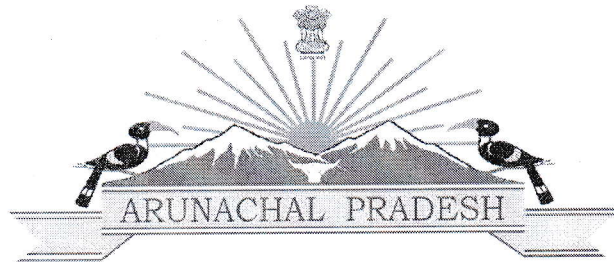




**SEPARATE AUDIT REPORT
OF THE
COMPTROLLER AND AUDITOR GENERAL OF
INDIA**

**ON THE ACCOUNTS OF THE
NORTH EASTERN REGIONAL INSTITUTE OF
SCIENCE AND TECHNOLOGY (NERIST)
NIRJULI
ARUNACHAL PRADESH**



**FOR THE YEAR ENDED
31 MARCH 2018**

**Separate Audit Report of the
Comptroller & Auditor General of India
on the accounts of the
North Eastern Regional Institute of Science &
Technology, Nirjuli for the year ended 31 March 2018**

We have audited the attached Balance Sheet of the North Eastern Regional Institute of Science & Technology (NERIST), Nirjuli as at 31 March 2018 and the Income & Expenditure Account and the Receipt & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers & Conditions of Service) Act, 1971. These financial statements are the responsibility of NERIST's management and our responsibility is to express an opinion on these financial statements, based on our audit.

2. This Separate Audit Report contains the comments of the Comptroller & Auditor General of India (C&AG) 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 with regard to compliance with the Law, Rules & Regulations (Propriety & Regularity) and efficiency-cum-performance aspects, etc if any, are reported through Inspection Reports/CAG's Audit Reports separately.

3. We have conducted our audit in accordance with auditing standards generally accepted in India. These standards require that we plan and perform our audit to obtain reasonable assurance about whether the financial statements are free from material mis-statements. An audit includes examining, on a test-check basis, evidences 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 presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

- i. We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit except for verification of fixed assets for which connected records relating to handing over of assets were not produced;
- ii. The Balance Sheet and Income & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format approved by Ministry of Human Resource Development, Government of India vide order No. 29-4/2012-FD dated 17 April 2015.
- iii. In our opinion, proper books of accounts and other relevant records have been maintained by the NERIST, as required under Rule 33 of NERIST, in so far as it appears from our examination of such books.
- iv. We further report that:

A. Balance Sheet

Assets

1. Fixed Assets (Schedule 4) - ₹ 26.34 Crore.

The above includes ₹ 60.74 lakh being the depreciation not charged on the additions to the buildings valuing ₹ 5615.00 lakh made during the year resulting in overstatement of "Fixed Assets" and understatement of "Depreciation" and Deficit to the extent of ₹ 60.74 lakh.

2. Grant (Schedule 7) – ₹ 71.75 Crore.

The above includes grant amounting to ₹ 1982.71 lakh sanctioned during March 2018 but received during April 2018. It has resulted in understatement of "Grant Receivable" and overstatement of "Grant" to the extent of ₹ 1982.71 lakh.

B. Income and Expenditure Account

Income

1. Other Income (Schedule 10) – ₹ 78.84 lakh.

The above includes ₹ 1.91 lakh being the differential amount of rentals booked under Hire charges of auditorium/playground/convention centre. An amount of ₹ 6.65 lakh was booked towards Hire charges of auditorium/playground/convention centre (SBI rent) as against the actual amount of ₹ 4.74 lakh during the year 2017-18 which resulted in overstatement of "Other Income" and understatement of "Deficit" to the extent of ₹ 1.91 lakh.

E. Grant in Aid

Out of the total funds of ₹ 13006.19 lakh consisting of opening balance of (-) ₹ 345.30 lakh, Grant-receipt of ₹ 13001.61 lakh received during the year, other receipt of ₹ 349.88 lakh; the Institute could spend ₹ 12677.26 lakh leaving a balance of (-) ₹ 328.93 lakh as on 31st March 2018.

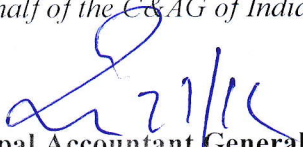
- v. Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/Receipt & Payment Account dealt with by this report are in agreement with the books of accounts.
- vi. In our opinion and to the best of our information and according to the explanation given to us, the said financial statements read together with this Accounting Policies and Notes on Accounts, and subject to the significant matters stated above and other matters mentioned in Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India:
 - a. In so far as it relates to the Balance Sheet, of the state of affairs of the NERIST as at 31 March 2018; and

- b. In so far as it relates to the Income & Expenditure Account of the deficit for the year ended on that date.

Place: **Itanagar**

Dated: **24th December 2018**

For and on behalf of the C&AG of India


Principal Accountant General
Arunachal Pradesh

Annexure

1. Adequacy of Internal Audit and Internal Control Mechanism

The Institute did not have any Internal Audit Manual. The Institute has not maintained the ledger of individual fixed assets due to which depreciation charged on the fixed assets during the year could not be verified.

2. Adequacy of Physical Verification of Fixed Assets and Inventories

Physical verification of assets and inventories was not done during the period 2017-18.


3. Regularity in Payment of Statutory Dues.

The Institute was regular in payment of Statutory Dues.

Place: Itanagar

Dated: 24th December 2018

For and on behalf of the C&AG of India


Principal Accountant General
Arunachal Pradesh