदय,

31 मार्च 2024 को समाप्त वर्ष के लिए भारतीय विज्ञान शिक्षा एवं अनुसंधान संस्थान, पुणे के लेखों पर प्रथक लेखापरीक्षा प्रतिवेदन निम्नलिखित दस्तावेजों के साथ संसद के दोनों सदनों की पटल पर प्रस्तुत करने हेतु अग्रेषित किया जा रहा है।

- वर्ष 2023-24 के लिए वार्षिक लेखे
 - अनुबंधक सहित लेखापरीक्षा प्रतिवेदन-सह-लेखापरीक्षा प्रमाण पत्र
- कृपया संसद में प्रस्तुत दस्तावेजों की प्रतियां एवं सदनों में उनकी प्रस्तुति की तिथि के सम्बन्ध में सूचना इस कार्यालय को अग्रेषित की जाए। कृपया पत्र की प्राप्ति की सूचना दे।
 - यह पत्र महानिदेशक लेखा परीक्षा (केन्द्रीय) के अनुमोदन से जारी किया जा रहा है।

भवदीय,

संलग्नक: यथोपरि

हस्ता/-

निदेशक/ना.एवं.स्वा. नि.

दिनांक: 09.09.2024

10.09.2024

क्र. म.नि.ले.प.(के.)/ना.एवं.स्वा.नि./एस.ए.आर/2023-24/IISER, Pune/ 389

सेवा में,

निदेशक,

भारतीय विज्ञान शिक्षा एवं अनुसंधान संस्थान, पुणे, 900, एन.सी.एल ईनोवेशन पार्क,

डॉ. होमी भाभा रोड, पाशाण, पुणे – 411 008

अनुबंधक के साथ प्रथक लेखापरीक्षा प्रतिवेदन की एक प्रति जानकारी एवं आवश्यक कार्यवाही हेतु अग्रेषित की जा रही है। संसद में दस्तावेजों की प्रस्तुति की तिथि एवं उनकी प्रतिलिपि इस कार्यालय को प्रस्तुत की जाए।

निदेशक/ना.एवं.स्वा.नि.

Separate Audit Report of the Comptroller and Auditor General of India on the Accounts of the Indian Institute of Science Education and Research (IISER), Pune for the year ended 31 March 2024

We have audited the attached Balance Sheet of the Indian Institute of Science Education and Research (Institute) Pune as at 31 March 2024, the Income & Expenditure Account and Receipt & Payment Account for the year ended on that date under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with section 22 of the NIT 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 and 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 and 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, evidence 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, the Income & Expenditure Account and the Receipt & Payment Account dealt with by this report have been drawn up in the

format prescribed by the Ministry of Education (Previously MHRD), Government of India vide Order No 29-4/2012-IFD dated 17 April 2015.

iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Institute as required under section 22(1) of NIT Amendment Act 2012 in so far as it appears from our examination of such books.

iv. We further report that

A. Balance Sheet

A.1 Liabilities

A.1.1 Schedule 8 – Loans, Advances & Deposits-₹13.79 crore

As per Schedule 8 – Loans, Advances & Deposits, the Institute has shown pending adjustment of advances amounting to ₹73.96 lakh against suppliers under Core Grant. However, it was not shown as unutilized grant under Schedule-3 (c), as required in uniform format of accounts.

This has resulted in understatement of unutilized grant under Current Liabilities and Provisions (Schedule 3) and overstatement of Capital Fund (Schedule 1) by ₹73.96 lakh.

Though a similar comment was included in the previous SAR, no corrective action has been taken by the Institute.

A.1.2 Schedule 3(D) – Secured Loan (HEFA Loan) ₹30.23 crore.

As per AS-16, if any loan has been taken for creation of capital assets including interest paid thereon and utilized for that purpose, such interest should be capitalized till the date of completion and should be added with the cost of assets.

The Institute has shown outstanding loan of ₹30.23 crore under Schedule 3D, Secured Loan- HEFA Loan as at the end of March 2024. Further, as per Schedule-20- Finance Cost under Income & Expenditure Account, the Institute has paid interest of ₹1.20 crore towards repayment of HEFA Loan. However, the said interest has not been capitalized. This has resulted in understatement of Schedule 1- Capital Fund and understatement of Schedule 4- Fixed Assets by ₹1.20 crore.

B. Income and Expenditure

B.1 Expenditure

B.1.1 Schedule 17 Administrative & Other General Expenses ₹37.98 crore

The above included recovery of ₹17.84 lakh (housekeeping charges of ₹9.78 lakh, security charges of ₹4.88 lakh, water charges of ₹1.53 lakh and telephone expenses of ₹1.65 lakh), after netting of recovery against expenses, instead of showing them distinctly as other income. No disclosure in this regard has also been made in Notes to Account. This has resulted in understatement of Administrative and General Expenses (Schedule 17) as well as Other Income (Schedule 13) by ₹17.84 lakh.

B.1.2 Schedule-16 Academic Expenses ₹16.47 crore & Schedule 19-Repairs and Maintenance Expenses ₹13.10 crore

The above expenses included Academic Expenses of ₹7.29 lakh and Repair & Maintenance Expenses of ₹4.05 lakh pertaining to the year 2022-23. The Institute instead of showing the above expenditure under Schedule 22 – Prior Period Expenses, had depicted them under Academic Expenses/Repairs & Maintenance expenses. This has resulted in overstatement of current year expenditure by ₹11.34 lakh (Schedule 16 - Academic Expenses by ₹7.29 lakh and Schedule 19 – Repairs & Maintenance by ₹4.05 lakh) and understatement of Schedule 22 - Prior Period Expenses to the same extent.

C. General Comments:

C.1 Institute did not make provision for Gratuity and Leave Encashment for eligible employees in the annual accounts for FY 2023-24, as per actuarial valuation, this was in contravention of AS 15 and MHRD format of accounts.

C.2 The Current Liabilities & Provisions amounting to ₹87.37 crore included Caution Money deposit of ₹1.83 crore and EMD/SD of ₹3.26 crore, which in turn was inclusive of caution money deposit of ₹34.29 lakh, EMD/SD of ₹61.69 lakh and Hostel key Deposit of ₹1.79 lakh pertaining to period exceeding three years. This needs to reviewed.

C.3 As per Para 2.1 of Schedule 23 of Uniform Format of Accounts CHEIs, “fees from students (except tuition fees), sale of admission forms, royalty and interest on savings bank accounts are accounted on cash basis. Tuition Fees collected separately for each semester is accounted on accrual basis”.

However, the entire tuition fees of ₹ 8.64 crore pertaining to the Academic Session (August 2023 to July 2024) shown as Academic Receipts under Schedule 9 for the year 2023-24, was accounted on cash basis instead of accrual basis.

C.4 Under Current Assets (Schedule 7), the Institute has shown Current Account – SBI Power Jyoti Account No.32057984659 with a closing balance of ₹18.81 lakh. However, in Annexure A to Schedule 7, the said account was depicted under the category of Savings Account instead of Current Account.

D. Grants-in-aid

The Institute has received Grants-in-aid of ₹173.75 crore (Capital ₹35.23 crore, Revenue General ₹68.69 crore, Revenue Salary ₹68.63 crore and Interest for HEFA loan repayment ₹1.20 crore) during the financial year 2023-24, with opening balance as ‘NIL’. Of this, the Institute has utilized ₹173.41 crore (Capital ₹35.30 crore, Revenue General ₹68.69 crore, Salary ₹68.22 crore and interest on HEFA loan ₹1.20 crore), leaving the unutilized grant of ₹34.00 lakh (Capital (+) ₹7.00 lakh + Salary (-) ₹41.00 lakh) as on 31.03.2024.

The Institute has also received a non-recurring grant of ₹40.85 lakh from Ministry of Education for G-20 seminar against which an expenditure of ₹53.67 lakh was incurred. The Institute has, however, not reflected this grant in Annual Accounts but shown only the excess expenditure of ₹12.83 lakh under Academic Expenses (*Sch-16*).

However, as per Utilization Certificate and in Notes to Accounts (Schedule-24-SI.No.31), the entire grant was shown as utilized.

v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account and Receipt & Payment 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 the 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 Science Education and Research, Pune as on 31 March 2024; and
- (b) In so far as it relates to the Income & Expenditure Account, the surplus for the year ended on that date.

**For and on behalf of the
Comptroller and Auditor General of India,**

Aastha Luthra

Principal Director of Audit (Central), Mumbai

Place: Mumbai,

Date: 10.09.2024

Annexure

1	Adequacy of Internal Audit System The Institute has neither formulated an Internal Audit Manual nor has created its own Internal Audit Cell. The internal audit of the Institute for the year 2023-24 was carried out by a Chartered Accountant appointed by BoG. The Ministry had also conducted the internal audit of the Institute for the period up to 2021-22.
2	Adequacy of Internal Control System The Internal Control system of the Institute reflected the following deficiencies: <ul style="list-style-type: none">• Tuition Fees were not accounted on accrual basis.• Deposits exceeding more than three years and lying unclaimed have not been reviewed and lapsed to Revenue• All the Bank Accounts were not included in the Annual Accounts.• Proper disclosures on land were not made in Notes to Accounts.
3	Physical verification of Assets Physical verification of assets has been conducted for the year 2023-24.
4	System of Physical verification of Inventory The Institute had carried out physical verification of the inventory for the year 2023-24.
5	Regularity in payment of statutory dues. The Institute is regular in payment of statutory dues.

Aastha Luthra

Principal Director of Audit (Central), Mumbai