



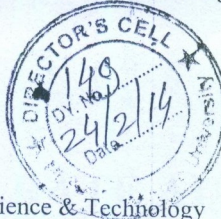
INDIAN AUDIT & ACCOUNTS DEPARTMENT
OFFICE OF THE ACCOUNTANT GENERAL

Arunachal Pradesh, Itanagar



FDM
To

Registrars
24/02/2014



No: AB/AP/SAR/NERIST/2012-13/38

Dated: 18th February 2014

The Director
North Eastern Regional Institute of Science & Technology
Nirjuli - 791 109
Arunachal Pradesh

1323
27/2/14

Sub: Separate Audit Report on accounts of the North Eastern Regional Institute of Science & Technology (NERIST), Nirjuli, Arunachal Pradesh, for 2012-13

Sir,

Please find enclosed the Separate Audit Report on accounts of the *North Eastern Regional Institute of Science & Technology (NERIST), Nirjuli, Arunachal Pradesh, for 2012-13*, for your necessary action. You are requested to make necessary arrangements for translation of the same into Hindi and printing the requisite number of copies, along with the Annual Accounts. Submission of the Report to the 'Ministry of Human Resources Development, Government of India, may also be ensured.

Further, while printing the Separate Audit Report in Hindi, the following disclaimer should be inserted positively:

" प्रस्तुत प्रतिवेदन मूल रूप 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 "

Kindly ensure that the Report of the previous year is placed in Parliament before placement of the current Report. The date of placement of the said Reports before the Parliament may kindly be intimated to this office. A copy of the Audit Report may also be sent to this office.

The Separate Audit Report may please be treated as **CONFIDENTIAL** till it is placed before both the Houses of Parliament.

Encl: as stated.

Deputy Registrar (Fin)
NERIST, Nirjuli - 791109
ARUNACHAL PRADESH
Receipt No. 1932
Dated. 27/2/14

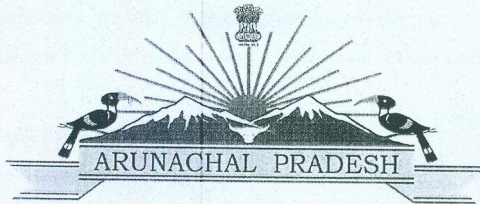
Yours sincerely,

Accountant General



**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 2013**

**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 2013**

We have audited the Balance Sheet of North Eastern Regional Institute of Science & Technology (NERIST), Nirjuli, for the year ended 31 March 2013, the Income & Expenditure Account/and Receipt & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971, read with Rule 5(a) (xv) and Rule 33 (v) of NERIST, framed under the Memorandum of Association of NERIST (Under Section 3 of the UGC Act, 1956). The audit has been entrusted for the period up to 2016-17. 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 and Auditor General of India (C & AG) on the accounting treatment only with regard to their 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 and Regulations (Propriety and 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 the 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.
- ii. The Balance Sheet, Income & Expenditure Account and Receipt & Payment Account dealt with by this report have been drawn up in the format approved by the Government of India, Ministry of Finance.

- 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

Fixed Assets (Scheduled-4) - ₹ 91.64 crore

Addition of ₹ 69,75,455 /- as *Furniture & Fixtures* under *Fixed Assets* included ₹ 1,79,500/- as advance to the supplier. This resulted in overstatement of *Fixed Assets - Furniture/Fixtures* and understatement of *Advances under Current Assets* by a corresponding amount.

B. General

General Observation on the Format of Annual Accounts/Schedule

1. Schedule attached to the Balance Sheet – Earmarked Fund (Schedule – 5) was not shown in the specified format as per ‘Uniform Format of Accounts for Autonomous Bodies’. The Schedule showed only net figures at the end of the year for each head, whereas as per specified format, the *balance* at the beginning of the year, *additions* during the year, *expenditure* – Capital and Revenue and *Net Balance* at the end of the year have to be shown separately for each category of fund.

The same observation was also made for previous accounts. However, no corrective measure was taken.

C. Accounting Policy

Accounting Policy

1. Policies regarding Revenue Recognition, Investments, Depreciation – method and rates applicable, etc., were not disclosed.

D. Grants-in-Aid

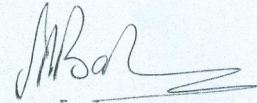
The Institute is financed mainly by grants received from Government of India (GOI). During the year, the Institute had funds of ₹ 5322.36 lakh, which included Grants-in-Aid of ₹ 4340 lakh (₹ 397.68 lakh received during March 2013) received from Government of India and an opening balance of ₹ 753.31 lakh. The Institute also generated ₹ 229.06 lakh. From the total available funds ₹ 5322.36 lakh, the Institute spent ₹ 4678.62 lakh, leaving a balance of ₹ 643.75 lakh as on 31 March 2013.

- v. Subject to our observations in the preceding paragraphs, we report 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 the accounting policy and notes to 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 2013; 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: **18th February 2014**

for and on behalf of the C&AG of India



**Accountant General
Arunachal Pradesh**

Annexure

1. **Adequacy of Internal Audit System**

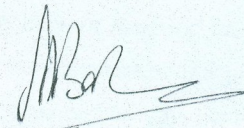
Internal audit was confined to pre-audit only. No periodical inspection of any of the Branches/Departments of the Institute was carried out by the internal auditor during 2012-13.

Adequacy of Physical Verification of Fixed Assets and Inventories

Audit scrutiny revealed that physical verification of assets and inventories was done annually through a Committee constituted for this purpose.

2. **Regularity in Payment of Statutory Dues.**

The Institute was regular in payment of Statutory Dues.



**Accountant General
Arunachal Pradesh**