



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

Ltr No: Central Expenditure/2025-2026/DIS-3364225
Date: 09 Feb 2026

To,

Director,
Indian Institute of Kanpur,
Kanpur

Subject: Issue of Separate Audit Report: PR-201892 on the annual accounts of the Indian Institute of Technology Kanpur for the year 2024-25

Sir/Madam,

वर्ष 2024-25 के लेखों पर पृथक लेखापरीक्षा प्रतिवेदन (अंग्रेजी) की प्रति निदेशक, भारतीय प्रौद्योगिकी संस्थान कानपुर 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 मूलरूप 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।

संलग्नक: उपर्युक्तानुसार।

Yours faithfully,

RAJ KUMAR
Dy Director





कार्यालय महानिदेशक लेखापरीक्षा (केंद्रीय) लखनऊ
शाखा कार्यालय - प्रयागराज

Office of the Director General of Audit (Central) Lucknow
Branch Office - Prayagraj

15-ए, दयानंद मार्ग, ऑडिट भवन, प्रयागराज - 211001
15-A, Dayanand Marg, Audit Bhawan, Prayagraj - 211001

पत्र संख्या: म0नि0ले0प0 (केंद्रीय)/पृ.ले.प./2025-26/221

दिनांक: 09.02.2026

सेवा में,

निदेशक,
भारतीय प्रौद्योगिकी संस्थान कानपुर,
कानपुर -208016
उत्तर प्रदेश ।

विषय: Management Letter for corrective measures – reg.

महोदय,

We have audited the Annual Accounts of the Indian Institute of Technology Kanpur for the year 2024-25 and have issued the Audit Report. Following deficiencies, observed during the course of audit which has not been included in the Separate Audit Report, are being brought to your kind notice for remedial/corrective action:

Part A: Persistent Irregularities

Nil

Part B: Other minor irregularities

(B.1) The Institute has received Rs. 24.53 crore as income tax refund during the year and reflected it under 'Other liabilities-Amount Payable to Other Units (RR): Rs. 29.43 crore' in Current Liabilities & Provisions (Schedule-3). Against this amount, 'Claims receivable' amounting worth Rs. 15.28 crore only has been reflected in the asset side under 'Loans, Advances & Deposits' (Schedule-8). The balance amount of Rs. 9.25 crore (Rs. 24.53 crore minus Rs. 15.28 crore) has remained un-reconciled by the Institute as on 31 March 2025 and not depicted under claims receivable. The Institute needs to reconcile the rest of amount.

(B.2) TDR kept as 'Security Money (Contractor)' under Current Assets in projects of Hall Management amounting to Rs. 21.00 lakh. Due to above treatments Current Assets have been overstated by Rs. 21.00 lakh and Current Liabilities have been overstated by the same amount.

(B.3) The Institute is required to give detailed disclosure of Retirement Benefits in notes to accounts as required by AS 15.

भवदीय,



महानिदेशक लेखापरीक्षा (केन्द्रीय)

Opinion of the Comptroller & Auditor General of India on the Accounts of Indian Institute of Technology Kanpur for the year ended 31 March 2025

Opinion

We have audited the financial statements of Indian Institute of Technology Kanpur (Institute), which comprise the statement of financial position as at 31 March 2025 and the Income & Expenditure Account/Receipts & Payment Account for the year then ended, and notes to the financial statements, including a summary of significant accounting policies under Section 19(2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 23(2) of the Institutes of Technology Act, 1961.

This 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, disclosure norms, etc. Audit observations on financial transactions regarding compliance with the Law, Rules and Regulations (Propriety & Regularity) and efficiency cum performance aspects, etc., if any, are reported through inspection reports/ CAG's audit reports separately.

In our opinion the accompanying financial statements of Institute, read together with the accounting policies and Notes thereon and matters mentioned in the Separate Audit Report, which follows, **give a true and fair view** of the financial position of the Institute as at March 31, 2025, and (of) its financial performance and its cash flows for the year then ended in accordance with format of accounts applicable to the Institute/accounting standards generally accepted in India.

Basis for Opinion

We conducted our audit in accordance with the CAG's auditing regulations/standards/manuals/guidelines/guidance-notes/orders/circulars etc. Our responsibilities are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management for the financial statements

The Board of Governors is responsible for the preparation and fair presentation of the financial statements in accordance with uniform format of accounts applicable to the Institute/accounting standards generally accepted in India, and for internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

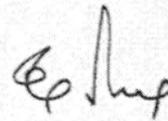
Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion in accordance with CAG's auditing regulations/ standards/ manuals/ guidelines/ guidance-notes/ orders/ circulars etc.

For and on behalf of the CAG of India

Place: Lucknow

Date: 09.02.2026



Director General of Audit (Central) Lucknow

Separate Audit Report on the Account of Indian Institute of Technology Kanpur for the year ended on 31 March 2025

A. Balance Sheet

Other Investments (Schedule-6) Rs. 344.33 crore

The above includes Rs. 344.33 crore being amount deposited in Term deposits which as per MoE format should be reflected under Current Assets (Schedule-7). This resulted in overstatement of Other Investments (Schedule-6) by Rs. 344.33 crore and understatement of Current Assets to the same extent.

B. Significant Accounting Policies (Schedule-23)

Revenue Recognition

Income from land, buildings and other property is recognized on cash basis instead of accrual basis in accordance with AS-9 and Ministry of Education (MoE) prescribed format. The Institute needs to review and align its policy with prescribed MoE format.

C. Notes to Accounts (Schedule-24)

Two schools KISLAYA and SNEHAN are being run in the campus under common PAN. The Institute's bank account is used for operationalizing the activities of the schools. Hence, their balances i.e. Rs. 35.44 lakh of Kislaya and Rs. 26.30 lakh of Snehan are included in the Capital/Corpus fund of IIT Kanpur balance sheet. The Institute needs to disclose the above information in its Notes to Accounts.

D. General

(D.1) The Institute has acquired lease land (18337.5 sq. m.) from NOIDA Authority over the lease period of 90 years and paid a sum of Rs. Rs. 14.29 crore (land premium Rs. 11.72 crore, upfront lease rent Rs. 2.57 crore). The Institute has however, amortized the lease rent only and not the Land premium. Thus, the Institute is under-amortizing by Rs. 13.02 lakh each year since 2008. The Institute needs to charge correct amortization by accounting for previous under-amortized amount as well.

(D.2) The Institute has recognized Deferred Revenue Income on depreciation relating to HEFA-funded assets in entirety. However, as per AS-12, only the interest component of HEFA loan borne by Government qualifies as a government grant. Deferred Revenue Income relating to the principal portion has to be reversed to align with AS-12.

E. Management Letter

Deficiencies which have not been included in this Separate Audit Report have been brought to the notice of the Management through a Management Letter issued separately for remedial/corrective action.

F. Assessment of Internal Controls

(i) Adequacy of Internal Control System:

The Inadequacy of Internal Control System of the Institute is characterised by the following deficiencies:

- Non-adjustment of Non-Recurring Advances sanctioned up to 2023-24, amounting to Rs. 1.92 lakh.
- Non-filling of the posts in different cadres as only 573 faculties and 746 non-teaching staff are posted against 957 posts and 1048 posts respectively.

(ii) Adequacy of Internal Audit System:

Internal Audit wing is established in the Institute and Internal Audit Manual is also maintained; however, the Internal Audit has not been conducted for the year 2024-25. Only pre-audit of Bills, Vouchers, Purchase files, IWD Payments, Establishment matters, Service matters and all financial activities of the Institute etc. are conducted by the Internal Audit wing as per procedures laid down in the Audit Manual of the Institute.

(iii) System of Physical verification of Fixed Assets:

Physical verification of Fixed Assets was conducted for the year 2024-25.

(iv) System of Physical verification of Inventory:

Physical verification of Inventory was conducted for the year 2024-25.

(v) Regularity in payment of Statutory dues:

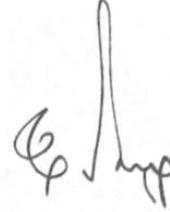
No irregularity was noticed in payment of statutory dues for the year 2024-25.

G. Grants-in-aid

(G.1) The Institute received Grants-in-aid of Rs. 884.79 crore from Govt. of India, Rs. 10.00 crore from Uttar Pradesh State Govt. and Rs. 164.62 crore from other sources. After taking an opening balance of Rs. 1.54 crore and reassigned limit of Rs. 5.26 crore and depositing back interest of Rs. 0.03 crore to the Govt., the total fund available worked out to Rs. 1066.18 crore. The institute utilized Rs. 1057.67 crore returned an opening balance of Rs. 1.54 crore and Rs. 0.08 crore, leaving a balance of Rs. 6.89 crore as on 31st March 2025.

(G.2) Project Grants

The Institute received Project grants of Rs. 462.85 crore (Government of India, State Government and others) during the year 2024-25. After taking opening balance Rs. 387.95 crore, the total fund available worked out to Rs. 850.80 crore. The Institute utilized Rs. 379.56 crore and adjustment of receivables amounting to Rs. 13.02 crore leaving a balance of Rs. 484.26 crore as at 31 March 2025.



Director General of Audit (Central) Lucknow