



R.N.SINHA & CO.

Chartered Accountants

HO :302 ,Himgiri Bhawan

Boring Canal Road ,

Patna-800001

BR.-RANCHI

Ph :0612-2578576

MO.9835043678,7004950511

Email : rnsinhaandco@gmail.com

fcarahulsinha@gmail.com

Annex- XVIII (d)

Auditor's Report

Report on the Project Financial Statements:

We have audited the accompanying financial statements of the TEQIP Project financed under World Bank Credit No.5874_0 IN, which comprise the Statement of Sources and Applications of Funds and the Reconciliation of Claims to Total Applications of Funds for the year ended 31.03.2018. These statements are the responsibility of the Project's management. Our responsibility is to express an opinion on the accompanying financial statements based on our audit.

We conducted our audit in accordance with the Engagement and Quality Control Standards promulgated by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements present fairly, in all material respects, the sources and applications of funds of TEQIP Project for the year ended 31.03.2018 in accordance with accounting principles generally accepted in India.

In addition, in our opinion,

(a) With respect to expenditure adequate supporting documentation has been maintained to support claims to the World Bank for reimbursements of expenditures incurred.

During the course of the audit the expenditure statements and the connected documents were examined and these can be relied upon to support reimbursement under the Loan/Credit Agreement.

For R.N.Sinha & Co.
Chartered Accountants
FRN- 002923C

Date: 29.09.2018

Place: Patna




(R. Sinha)

Partner

Membership No-408609

UTILIZATION CERTIFICATE

- a) Opening Balance as on 1st April Rs. **NIL**
- b) Funds received
(as per expenditure in PFMS) Rs 67,94,212/-
- c) Other Income Rs NIL
- d) Less : Expenditure Rs 67,94,212/-

Unspent Balance Rs. NIL

It is also certified that an amount of Rs 67,94,212/- (Rupee Sixty Sevan Lakhs Nineteen FourThousand Two Hundred Twelve only) has been utilized by the Institution for the purpose for which it was sanctioned. It is further certified that an unspent balance of Rs. 0 (Rupee_NIL) only is being carried forward for utilization in the next year.

We further certify that the conditions on which the grant was sanctioned have been fulfilled and where there have been any deviation from the sanctioned amount it is with prior approval of the concerned authority. We have exercised reasonable checks to see that money has been actually utilized for the purpose for which it was sanctioned.

Date: 29.09.2018
Place: Patna



For R.N.SINHA & CO.
Chartered Accountants
FRN- 002923C


(R. Sinha)

Partner
Membership No-0408609



R.N.SINHA & CO.

Chartered Accountants
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Annex-XIX

To
The Director/Principal
Muzaffarpur College of Engineering,
Muzaffarpur ,

Sub.: Management Letter

Dear Sir,

We have audited the financial statements of Muzaffarpur College of Engineering, Muzaffarpur for the year ending 31st March, 2018 and have issued our report dated 29.09.2018.

On the basis of Financial Management records, Systems and Controls that were examined during the course of review we have observed and suggest the Management of **Muzaffarpur College of Engineering**, the Followings.

1. The Management Should Balance the Cash Book and Tally with PFMS-32 in Monthly Basis.
2. The Management Should Prepare Ledger of Each Heads.
3. The Management Should have Physical Verification of Fixed Assets. Stock Register Library & Laboratory etc.
4. It is suggested that TDS should be deposited within 7 days of next month in order to avoid the penalty imposed by the authority.
5. During the course of our Audit for the Financial Year 2017-18, no expenditure has been incurred towards purchase of Fixed Assets.

Date: 29.09.2018

Place: Patna



For R.N.SINHA & CO.
Chartered Accountants
FRN- 002923C


(R. Sinha)

Partner

Membership No-408609

Annex-XXI

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME { TEQIP }
PHASE -III

Report -1 : PFMS RECONCILIATION STATEMENT
QUARTERLY: 3rd & 4th

SL. NO.	Statement of Expenditure	Amount Rs.	Amount Rs.
A	Expenditure as per PFMS Statement (According to M-32 Report)	67,94,212.00	
B	Less : Debit failures (Payments not made by PFMS but shown in the expenditure)- [Report EP-04]	62,595.00	
C	Expenditure as per books of Accounts { A-B }	67,31,617.00	

Report -2 : STATUS OF ADVANCES

QUARTERLY: 3rd & 4th

Sl. No.	Date	Amount Rs.	Amount Rs.
A	Opening Balance as on 1 st day of the quarter	NIL	
B	Plus : Advances paid in the quarter	67,94,212/-	
C	Less : Adjustment/Settlement of Advances	67,94,212/-	
D	Balance as on Last date of Quarter	NIL	

Report -2 (a) : AGENING OF ADVANCES

Sl. No.	Particulars	Period	Amount Rs.	Remarks (Reasons)
1	Ageing of Advances in Closing Balance	Up to 15 days	NIL	
		Up to 30 days	NIL	
		more than 30 days	NIL	

Report -3 : PHYSICAL AND FINANCIAL PROGRESS (PROCUREMENT)

QUARTERLY

Name of the Institute: Muzaffarpur College of Engineering, Muzaffarpur

Period of the Quarter: 3rd & 4th

Sl. No.	Particulars	Amount Rs.



A	Procurement made during the quarter as per PFMS report	NIL
B	Procurement made during the quarter as per PMSS report	NIL
C	Variation if any	NIL
D	Reasons for the variations	NIL



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP] -III
A SAMPLE OF SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON
ACCOUNTS**

A. Significant Accounting Policies:

1. General:

- (a) The accounts are prepared under the historical cost convention following the cash system of accounting
- (b) Accounting policies not specially referred to are consistent and in consonance with generally accepted accounting principles.
- (c) Expenses and income to the extent paid and received respectively are accounted for on cash basis.

2. Investments: - Investments are valued at cost. However, there are no investments outstanding at the end of the year.

3. Fixed Assets: - Fixed assets are stated at Cost. No accounting is being done for Depreciation on any of Fixed Assets.

4. Grand Accounting: - Since the Direct Transfer of Fund to the beneficiary is done through the PFMS, the institutes are not getting any fund directly, therefore, the expenditure incurred as per the PFMS shall be considered as grant received and accounted for accordingly after reconciling the figures.

B. Notes on Accounts:

1. There is no contingent liability in respect of claims against the project not acknowledged as debt.
2. Balances of Loans and Advances, Deposits and other Liabilities are subject to confirmation and as certified by the management. The Current assets are stated at an amount, which is in opinion of the management, not in excess of their recoverable value.
3. Previous year figures have been regrouped and rearranged to make them comparable with current year figures wherever considered necessary.

Date: 29.09.2018
Place: Patna



For R.N.SINHA & CO.
Chartered Accountants
FRN- 002923C


(R.N. Sinha, FCA)
Partner

Membership No-0408609

MUZAFFARPUR INSTITUTE OF TECHNOLOGY MUZAFFARPUR
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE III
TRIAL BALANCE
AS ON- 31 MARCH 2018

S.NO.	L.F.NO.	HEAD OF ACCOUNT		DEBIT	CREDIT
		Account Code	Description	RS.	RS.
1		1.1.2.1	Improve Students learning	91,554.00	91,554.00
2		1.1.2.11	Industry -Institute Interaction	24,440.00	24,440.00
3		1.1.2.10	Services	16,198.00	16,198.00
4		1.1.2.2	Assistantships	1,14,090.00	1,14,090.00
5		1.1.2.3	Graduates employability	2,75,438.00	2,75,438.00
6		1.1.2.4	Faculty / Staff Development and Motivati	3,71,498.00	3,71,498.00
7		1.1.2.7	Mentoring / Twinning System	48,815.00	48,815.00
8		1.1.2.8	Reforms and Governance	51,251.00	51,251.00
9		1.1.2.9	Management Capacity development	57,069.00	57,069.00
10		1.1.3.1.	Consumables	2,16,759.00	2,16,759.00
11		1.1.3.2	Operation & maintenance of equipments	9,471.00	9,471.00
12		1.1.3.3	office Expenses	1,69,811.00	1,69,811.00
13		1.1.3.4	Meetings	2,05,698.00	2,05,698.00
14		1.1.3.5	Hiring of Vechiles	26,135.00	26,135.00
15		1.1.3.6	Travel Cost	42,813.00	42,813.00
16		1.1.3.7	Salary	1,14,000.00	1,14,000.00
17		1.1.4.1	Salary Quality Teachers	49,59,172.00	49,59,172.00
TOTAL				67,94,212.00	67,94,212.00

* with respect to chart of account

FOR ,R.N.SINHA & CO.
Chartered Accountants

TEQIP CO-ordinator
 Date: 27.9.18
 Place: **TEQIP-PHASE-II**
M. I. T., Muzaffarpur

PRINCIPAL
 27.9.18
 Principal
Muzaffarpur



(R. Sinha)
 Partner

Membership No-408609

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP)

PHASE-III RECEIPT AND PAYMENT ACCOUNT

FOR THE YEAR 2017-18

FROM -01.11.2017 TO 31.03.2018

RECEIPTS				PAYMENTS			
SL NO	PARTICULARS	For the month Amount Rs.	cumulative Amount Rs.	SL NO	PARTICULARS	For the month Amount Rs.	Cumulative Amount Rs.
1	Opening Balance			1	1.1.2-Academic Process		
	a) Cash				1.1.2.1-Improvement Students Learning		91,554.00
	b) Bank				1.1.2.11 - Industry Institute Interaction		24,440.00
					1.1.2.10 -Services		16,198.00
2	Received from MHRD.DEPT.		67,94,212.00		1.1.2.2 Assistantships		1,14,090.00
3	Other Receipts if any				1.1.2.3 Graduates employability		2,75,438.00
					1.1.2.4- Faculty / Staff development and Motivation		3,71,498.00
					1.1.2.7- Mentoring / Twinning System		48,815.00
					1.1.2.8- Reforms and governance		51,251.00
					1.1.2.9- Management Capacity development		57,069.00
					1.1.3. Operating costs		
					1.1.3.1- Consumables		2,16,759.00
					1.1.3.2- Operation & maintenance of equipments		9,471.00
					1.1.3.3-Office expenses		1,69,811.00
					1.1.3.4-Meetings		2,05,698.00
					1.1.3.6-Travel cost		42,813.00
					1.1.3.5-Hiring of Vehicles		26,135.00
					1.1.3.7- Salary		1,14,000.00
					1.1.4- Faculty Reforms		
					1.1.4.1- Salary (Quality Teachers)		49,59,172.00
	TOTAL		67,94,212.00		TOTAL		67,94,212.00

FOR ,R.N.SINHA & CO.

Chartered Accountants

TEQIP CO-ordinator

Date: 29-9-18

Place: Patna

Co-ordinator
TEQIP-PHASE III
M. I. T., MUZAFFARPUR

PRINCIPAL

Principal
M. I. T., Muzaffarpur



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME (TEQIP)
PHASE-III
INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31.03.2018**

EXPENDITURE		INCOME			
Previous Year	Particulars	Amount Rs.	Previous Year	Particulars	Amount Rs.
	1.1.2-Academic Process				
	1.1.2.1-Improvement Students Learning	91,554.00			
	1.1.2.11 - Industry Institute Interaction	24,440.00			
	1.1.2.10 -Services	16,198.00			
	1.1.2.2 Assistantships	1,14,090.00			
	1.1.2.3 Graduates employability	2,75,438.00			
	1.1.2.4- Faculty / Staff development and Motivation	3,71,498.00			
	1.1.2.7- Mentoring / Twinning System	48,815.00			
	1.1.2.8- Reforms and governance	51,251.00			
	1.1.2.9- Management Capacity development	57,069.00			
	1.1.3. Operating costs				
	1.1.3.1- Consumables	2,16,759.00			
	1.1.3.2- Operation & maintenance of equipments	9,471.00			
	1.1.3.3-Office expenses	1,69,811.00			
	1.1.3.4-Meetings	2,05,698.00			
	1.1.3.6-Travel cost	42,813.00			
	1.1.3.5-Hiring of Vehicles	26,135.00			
	1.1.3.7- Salary	1,14,000.00			
	1.1.4- Faculty Reforms				
	1.1.4.1- Salary (Quality Teachers)	49,59,172.00			
	TOTAL	67,94,212.00		TOTAL	67,94,212.00
				Grant received from MHRD Deptt.	67,94,212.00

27.9.18
Co-ordinator
TEQIP-PHASE-III
Date: 29-9-18
Place: Patna



FOR, R.N. SINHA & CO.
Chartered Accountants

(Signature)
Partner

Membership No-408609

TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]

PHASE - III
BALANCE SHEET
AS AT 31.03.2018

Sl. No.	PARTICULARS	SCHEDULE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
A	SOURCE OF FUNDS 1) Amount received from: 2) Contribution from: 3) Excess of income over Expenditure TOTAL		NIL	
B	APPLICATION OF FUNDS 1) Fixed Assets 2) Work in progress -Scheme work under implementation 3) A. Current Assets, Loans and advances a. Cash Balance b. Bank balance c. Advance for Capital goods d. Loans and Advances B. Less: Current Liabilities Net Current Assets (A-B) TOTAL		NIL	

FOR, R.N.SINHA & CO.
Chartered Accountants



(Signature)
Partner
(R. Sinha)

Membership No-408609

(Signature)
Principal
27-9-18

(Signature)
Principal
M. I. T., Muzaffarpur

TEQIP CO-ordinator

Date: 29-9-18

Place: Patna

(Signature)
TEQIP-PHASE-III
M. I. T., Muzaffarpur

Annex- XVIII (a)

STATEMENT OF SOURCES AND APPLICATION OF FUNDS

Name of the Project: TEQIP-III

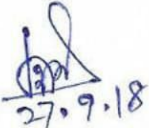
Credit/ No.58740

Statement of Sources and Applications of Funds

Report for the year ended 2017-18

In Rs. Lakhs

Particulars	Current Year	Previous Year	Project to date
Opening Balance (A)	-		
Receipts			
Funds equivalent to expenditure shown in PFMS (Funds made available by MHRD)	6794212		
Less : Debit failures	62595		
Total Receipts (B)	6731617		
Total Sources (C = A + B)	6731617		
Expenditures by Component			
A. Seminar & Workshops	6,70,687.00		
B. Administrative Expenditure	60,60,930.00		
C.			
Total Expenditures (D)	6731617		
Closing Balance, (C-D)	-		

FOR ,R.N.SINHA & CO.
Chartered Accountants


TEQIP CO-ordinator

Date: 27.9.18

Place: Patna

M. I. T., Muzaffarpur



PRINCIPAL
27.9.18
Principal
M. I. T., Muzaffarpur




(R.N. Sinha)
Partner

Membership No-408609

Notes:

- 1.The above figures will be based on accounts prepared by the accounts compiling officers, duly reconciled, with details of un-reconciled amounts to be furnished.
2. Names of accounting units whose financial statements are aggregated to prepare the consolidated accounts.
3. Any other specific Note.

Annex- XVIII(b)

SAMPLE RECONCILIATION OF CLAIMS TO TOTAL APPLICATIONS OF FUNDS
 Name of the Project : Technical Education Quality Improvement Programme of Government of India (EAP)
 Credit No.58740
 Reconciliation of Claims to Total Application of Funds
 Report for the year ended 31 ST MARCH ,2018.

Bank Funds claimed during the year (A)

Total Expenditure made during the year (B)

Less: Outstanding bills (C)

Ineligible expenditures (D)

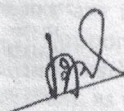
Expenditures not claimed (E)

Total Eligible Expenditures Claimed

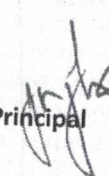
(F) = (B)- (C) -(D)-(E)

World Bank Share @ X% of (F) above (G)

Schedules	Amt. (Rs. Lakhs)		
	Current Year	Previous Year	Project to Date
I	0		
	6,731,617.00		
II	0		
III	0		
IV	0		
	6,731,617.00		
	100%		


 Teqip Co-ordinator

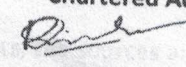
Co-ordinator
TEQIP-PHASE-III
M. I. T., Muzaffarpur.


 Principal

PRINCIPAL
Muzaffarpur Institute of Technology
MUZAFFARPUR



FOR ,R.N.SINHA & CO.
 Chartered Accountants


 (R.Sinha)

Partner
 Membership No-408609

.....
 Date

.....
 Date

Notes:

1. Total expenditure made during the year (B Above) Must be the same as the Total Expenditures Shown on the Statement of Sources and Application of Funds (D on the Statement of Sources and Applications of Funds)
2. Expenditures not claimed (E Above) may reflect timing differences for eligible expenditures incurred during the year but claimed after the year end.
3. Amounts A and G above must be equal.

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