सत्यमेव जयते

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

Ltr No: Central Expenditure/2026-2027/DIS-3854431
Date: 07 Oct 2026

To,

Director,
Indian Institute of Kanpur,
Kanpur

Subject: Issue of Separate Audit Report: PR-246055 on the annual accounts of the Indian Institute of Technology Kanpur for the year 2025-26

Sir/Madam,

वर्ष 2025-26 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 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,

RAJ KUMAR
Dy Director

SUPREME AUDIT INSTITUTION OF INDIA
लोकहितार्थ सत्यनिष्ठा
Dedicated to Truth in Public Interest

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 सं०: म.नि.ले.प. (के)/एस.ए.आर./2026-27/223 दिनांकः 06-10-2026

सेवा में,

निदेशक,
भारतीय प्रौद्योगिकी संस्थान
कानपुर, 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 2025-26 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

1. One major project having credit balance ofRs. 39.18 crore was shown as Miscellaneous projects (named as dummy project under the head P*roject nos.*in Schedule of details related to Other Projects-Rs. 505.56 crore). The Institute needs to label correctly and depict the project name and numbers in their records.

2. Income and Expenditure Account

Depreciation and Amortization (Schedule-4) Rs. 148.56 crore

The above includes land amortization expenses of Rs. 2.48 crore, of which Rs. 2.35 crore pertains to the previous 18 years in respect of leasehold land acquired in Noida in 2008. The amortization relating to earlier years, therefore, represents expenditure pertaining to prior periods and should have been disclosed under Prior

Period Expenses (Schedule-22) in accordance with AS-5. Its inclusion in the current year's Depreciation and Amortization resulted in overstatement of the same by Rs. 2.35 crore and corresponding understatement of Prior Period Expenses by the same amount.

भवदीय,

महानिदेशक लेखापरीक्षा (केंद्रीय)

Opinion of the Comptroller & Auditor General of India on the Accounts of Indian Institute of Technology, Kanpur for the year ended 31st March 2026

Opinion

We have audited the financial statements of Indian Institute of Technology, Kanpur (Institute), which comprise the statement of financial position as at 31st March 2026, the Income & Expenditure Account and the 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 23(2) of Institutes of Technologies Act, 1961. These Financial Statements are the responsibility of the Institute's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

This Draft 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, 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 Indian Institute of Technology, Kanpur, read together with the accounting policies and Notes thereon and other matters mentioned in the Draft Separate Audit Report, which follows, **give a true and fair view** of the financial position of the IIT- K as at March 31, 2026, and of its financial performance for the year ended in accordance with uniform format of accounts/format applicable to the accounting standards generally accepted in India.

Basis for Opinion

We have conducted our audit in accordance with 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 Draft Separate Audit Report. We are independent of the autonomous body 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 AB/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 FinancialStatements

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

Draft Separate 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: 05.10.2026

Dhananjay Kumar

Director General of Audit (Central)

Separate Audit Report on the Accounts of Indian Institute of Technology, Kanpur for the year ended 31March, 2026

A. General

(A.1) The Institute reflected investments in mutual fund as 'Short-term' investments out of Earmarked/ Endowment funds (Schedule-5) while these were Long-term investments as per Institute's policy. Thus, it needs to be properly reflected under Long-term investments within the same schedule.

(A.2) The Institute has shown nil expenditure under 'Vehicles (Owned by Institution)' in Transportation Expenses (Schedule-18), while the running, maintenance and insurance costs of such vehicles have been reflected under different sub-heads. As per the MoE format of accounts, these expenses are required to be shown under Transportation Expenses (Schedule-18). Hence, the Institute should adhere to the prescribed format and correctly classify and depict the expenditure under the appropriate head.

B. 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.

C. Assessment of Internal Controls:

i. **Adequacy of Internal Control System:**

The Internal Control System of the Institute reflected the following deficiencies:

- Non-creation of provisions for write-off of old unrecoverable advances to employees who have left the Institute.
- Non-filling of 339 faculty posts and 278 non-faculty posts lying vacant against the sanctioned strength of 924 and 1016 respectively.

ii. **Adequacy of Internal Audit System:**

The Institute has a pre-audit system since inception of the Institute. Pre-audit of the Bills, Vouchers, Purchase files, IWD payments, Establishment matters, Service matters and all financial activities is being done by the Institute. Hence, the Internal audit of the Institute has not been conducted for the year 2025-26. However, BoG of the Institute has approved post audit mechanism on 16th March 2026 and the internal audit has begun from 1st April 2026 onwards for FY 2026-27.

iii. **System of Physical verification of fixed assets:**

Physical verification of fixed assets has not been completed for the year

2025-26.

iv. **System of Physical verification of inventory:**

Physical verification of inventory has not been completed for the year 2025-26.

v. **Regularity in payment of statutory dues**

No irregularity was noticed in the payment of statutory dues for the year 2025-26.

D. Grants-in-aid

The Institute received Grants-in-aid of Rs. 935.63 crore from Ministry of Education, GoI, Rs. 10.00 crore from Uttar Pradesh Government and Rs. 10.00 crore as National Supercomputing Grant (NSM) during the year 2025-26. After taking opening balance of Rs. 6.89 crore, the total funds available with the Institute amounted to Rs. 962.52 crore. The Institute utilized the amount of Rs. 955.63 crore during the year and refunded Rs. 6.89 crore, thereby leaving a nil balance as on 31st March 2026.

Sanjay Kumar.

Director General of Audit (Central)