

National institute of Technology Durgapur



**Scanned Copy of Separates Audit Report
on the Accounts of
National institute of Technology Durgapur
for the year 2014-15 2015-16.**



सत्यमेव जयते

SPEED POST

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876
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as per report -
10/11/16

भारतीय लेखापरीक्षा और लेखा विभाग
प्रधान निदेशक, लेखापरीक्षा का कार्यालय,
केन्द्रीय, कोलकाता

INDIAN AUDIT AND ACCOUNTS DEPARTMENT
OFFICE OF THE PRINCIPAL DIRECTOR OF AUDIT
CENTRAL, KOLKATA

For urgent na pl.
AR Audit 11/11/16

No: OA II (AB)/AR/2015-16/NITD / 313

Date: 06-10-2016

06 OCT 2016

A copy of the Separate Audit Report alongwith Annexure on the accounts of **National Institute of Technology**, for the year 2015-16 is forwarded to the **Director National Institute of Technology Mahatma Gandhi Avenue Durgapur 713209**, for information and necessary action.

Arrangement may please be made for preparation of Hindi Version of the Separate Audit Report with Annexure at your end and sending the same directly to the Ministry.

It may please be ensured that the Audited Accounts and the Separate Audit Report along with Annexure are placed before the apex body for consideration and adoption before the same are sent to the Government for being placed in Parliament.

Two copies of the printed Annual Report for the year 2015-16 (both English and Hindi Version) containing the Audited Accounts and the Separate Audit Report along with Annexure, as laid before Parliament, may please be forwarded to this office for necessary action at this end.

Encl.: As stated

Director (I)

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of National Institute of Technology, Durgapur for the year ended 31 March 2016

We have audited the attached Balance Sheet of National Institute of Technology, Durgapur, as at 31 March 2016 and the Income and Expenditure account for the year ended on that date under Section 19(2) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971 read with Section 22(2) of the National Institute of Technology Act, 2007. 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.

2. This Separate Audit Report contains the comments of the Comptroller and Auditor General of India (CAG) on the accounting treatment only with regard to classification, conformity with the best accounting practices, accounting standards and 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 the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining, on a test 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 the 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;
 - ii. The Balance Sheet and Income and Expenditure Account dealt by this Report have neither been drawn in the Uniform Format of Accounts approved by the Ministry of Finance nor in the revised Format of Accounts prescribed by Ministry of Human Resource Development, Government of India for Central Educational Institutions.
 - iii. In our opinion, proper books of accounts and other relevant records have been maintained by the National Institute of Technology as required under Section 22(2) of the National Institute of Technology Act, 2007 in so far as it appears from our examination of such books.
 - iv. We further report that

Comments on Accounts

A. Balance Sheet

1.1 Liabilities

1.1.1 Designated/ Earmarked Funds (Schedule-3): ₹17.03 crore

1.1.1.1 The above amount had been overstated by ₹14.68 lakh due to excess inclusion of accrued interest on investment of Designated/Earmarked Funds (Depreciation Fund: ₹11.46 lakh, Maintenance Fund: ₹2.62 lakh and Staff Development Fund: ₹0.60 lakh) and consequently, the Loans, Advances & Deposits also stood overstated by ₹14.68 lakh.

1.1.2 Current Liabilities and Provision (Schedule-6): ₹68.54 crore

1.1.2.1 As per the accounting policies followed by the Institute, receipts against sponsored projects account was credited on receipt of fund for sponsored projects

and the same account was debited on disbursement/utilization of the fund. The balance amount, if any, remained under current liabilities.

Scrutiny of records revealed that on receipt of ₹12 lakh for sponsored project, the amount was though credited to receipts against sponsored projects account, furniture account was debited on disbursement of the amount instead of debiting receipts against sponsored project account. This had resulted in over statement of both current liabilities & provisions and fixed assets by ₹12 lakh.

1.1.2.2 The above amount of Current Liabilities & Provisions had been arrived at after adjusting debit balance of ₹51.20 lakh (Income Tax: ₹3.64 lakh; Service Tax: ₹3.60 lakh and MOES Hillium Project: ₹43.96 lakh) instead of showing the amount recoverable under Loans, Advances & Deposits.

Similarly, excess recovery/deposits of ₹2.65 lakh (Advance for Scooter/Bicycle: ₹2.35 lakh and Temporary Advance to Staff: ₹0.30 lakh) had been adjusted from Loans, Advances & Deposits instead of reflecting the amount under Current Liabilities & Provisions.

The net impact of above errors was understatement of both Current Liabilities & Provisions and Loans, Advances & Deposits by ₹53.85 lakh.

1.2 Assets

1.2.1 Current Assets (Schedule-9): ₹119.17 crore

As per Bank Reconciliation Statement in respect of A/c No. 11520034072, SBI R.E College Branch, the total value of time barred cheques amounting to ₹79.34 (₹74.40 lakh of previous year and ₹4.94 lakh of current year) lakh had not been written back in accounts despite mention in previous year Audit Report. This had resulted in understatement of both Current Assets and Current Liabilities & Provisions by ₹79.34 lakh.