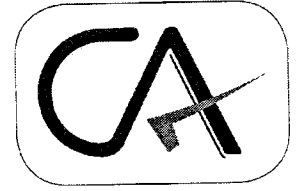


INDAPURKAR & MUNDADA CHARTERED ACCOUNTANTS

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E-Mail: indmunca@gmail.com



INDEPENDENT AUDITOR'S REPORT

To,
The Vice Chancellor,
Dr Babasaheb Ambedkar Marathwada University,
Aurangabad.

Report on the Financial Statements

We have audited the accompanying financial statements of Dr. Babasaheb Ambedkar Marathwada University which comprise the Balance Sheet as at March 31, 2014, the Statement of Income and Expenditure and the Statement of Receipt and Payment for the year then ended, and other explanatory information.

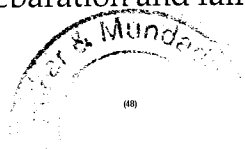
Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a True and fair view of the financial position, financial performance of the University in accordance with the Accounting Standard, Rules and Regulation as per the Maharashtra Universities Act, 1994. This responsibility includes the design, implementation and Maintenance of internal control relevant to the preparation and fair presentation of the Financial statements that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

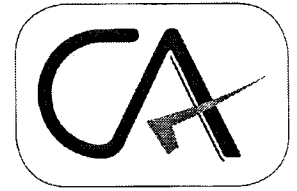
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the financial



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statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

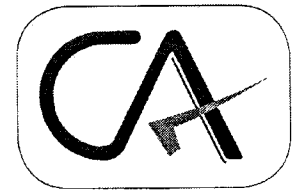
Basis of Qualified Opinion

1. The Physical assets with the various departments does not match with the dead stock register and books of accounts the same needs to be reconciled.
2. It is observed that depreciation is charged on adhoc basis amounting to Rs.3,50,00,000/- during the year.
3. It was observed that balances of fixed assets as appearing under various funds is reflected as it is since long and no is depreciation has not been provided on the same.
4. It was observed that various advances accounts are having huge opening balances and the same needs to be confirmed and reconciled.
5. The Grants Register is not maintained up to date. The Expenditure amount as per the Grant registers and the books does not match. It is found that some entries present in software are not present in Grants register and vis-versa. The same needs to be reconciled.
6. It is observed that the opening balances are carried forward in the Balance Sheet from many years such as deposits, Other Balance etc are carried forwards since last year, details of the same are not available. The same needs to be reconciled.
7. As per the Maharashtra Universities Account Code, there should be a Centralized Purchase Store Unit & also Physical Verification Unit, it is suggested to form the said units.
8. It has been observed that in some of the department manual provision watch register not maintained properly.



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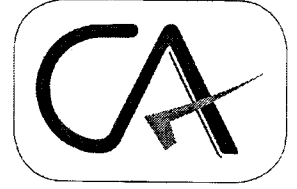
9. As per the Internal Audit Report and physical verification conducted by us during the course of Audit, it was observed that huge quantum of Scrap was found and no further process has been made for its disposal. It is suggested to send the details of scrap to the Estate Section so that necessary steps can be taken for its disposal by the Department.
10. Software needs to be developed for Bank Reconciliation, Dead Stock Entry, Grants, Inventory management for keeping proper check on the transactions.
11. It is observed that Assets purchased from the specific grants has been clubbed with other assets in the opening balance. It is suggested to bifurcate the said assets and show it separately in Balance Sheet as Assets purchased from University Funds and Asset purchased from Specific Grants.
12. During the year opening balance of Grant & Scholarship a/c in Balance Sheet amounting to Rs.60,92,764/- has been transferred to Sundry receipts account in Income and Expenditure A/c, income to that extent has been overstated. Balance in Pending sanction of Government grants amounting to Rs. 14,31,941/- as appearing under the head Advances in Balance Sheet has been transferred to Miscellaneous Expenditure A/c in Income & expenditure A/c, expenditure to that extent is over stated.
13. During the year bank reconciliation has been done by Chartered Accountant firm and we have relied on the same.
14. In Publication department old forms and prospectus were observed the same needs to be disposed off as per the procedure.
15. As per the Internal Audit Report there are unused items lying with some of the departments. It is suggested that the same should be transferred to other Department wherever it can be used and avoid excess purchase.
16. Dead stock register at various department has to be maintained as per account code book chapter 4.11 page no52. It is suggested to update the dead stock register on timely basis and take necessary actions as per standard procedures mentioned in the Account Code.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph,

**INDAPURKAR & MUNDADA
CHARTERED ACCOUNTANTS**

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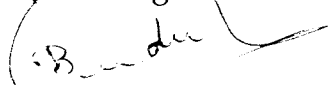


the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the University as at March 31, 2014.
- (b) In the case of the Income and Expenditure, of the income for the year ended on that date.
- (c) In the case of the Receipt and Payment, of the Receipt and Payment for the year ended on that date.

Place: Aurangabad.
Date: 08-01-2015

For Indapurkar and Mundada
Chartered Accountants
(Firm Reg.No.118855W)


CA Gurdeep Singh Bagga]
Partner.
M.No.118171

