



सत्यमेव जयते

भारतीय लेखा परीक्षा और लेखा विभाग  
INDIAN AUDIT AND ACCOUNTS DEPARTMENT  
महानिदेशक लेखा परीक्षा (खान) का कार्यालय  
OFFICE OF THE DIRECTOR GENERAL OF AUDIT (MINES)  
1, काउंसिल हाउस-स्ट्रीट, कोलकाता- 700 001  
1, COUNCIL HOUSE STREET, KOLKATA-700 001

दिनांक / Dated.....

To,  
The Secretary to the Government of India,  
Ministry of Commerce and Industry,  
Udyog Bhawan,  
New Delhi – 110 011

Subject: **Separate Audit Report (SAR) on the accounts of National Institute of Design, Jorhat, Assam, for the year 2022-23.**

Sir,

I am to forward herewith the Separate Audit Report (SAR) on the accounts of National Institute of Design, Jorhat, Assam, for the year 2022-23. A copy of the Annual Accounts of National Institute of Design, Jorhat, Assam, for the year 2022-23 is also enclosed.

Action may please be taken for placing the same before both the Houses of the Parliament. The date on which the SAR is placed before the Parliament (both Lok Sabha and Rajya Sabha) may please be communicated to this office. The Director of National Institute of Design, Jorhat, Assam has been requested to send the Hindi version of the SAR and Annual Accounts to the Ministry.

The receipt of this letter may kindly be acknowledged.

Yours faithfully,

Enclo: As stated

Sd/-  
(Bibhudutta Basantia)  
Director General of Audit (Mines),  
Kolkata

No. <sup>167</sup>~~166~~/DGA(M)/SMP-ABs/SAR-2022-23/NIDJ/2023-24

Dated:

26 FEB 2024

Copy along with a copy of the Separate Audit Report (SAR) for the year 2022-23 is forwarded to the Director of National Institute of Design, Jorhat, Assam, Tocklai, Rajabari, Jorhat-785014, Assam for information and necessary action.

Hindi Version of the SAR and the Annual Accounts may please be prepared and submitted to the Ministry for further action.

Enclo: As stated



(Bibhudutta Basantia)  
Director General of Audit (Mines),  
Kolkata

**Separate Audit Report of the Comptroller & Auditor General of India on the accounts of National Institute of Design, Assam for the year ended 31<sup>st</sup> March 2023.**

We have audited the attached Balance Sheet of National Institute of Design, Assam as at 31 March 2023 and the Income and Expenditure Account for the year ended on that date under Section 19(2) of Comptroller & Auditor General's (Duties, Powers and Conditions of Service) Act 1971 read with Section 25 of National Institute of Design Act, 2014 and Section 4 of the National Institute of Design, Assam (Form of Annual Statement of Accounts) Rules, 2020. Preparation of these financial statements are the responsibility of the Management of National Institute of Design, Assam. 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 and disclosure norms, etc. Audit observations on 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, evidence 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 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 & Expenditure Account dealt with by this report have been drawn up in the format approved by the Government of India under Sections 25 and 38(2b) of National Institute of Design Act, 2014 read with Section 4 of the National Institute of Design, Assam (Form of Annual Statement of Accounts) Rules, 2020.
- iii. In our opinion, proper books of Accounts and other relevant records have been maintained by the National Institute of Design, Assam as required under Sections 25 and 38(2b) of National Institute of Design Act, 2014 read with Section 4 of the National Institute of Design, Assam (Form of Annual Statement of Accounts) Rules, 2020 in so far as it appears from our examination of such books.
- iv. We further report regarding National Institute of Design, Assam that:

**A Balance Sheet**

**Current Liabilities (Schedule - 5) – ₹ 1,58,48,390.92**

**Income & Expenditure (Schedule - 9) – ₹ 5,01,94,350.07**

- A.1** Current Liabilities includes an amount of ₹30,010.00 against "B. Des Batch III 2021-22 (out)" under sub head Sundry Credit balance.

The above amount was paid in Sept. 2021 by an applicant as non-refundable token fees for confirming her seat in B. Des. course. However, the said candidate did not take admission at National Institute of Design (NIDJ) Assam.



In view of the above, no liability is required against the fee because it was non-refundable and the same should have been transferred to "Other Income".

Due to non-adjustment of the same, current liabilities are overstated and other income is understated by ₹30,010.00 each.

**A.2 Provision for Leave Encashment- ₹2.72 lakh**

Scrutiny of the Balance Sheet of NID, Jorhat revealed that an amount of ₹2,72,376/- was provided towards Leave Encashment which was only for one employee who had joined NID, Jorhat from another govt. organisation.

Thus, the provision for liability towards accumulated Leave Encashment for employees who are presently serving in NID, Jorhat has not been made based on actuarial basis up to the year end.

**A.3 Fixed assets ₹10928.99 Lakh**

The Annual accounts of NID Jorhat for the year 2022-23 shows opening balance of fixed assets as ₹9833.99 lakh and closing balance of ₹10928.99 lakh. In absence of proper and complete records showing unit rate, quantity, total value, and place/location of these assets, audit could not vouchsafe the classification / categorization of the fixed assets and values there against as stated by NID, Jorhat in its Balance Sheet as at 31.03.2023 as well as the depreciation charged during the year 2022-23 on each group of assets.

**A.4 Land ₹10,74,683**

Government of Assam handed over a piece of land measuring about 31 acres at Jorhat to Department of Industrial Policy and Promotion (DIPP), Govt. of India on 16.02.2011 for setting up of National Institute of Design (NIDJ), Jorhat. DIPP handed over the same piece of land to NBCC for construction of campus for NID, Jorhat on 29.10.2015.

As per the Annual accounts of NID, Jorhat for the year 2022-23, ₹10.75 lakh has been booked as value of land. But, as per record, the said amount actually was the expenditure incurred by NID, Ahmadabad, the Pioneering institute for setting up of NIDJ, Assam, in obtaining possession of land, registration of society etc. The actual value of the land is not included in the above Land value. In absence of the complete documents, actual value of land could not be ascertained by audit.

**A.5 Current Assets- ₹ 3561.49 Lakh**

National Institute of Design, Jorhat (NIDJ), has undertaken the work of "Construction of Additional Block/rooms for Girls/Boys Hostels along with Playgrounds at NIDJ Assam campus". In this regard, a grant of ₹2534 lakh was received. As per the MoU signed with NBCC (contractor), first installment (33-1/3 % of the estimated cost) as interest free advance had to be deposited to NBCC. After submission of the utilization certificate of at least 70% of the first installment, second installment was to be released.

Scrutiny of the Annual Accounts of NID Jorhat reveals that an amount of ₹8.35 crore was deposited to NBCC as advance during the year 2022-23 and it was booked in the CWIP. It was also seen that NBCC submitted utilisation certificate to NID, Jorhat for an amount of ₹6.54 crore.

Therefore, ₹6.54 crore should have been booked in the CWIP and ₹1.81 crore booked as advance and classified as a Current Asset. Thus, CWIP is overstated and current asset is understated by ₹1.81 crore.

**B.1 Notes forming part of accounts (Schedule-17)**

**Annexure A- Estimated amount of contracts remaining to be executed and not provided ₹6.23 lakh**

The above head does not include an amount of ₹16.99 crore being capital commitment of NIDJ.

NIDJ awarded a contract for construction of additional block/rooms for Girls/Boys Hostels along with Playground at NIDJ Assam Phase – II to NBCC at a cost of ₹25.34 crore. The contract was to be executed on same terms as in MoU dated (30.03.2015) between NBCC and Department of Industrial Policy & Promotion (DIPP). An amount of ₹8.35 crore has been paid (May 2022) as interest free advance to NBCC.

The remaining amount i.e. ₹16.99 crore, being capital commitment, should have been disclosed in Schedule-17 Note forming part of accounts.

However, NIDJ has not shown the same under Schedule-17. Due to omission of above, disclosure in the Schedule-17 is deficient to that extent.

**C. Management Letter:**

Deficiencies which have not been included in the Audit Report have been brought to the notice of National Institute of Design, Jorhat, Assam, through a management letter issued separately for remedial/corrective action.

- v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and 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-I 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 Design, Assam as at 31<sup>st</sup> March 2023; and
  - b. In so far as it relates to Income and Expenditure Statement, of the Surplus for the year ended on that date.



**(Bibhudutta Basantia)**  
**Director General of Audit (Mines),**  
**Kolkata**

**Place:** Kolkata

**Date:** 26 FEB 2024



## Annexure-I to Audit Report

### **1. Internal Audit:**

The Institute does not have any Internal Audit wing of its own. Internal Audit of the Institute was carried out by an external agency during 2022-23.

### **2. Internal control:**

#### **(a) Deficiency in Fixed Assets Register:**

The Fixed Asset Register maintained by the Management of the Institute was incomplete and not as per GFR-22. Audit could not vouchsafe the classification/ categorization and book values of fixed assets. (Please refer to para A.3 for details)

#### **(b) Deficiency in stock register of consumables**

Stock registers maintained by the Institute for consumables such as office stationery, chemicals, maintenance spare parts etc., (*except Carpentry works*) may be improved to contain details as prescribed in Form GFR-23.

### **3. Physical Verification of Inventories:**

NID, Jorhat had no inventory as at 31.03.2023.

### **4. Physical Verification of Fixed Assets:**


Physical verification of fixed assets like furniture & fixtures, electrical items, etc. was carried out by a committee. The discrepancies were addressed suitably for such assets. However, physical verification of other fixed assets like Buildings, auditorium, etc. was inadequate.

### **5. Physical verification of Library books:**

The physical verification of library books for the year 2021-22 was carried out in the Financial year 2022-23. The Management stated that the physical verification of Library books for the year 2022-23 will be carried out in the next financial year.

### **6. Regularity in payment of statutory dues:**

According to the information and explanations given and the records of the Institute examined by audit, National Institute of Design, Assam is generally regular in depositing undisputed statutory dues with the appropriate authorities including Income Tax, Professional Tax and any other material statutory dues applicable to the Institute.

  
(S. Sivakumar)  
Dy. Director