BRANCH: DIRECTOR GENERAL OF
AUDIT (CENTRAL), LUCKNOW AT
PRAYAGRAJ

सत्यमेव जयते

Ltr No: Central Expenditure/2024-2025/DIS-2407054
Date: 31 Jan 2025

To,

Finance Officer
Babasaheb Bhimrao Ambedkar University
Lucknow

Subject: Issue of Separate Audit Report: PR-145433 on the Annual Accounts of Babasaheb Bhimrao Ambedkar University, Lucknow for the year 2023-24

Sir/Madam,

वर्ष 2023-24 के लेखों पर पृथक लेखापरीक्षा प्रतिवेदन (अंग्रेजी) एवं मैनेजमेंट लेटर की प्रति वित्त अधिकारी, बाबासाहेब भीमराव अम्बेडकर विश्वविद्यालय, लखनऊ को आवश्यक कार्यवाही हेतु प्रेषित है। संस्थान यदि आवश्यकता अनुभव करे, तो इस प्रतिवेदन का हिन्दी अनुवाद करवा सकता है परन्तु इस प्रतिवेदन के हिन्दी अनुवाद में निम्नलिखित अंकित होना चाहिए :

"प्रस्तुत प्रतिवेदन मूलरुप से अंग्रेजी में लिखित पृथक लेखापरीक्षा प्रतिवेदन का हिन्दी अनुवाद है। यदि इसमें कोई विसंगति परिलक्षित होती है तो अंग्रेजी में लिखित प्रतिवेदन मान्य होगा।"

हिन्दी अनुवाद की एक प्रति इस कार्यालय को भी प्रेषित करने का कष्ट करें।

संलग्नकः उपर्युक्तानुसार।

Yours faithfully,

SARITA KUMARI GUPTA
Director (CE)

**Separate Audit Report of the Comptroller & Auditor General of India on the accounts of the Babasaheb Bhimrao Ambedkar University, Lucknow for the year ended 31 March, 2024**

We have audited the attached Balance Sheet of the Babasaheb Bhimrao Ambedkar University, Lucknow (University) as at 31 March, 2024, the 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, read with Section 30(1) of the University Act, 1994. These financial statements are the responsibility of University's Management. Our responsibility is to express an opinion on these financial statements based 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 the 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 the Ministry of Human Resource Development, Government of India.

(iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Babasaheb Bhimrao Ambedkar University, Lucknow as required under

Section30(1) of the University Act, 1994 in so far as it appears from our examination of such books.

(iv) We further report that:

(A) Balance Sheet

Earmarked/Endowment Fund (Schedule-2) **Rs. 3.29 crore**

The University has reduced its Earmarked /Endowment fund by Rs. 2.79 crore by making FDRs. These have, however, not been incorporated in Investments from Earmarked /endowment Fund (Schedule-5) also. . Thus, the Earmarked /Endowment fund and Investments from Earmarked /endowment Fund both are understated by Rs. 2.79 crore each.

**(B) Income & Expenditure Account**

**(B.1) Academic Expenses (Schedule-16)** **Rs. 3.88 crore**

The above includes an amount of Rs. 15.83 lakh as 'Recruitment Expenses'. Whereas the format requires the same to be included under 'Administrative expenses' (Schedule-17). Thus, 'Academic Expenses' is overstated by Rs. 15.83 lakh and 'Administrative expenses' is understated by the same amount.

**(B.2) Administrative Expenses (Schedule-17)** **Rs. 15.28 crore**

The above includes an amount of Rs. 2.13 crore as 'Sanitation Expenses and Sanitation Expenses on Amethi'. Whereas the format requires the same to be included under 'Repair & Maintenance' (Schedule-19). Thus, 'Administrative Expenses' is overstated by Rs. 2.13 crore and 'Repair & Maintenance' is understated by the same amount.

**(C) General**

**(C.1)** Rates of depreciation charged by the University on Fixed Assets such as Lab equipment, Library equipment and computers are not in accordance with the Format. The University needs to recheck the rate of depreciation charged and re-calculate the depreciation and incorporating suitably. This has an impact of Corpus Fund as well as Fixed Assets.

**(C.2)** The University has shown Rs. 2.19 crore as refund of unspent balance (Schedule-21). The same should have not been routed through Income /Expenditure account as it pertains

to unspent balance of capital grant of previous years. The same should have been adjusted directly from Corpus Fund. The procedure adopted is incorrect and needs to be amended.

**(C.3)** The University has changed the previous year figures in some heads. The University in its Notes to Accounts have given a general statement that Previous years figures have been regrouped wherever necessary. Proper disclosure of Accounts Head should be disclosed in Notes to Accounts which have impact due to regrouping of figures.

**(C.4)** The University has not done Actuarial Valuation of Retirement Benefits for the year 2023-24 as required under AS-15. Further, the provision has been continued based on last actuary report of 2021-22. This has an impact on surplus/deficit due to non-updating of Retirement Benefits in the annual accounts consequently impacting Corpus Fund as well as Current Liabilities and Provisions.

**(D) Grants-in-aid**

During the year 2023-24, the University received Grants-in-aid of Rs. 120.31 crore from Ministry of Education. After taking the opening balance of Rs. Nil, the total fund available worked out to Rs. 120.31 crore. The University utilized a sum of Rs. 104.42 crore and surrendered Rs. 3.55 crore, leaving a balance of Rs.14.34 crore (advances for capital work to different service providers) as at 31st March 2024.

However, the entire advance of Rs.14.34 crore given to different service providers for capital works are treated as utilised in the accounts which should have been included as unutilised grant. The University needs to rectify the same.

(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 the Babasaheb Bhimrao Ambedkar University, Lucknow as at 31 March, 2024; and

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

For and on behalf of the C&AG of India

Date: 30.01.25

30/1/25

Place: Lucknow

Principal Director of Audit (Central)