



Auditor's Report

To
The Principal
SPCE, Bhavan's Campus
Andheri West
Mumbai 400 058

Report on the Project Financial Statements

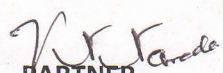
We have audited the accompanying financial statements of the TEQP 1.3(2038) Project financed under World Bank IDA Credit No. 5874-0 IN, which comprise the Statement of Sources and Applications of Funds (Utilization Certificate) and the Reconciliation of Claims to Total Applications of Funds for the period 1.10.2017 to 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.

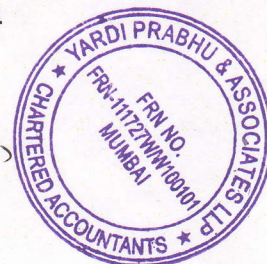
We conducted our audit in accordance with the Engagement and Quality Control Standards promulgated by the Institute of Chartered Accountants of India (ICAI). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material 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 TEQP 1.3(2038) Project for the period 1.10.2017 to 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; and (b) except for ineligible expenditures as detailed in the audit observations, if any, appended to this audit report, expenditures are eligible for financing under the Credit Agreement. 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 YARDI PRABHU & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FRN: 111727W/ W100101


PARTNER
(VASANT NAVADA)
M. No. 033823



Place: Mumbai
Date: 10.09.2018



A. Significant Accounting Policies:

1. General :

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

2. **Investments:** - No investments were acquired/held during the period under audit

3. **Fixed Assets:** - No Fixed Assets was acquired/held during the period under audit hence depreciation accounting was not applicable.

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:

- There is no contingent liability in respect of claims against the project not acknowledged as debt:
- There was no closing balances of Loans and Advances, Deposits and other Liabilities at the close of the period under audit.
- This being first period, there are no comparable Previous year figures. .

For YARDI PRABHU & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FRN: 111727W/ W100101


PARTNER
(NASANT NAVADA)
M. No 033823



Place: Mumbai
Date:10.09.2018



Re: SARDAR PATEL COLLEGE OF ENGINEERING (TEQIP-III 1.3)

(From 1.10.2017 TO 31-03-2018)

KEY OBSERVATIONS

The following are the key points of observation:

- The project financial statements are free of material misstatements, including omissions.
- Project funds have been used for the purposes for which they were provided.
- Project expenditures are eligible for financing under the Credit agreement.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the project financial statements.
- All books of account and supporting documentation relating to the project were made available for our verification.
- The project has complied with the conditions of all relevant legal agreements, including the Credit Agreement, the Project Appraisal Document, the Minutes of Negotiations, the Borrower's Project Implementation Plan, and Memorandum of Understanding, wherever applicable.

**For YARDI PRABHU & ASSOCIATES LLP
CHARTERED ACCOUNTANTS**

FRN: 111727W/ W100101

R. Karode
PARTNER



**Place: Mumbai
Date :10.09.2018**



To
The Principal
SPCE, Bhavan's Campus
Andheri West
Mumbai 400 058

Sub.: Management Letter

Dear Sir,

We have audited the financial statements of TEQP 1.3(2038) Project for the period ending 31st March, 2018 and have issued our report dated 10.09.2018.

The auditor should provide specific **comments on** the following areas :

- ☑ The financial management records, systems and controls that were examined during the course of the review were found satisfactory;
- ☑ Deficiencies and areas of weakness in systems and controls and recommendations for their improvements - NIL
- ☑ Matters that have come to attention during the audit that might have a significant impact on the implementation of the project NIL and
- ☑ Any other matters that the auditor considers pertinent to report in relation to the financial management of the project:

"It is observed that payments to Contractors etc. are recorded in PFMS system on gross basis though actual disbursement is made of net of TDS/PT amount. These TDS/PT amount when paid subsequently are again recorded as payments for the project which give rise to reconciliation showing these amounts as debit failures. This results spending as per PFMS report showing more amount spent for the project than actual to the extent of TDS/PT amounts deducted and paid subsequently.

For YARDI PRABHU & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FRN: 111727W/ W100101


PARTNER
(VASANT NAVADA)
M.No. 033823



Place: Mumbai
Date: 10.09.2018



UTILIZATION CERTIFICATE

| | |
|---|----------------|
| a) Opening Balance as on 1 st April Rs | NIL |
| c) Funds received | |
| (as per expenditure in PFMS) Rs | 32,72,019 |
| c) Other Income | Rs NIL |
| e) Less : Expenditure | Rs 32,72,019 |
| Unspent Balance | Rs. NIL |

It is also certified that an amount of Rs 32,72,019 (Rupee Thirty two lacs ninety three thousand nineteen 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. NIL (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.

For YARDI PRABHU & ASSOCIATES LLP
CHARTERED ACCOUNTANTS
FRN: 111727W/ W100101

Vasant Navadkar
PARTNER
(VASANT NAVADKAR)
M. No 033823



Place: Mumbai
Date: 10.09.2018

**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE - III**

TRIAL BALANCE AS ON 31st March, 2018.

| SR.NO | L.F.NO. | HEAD OF ACCOUNT | | DEBIT RS. | CREDIT RS. |
|-------|---------|----------------------------|---|-------------------|-------------------|
| | | ACCOUNTCODE | DESCRIPTION | | |
| | | Current Liabilities | | | |
| | | | <i>Income Tax Deducted From Contractor</i> | | 21800.00 |
| | | Current Assets | | | |
| | | | Bank Accounts | | |
| | | Indirect Incomes | | | |
| | | | <i>Grant Received From SPIU</i> | | 3272019.00 |
| | | Indirect Expenses | | | |
| | | Academic Processes - 1.3.2 | | | |
| | | | <i>Faculty/Staff Development and Motivation-1.3.2.4</i> | 518819.00 | |
| | | | <i>Graduates Employability - 1.3.2.3</i> | 3594.00 | |
| | | | <i>Improve Students Learning - 1.3.2.1</i> | 490008.00 | |
| | | | <i>Industry-Institute Interaction - 1.3.2.11</i> | 141146.00 | |
| | | | <i>Management Capacity Development-1.3.2.9</i> | 478660.00 | |
| | | | <i>Mentoring/Twinning System - 1.3.2.7</i> | 402928.00 | |
| | | | <i>Reforms and Governance - 1.3.2.8</i> | 317726.00 | |
| | | | <i>Research and Development - 1.3.2.5</i> | 330453.00 | |
| | | Operating Cost - 1.3.3 | | | |
| | | | <i>Consumables - 1.3.3.1</i> | 7000.00 | |
| | | | <i>Meetings - 1.3.3.4</i> | 156868.00 | |
| | | | <i>Office Expenses - 1.3.3.3</i> | 6443.00 | |
| | | | <i>Salary - 1.3.3.7</i> | 411032.00 | |
| | | | <i>Travel Cost - 1.3.3.6</i> | 29142.00 | |
| | | TOTAL | | 3293819.00 | 3293819.00 |

* With the respect to chart of account.



Annex-XVI

**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE – III**

RECEIPT AND PAYMENT ACCOUNT

FOR THE PERIOD FROM 1.10.2017 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 a) Cash b) Bank | Nil | Nil | 1 | Release to | Nil | Nil |
| 2 | Received from SPIU | 3272019.00 | 3272019.00 | 2 | Payment to consultants Seminars & workshops | 3272019.00 | 3272019.00 |
| 3 | Other Receipts if any | Nil | Nil | 3 | Procurement of Assets | Nil | Nil |
| | | | | 4 | Administration Expenditure | Nil | Nil |
| | | | | 5 | Closing Balance a) Cash b) Bank | Nil | Nil |
| | Total | 3272019.00 | 3272019.00 | | Total | 3272019.00 | 3272019.00 |



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE – III**

INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31st March,2018.

| EXPENDITURE | | | | INCOME | | | |
|----------------------|---|------------|-------------------|----------------------|-----------------------------------|---------------|-------------------|
| Previ ous Year | Particulars | Amount Rs. | Amo unt Rs. | Previ ous Year | Particular s | Amount Rs. | Am ount Rs. |
| | <i>Faculty/Staff Development and Motivation</i> | 518819.00 | | | Grant Received from SPIU | 3272019.00 | |
| | <i>Graduates Employability</i> | 3594.00 | | | | | |
| | <i>Improve Students Learning</i> | 490008.00 | | | | | |
| | <i>Industry-Institute Interaction</i> | 141146.00 | | | | | |
| | <i>Management Capacity Development</i> | 478660.00 | | | | | |
| | <i>Mentoring/Twinning System</i> | 402928.00 | | | Deficit* | 21800.00 | |
| | <i>Reforms and Governance</i> | 317726.00 | | | | | |
| | <i>Research and Development</i> | 330453.00 | | | | | |
| | <i>Operating Cost</i> | 7000.00 | | | | | |
| | <i>Consumables</i> | 156868.00 | | | | | |
| | <i>Meetings</i> | 6443.00 | | | | | |
| | <i>Office Expenses</i> | 411032.00 | | | | | |
| | <i>Salary</i> | 29142.00 | | | | | |
| | <i>Travel Cost</i> | | | | | | |
| | Total | 3293819.00 | | | Total | 3293819.00 | |

*Note : Deficit of Rs. 21,800/- is due to amount received subsequently in next period and as the accounts are maintained on cash basis, this deficit is shown as debit failure in the reconciliation & other statements.



**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE – III**

BALANCE SHEET

AS AT 31st March,2018

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



STATEMENT OF SOURCES AND APPLICATION OF FUNDS

| | | | |
|---|---------------------|----------------------|------------------------|
| Name of the Project TEQIP 1.3(2038) | | | |
| Credit No. 5874-0 | | | |
| Statement of Sources and Applications of Funds | | | |
| Report for the year ended 31 st March,2018 | | | |
| | | In Rs. | |
| Particulars | Current Year | Previous Year | Project to date |
| Opening Balance (A) | Nil | Nil | Nil |
| Receipts | | | |
| Funds equivalent to expenditure shown in PFMS (Funds made available by MHRD) | 3293819.00 | Nil | Nil |
| Less: Debit failures | 21800.00 | Nil | Nil |
| Total Receipts (B) | 3272019.00 | Nil | Nil |
| Total Sources (C= A+B) | 3272019.00 | Nil | Nil |
| Expenditure by Component | | | |
| Academic Processes - 1.3.2 | | Nil | Nil |
| <i>Faculty/Staff Development and Motivation-1.3.2.4</i> | 518819.00 | | |
| <i>Graduates Employability - 1.3.2.3</i> | 3594.00 | | |
| <i>Improve Students Learning - 1.3.2.1</i> | 490008.00 | | |
| <i>Industry-Institute Interaction - 1.3.2.11</i> | 141146.00 | | |
| <i>Management Capacity Development-1.3.2.9</i> | 478660.00 | | |
| <i>Mentoring/Twinning System - 1.3.2.7</i> | 402928.00 | | |
| <i>Reforms and Governance - 1.3.2.8</i> | 317726.00 | | |
| <i>Research and Development - 1.3.2.5</i> | 330453.00 | | |
| Operating Cost - 1.3.3 | | | |
| <i>Consumables - 1.3.3.1</i> | 7000.00 | | |
| <i>Meetings - 1.3.3.4</i> | 156868.00 | | |
| <i>Office Expenses - 1.3.3.3</i> | 6443.00 | | |
| <i>Salary - 1.3.3.7</i> | 411032.00 | | |
| <i>Travel Cost - 1.3.3.6</i> | 29142.00 | | |
| Total Expenditures (D) | 3293819.00 | Nil | Nil |
| Less: Debit failures | 21800.00 | Nil | Nil |
| Net Expenditure | 3272019.00 | Nil | Nil |
| Closing Balance, (C-D) | Nil | Nil | Nil |

- Note: 1. The above figures is 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.



RECONCILIATION OF CLAIMS TO TOTAL APPLICATIONS OF FUNDS

Name of the Project TEQIP 1.3(2038)

Credit No.IDA 5874-O

Reconciliation of claims to Total Applications of Funds

Report for the year ended

| Schedules | Amt. (Rs. Lakhs) | | | |
|--|--------------------|---------------|-----------------|---|
| | Current Year | Previous Year | Project to date | |
| Bank Funds claimed during the year (A) | I | 3272019 | - | - |
| Total Expenditure made during the year (B) | | 3272019 | - | - |
| Less: Outstanding Bills (C) | II | - | - | - |
| Ineligible expenditures (D) | III | - | - | - |
| Expenditures not claimed (E) | IV | - | - | - |
| Total Eligible Expenditures Claimed (F)=(B)-(C)-(D)-(E) | | 3272019 | - | - |
| World Bank Share @ x% of (F)above (G) | | | | |

Hama Jurni
DEAN FINANCE
 CFAO
 Sardar Patel College of Engineering
 Munshi Nagar, Versova Road,
 Andheri (West), Mumbai - 400 058.
 Date 9/10/18

Hama Jurni
PRINCIPAL
 Project Director
 Sardar Patel College of Engineering
 Munshi Nagar, Versova Road,
 Andheri (West), Mumbai - 400 058.
 Date

Notes:

1. The total expenditure made during the year (B above) must be the same as the Total Expenditures shown on the statements of Sources and Applications of Funds (D on the Statements of Sources and Application 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.

**TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
PHASE - III**

Report -1 : PFMS RECONCILIATION STATEMENT

For the Period From 1st OCTOBER, 2017 to 31st March,2018.

| Sr. No. | Statement of Expenditure | Amount Rs. | Amount Rs. |
|---------|---|----------------|---------------|
| A | Expenditure as per PFMS Statement (According to M-32 Report) | 33,16,169 | |
| B | Less: Debit failures (payments not made by PFMS but shown in the expenditure)- [Report EP-04] | -44350 +200 | |
| C | Expenditure as per books of accounts (A-B) | 32,72,019 | |

Report -2 : STATUS OF ADVANCES

For the Period From 1st OCTOBER, 2017 to 31st March,2018.

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

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DEAN FINANCE
Sardar Patel College of Engineering
Munshi Nagar, Versova Road,
Andheri (West), Mumbai - 400 058.

Report -2 (a) : AGEING OF ADVANCES

| Sl. No. | Particulars | Period | Amount (Rs.) | Remark (Reasons) |
|---------|---------------------------------------|-------------------|--------------|------------------|
| 1. | Ageing of Advances in Closing Balance | Upto 15 days | - | - |
| | | Upto 30 days | - | - |
| | | More than 30 days | - | - |

**Report -3 : PHYSICAL AND FINANCIAL PROGRESS (PROCUREMENT)
QUARTERLY**

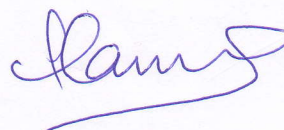
Name of the Institute: Sardar Patel College of Engineering

Period of the Quarter:

| Sl. No. | Particulars | Amount Rs. |
|---------|--|------------|
| A | Procurement made during the quarter as per PFMS report | - |
| B | Procurement made during the quarter as per PMSS report | - |
| C | Variation if any | - |
| D | Reasons for the variations | - |

Note :

1. All the above three reports shall be submitted by the 1.1 and 1.2 institutions to SPIU for monitoring and SPIU will send the consolidated report to NPIU
2. All 1.3 institutions shall submit the above reports directly to NPIU.



DEAN FINANCE

Sardar Patel College of Engineering
Munshi Nagar, Versova Road,
Andheri (West), Mumbai - 400 058.



दूरध्वनी : ०२२-२६२३२१९२
०२२-२६२८९७७७
०२२-२६२३७८१९

अमृतं तु विद्या

भारतीय विद्या भवनचे

सरदार पटेल अभियांत्रिकी महाविद्यालय

(शासन अनुदानित स्वायत्त संस्था)

मुन्शी नगर, अंधेरी (प.), मुंबई - ४०० ०५८.



E-mail : principal@spce.ac.in
Web : www.spce.ac.in

TEQIP-III / 2018-19 / 110

DT:- 31/08/2018

The assertion letter is provided in connection with your audit of the financial statements of the TEQIP 1.3 Scheme No. 2038 Project for the year ended 2017-18. We acknowledge our responsibility for the fair presentation of the financial statements in accordance with the cash basis of accounting followed by the Project, and we confirm, to the best of our knowledge and belief, the following representations made to you during your audit:

- The project financial statements are free of material misstatements, including omissions.
- Project funds have been used for the purposes for which they were provided.
- Project expenditures are eligible for financing under the Credit agreement.
- There have been no irregularities involving management or employees who have a significant role in internal control or that could have a material effect on the project financial statements.
- We have made available to you all books of account and supporting documentation relating to the project.
- The project has complied with the conditions of all relevant legal agreements, including the Credit Agreement, the Project Appraisal Document, the Minutes of Negotiations, the Borrower's Project Implementation Plan, and Memorandum of Understanding.

(Senior Executive Officer)

(Senior Financial Officer)

DEAN FINANCE

Sardar Patel College of Engineering
Munshi Nagar, Versova Road,
Andheri (West), Mumbai - 400 058.