



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

To
The Principal
BMS College of Engineering,
Bull Temple Road,
Bengaluru - 560019

Sub.: Key Observations of Auditors

Respected Sir,

The following is our observation which arose during the course of our audit:

1. Payments worth Rs.14,13,215/- to various beneficiaries have been uploaded by the Institution on 27.03.2018. However, due to a technical glitch (as informed to us via signed declaration) on the PFMS portal, these payments were neither cleared nor reversed (as debit failures) but were pending up to 04.05.2018 on which date, they were eventually processed and cleared. Hence, as on 31.03.2018, these payments are outstanding. Further, these payments pertain to 2017-18 with audit evidence also pertaining to such period.

Hence, we are of the opinion that the treatment by the Institution to classify these payments as a current liability by creating a corresponding asset (receivable to that extent, from MHRD), is correct. We further opine that this is a reconciliation issue rather than an accrual issue and hence, there is no violation of cash basis of accounting, in case of such treatment.

Recommendation for above observation:

1. The Institution should seek technical help from NPIU in cases where there are issues which affect transactions and financial position as on the cut-off date i.e., 31st March of the respective financial year.

For MNS & Co,
Chartered Accountants
Firm Reg. No. 003968S

CA Srinivas M
M. No. 029180

Date: 16.10.2018
Place: Bangalore





BMS COLLEGE OF ENGINEERING
TECHNICAL EDUCATION QUALITY IMPROVEMENT PROGRAMME [TEQIP]
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UTILIZATION CERTIFICATE [Revised]
For the Financial Year ended 31st March, 2018

a)	Opening Balance as on 1 st April, 2017	Rs.	Nil
b)	Funds received (as per expenditure in PFMS- EP04)	Rs.	61,04,637.00
c)	Other Income	Rs.	Nil
	Total Funds	Rs.	61,04,637.00
d)	Less : Expenditure (excluding debit failures & advances)	Rs.	61,04,637.00
	Unspent Balance	Rs.	NIL

It is also certified that an amount of Rs.61,04,637/- (Rupees Sixty One Lakhs Four Thousand Six Hundred and Thirty Seven Only) has been utilized by the Institution for the purpose for which it was sanctioned. It is further certified that an amount of Rs.14,13,215/- (Rupees Fourteen Lakhs Thirteen Thousand Two Hundred and Fifteen Only) is pending to be received from CPA, NPIU (on account of Debit Failures) and to that extent, expenses are outstanding and will be adjusted in the next year. It is further certified that there is no Unspent Balance with the Institution.

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 MNS & Co,
Chartered Accountants
Firm Reg. No. 003968S


CA Srinivas M
M. No. 029180

Date: 16.10.2018
Place: Bangalore

