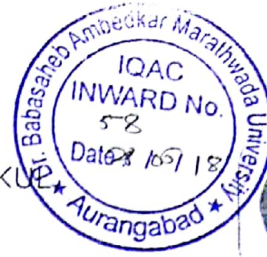


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**INDAPURKAR & MUNDADA
CHARTERED ACCOUNTANTS**

FLAT NO.2, PLOT NO. 24-26, CHANDRAPUSHPA SANKULI,
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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, 2016, 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.



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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 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. It is suggested that University should conduct Information Technology security & system audit of all department and University level at regular Interval of Time.
2. It is suggested that software should be developed which should be integrated with all the department of the University and field relevant to the concerned department should be made available for viewing to the concerned department. Software needs to be developed for Bank Reconciliation, Dead Stock Entry, Inventory management and specifically for accounting purpose for keeping proper check on the transactions.
3. The software at accounts level should be upgraded with regard to speed of generation of reports, types of reports and format of reports etc.
4. It is suggested that all the tenders executed by University should be verified with respect to issue, execution and completion of work.
5. It is suggested that balances of various departments of the University should be reconciled with the accounts department.
6. Amount of total Investments shown in Balance Sheet is subject to reconciliation with the "Statement of FDs held by University" issued by Bank.



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7. Advance against Construction Rs.3,75,00,000/- as appearing in Balance Sheet is outstanding since long. It is suggested to Capitalise the same after due verification.
8. It was observed that various advances accounts are having huge opening balances and the same needs to be confirmed and reconciled. As per accounting code No second advance or subsequent advances will ordinarily be granted unless first advance for the same head of account is fully recouped. However exceptional cases, the second advance may be granted with specific approval of competent authority. Accounting code also depicts to settle Advances in any case before end of financial year i.e. 31st March of every year, but same has not been followed.
9. 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.
10. It has been observed that in some of the department manual provision watch register is not maintained properly, balances of provision not calculated properly & wherever there is re-appropriation of Budget provision, the Statement showing the re-appropriation is not attached with the register.
11. 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.
12. It was observed that balances of fixed assets as appearing under various funds are existing since long and depreciation has not been provided on the same.
13. Closing balances are not shown in Dead stock register. Dead stock register at various departments 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.
14. 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.
15. During the year bank reconciliation has been done by Chartered Accountant firm and we have relied on the same but Closing Bank Balances in Bank reconciliation



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statement is not in conformity with those shown in Bank balances in Financial Statements.

16. In Publication department old forms and prospectus were observed the same needs to be disposed off as per the procedure.
17. Post payment audit by Internal Audit Unit as prescribed in Accounting code has not been conducted

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, 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, 2016.
- (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: 27th Jan.2017

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

mm

CA Manoj G Mundada
Partner.
M.No.104727

