

Separate Audit Report of the Comptroller & Auditor General of India on the accounts of the National Institute of Technology, Uttarakhand for the year ended 31 March 2022.

We have audited the attached Balance Sheet of the National Institute of Technology, Uttarakhand, Srinagar (Institute) as at 31 March 2022, Income & Expenditure Account and Receipt & Payment Account for the year ended on that date under Section 19(2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Services) Act, 1971 read with Section 22(2) of the National Institutes of Technology Act, 2007 as amended in 2012. 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 & 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 the financial transactions with regard to compliance with the Law, Rules & 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 disclosure 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;

(ii) The Balance Sheet, Income & Expenditure Account and Receipt & Payment Account dealt with by this report have been drawn up in the format of financial statements for Central Higher Educational Institutions approved by the Ministry of Human Resources Development.

(iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Institute as required under Section 22(1) of the National Institutes of Technology Act, 2007 as amended in 2012, in so far as it appears from our examination of such books.

(iv) We further report that:

(A) Balance Sheet

(A.1) Fixed Assets (Schedule-4)

Capital Work in Progress

Rs. 3.46 Crore

The Institute has depicted Rs. 3.46 crore under Capital Work in Progress for the works related to site development & other construction activity whereas the same has been completed and handed over to the Institute. This resulted in overstatement of 'Capital work in Progress' by Rs. 3.46 crore and understatement of 'Site development' under 'Fixed Assets' (Schedule-4).

(B) Income & Expenditure Accounts

(B.1) Other Income (Sch-13)

Rs. 1.33 lakh

The above included workshop fee amounting to Rs. 1.03 lakh which should have been included in 'Academic Receipt' (Schedule-9). This resulted in overstatement of 'Other Income'(Schedule-13) by Rs. 1.03 lakh and understatement of 'Academic Receipt' (Schedule-9) by the same amount.

(B.2) Establishment Expenses (Sch-15)

Rs. 16.81 Crores

The above included Rs. 3.36 lakh as Consultancy & professional Expenses related to Audit consultancy and TDS whereas the same should have been included in 'Administrative and General Expenses' (Schedule17). Thus 'Establishment expenses' (Schedule15) is overstated by Rs. 3.36 lakh and 'Administrative and General Expenses (Schedule17) understated by the same amount.

General

(C.1) The Institute has not disclosed assets purchased out of funds of sponsored projects in its Notes to Account as required under Format of MHRD.

(C.2) The Institute has not made provision for Retirement benefits on actuarial basis as required in AS-15.

(D) Grants-in-aid

The Institute received Grants-in-aid of Rs. 22.58 crore & Rs. 0.31 crore (Receivable) from Ministry of Education and earned interest of Rs. 0.86 crore. After taking opening balance of Rs. 42.09 crore total funds worked out to Rs. 65.84crore. The Institute utilized Rs. 24.97 crore and refunded an amount of Rs. 3.88 crore leaving a balance of Rs. 36.99 crore as at 31 March 2022.

(v) Subject to our observation in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure 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 explanations given to us, the said financial statements read together with the 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 National Institute of Technology, Uttarakhand as at 31 March2022; and

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

Annexure

1. Adequacy of Internal Audit System

[The Institute has no internal audit wing of its own](#) as such the internal audit of the Institute has not been conducted for the year 2021-22.

2. Adequacy of Internal Control System

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

- i. [Non fulfillment of 53 vacant posts against 181 sanctioned posts.](#)
- ii. [Non traceability of 750 books in the library of the Institute.](#)
- iii. Non-disposal of unserviceable items in the institute.

3. System of Physical Verification of Fixed Assets

[Physical verification of Fixed Assets has been conducted for the year 2021-22.](#)

4. System of physical verification of Inventories

[The Institute reported for non-existence of 'Inventory management system'.](#)

5. Regularity in payment of statutory dues

[The Institute is regular in payment of statutory dues.](#)