

ANNUAL ACCOUNTS
for the year
2010-11



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NIPHM



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NIPHM

NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT
RAJENDRANAGAR, HYDERABAD - 500 030

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT
RAJENDRANAGAR, HYDERABAD-500030

BALANCE SHEET AS AT 31st MARCH, 2011

		(Amount in Rs.)	
	Schedule	Current Year	Previous Year
<u>CORPUS / CAPITAL FUND AND LIABILITIES</u>			
CORPUS / CAPITAL FUND	1	12,37,22,645	7,40,04,648
RESERVES AND SURPLUS	2	-	-
EARMARKED/ENDOWMENT FUNDS	3	-	-
SECURED LOANS AND BORROWINGS	4	-	-
UNSECURED LOANS AND BORROWINGS	5	-	-
DEFERRED CREDIT LIABILITIES	6	-	-
CURRENT LIABILITIES AND PROVISIONS	7	1,24,87,734	20,000
TOTAL		13,62,10,379	7,40,24,648
<u>ASSETS</u>			
FIXED ASSETS	8	8,99,21,796	5,89,52,818
INVESTMENTS-FROM EARMARKED/ENDOWMENT FUNDS	9		
INVESTMENTS -OTHERS	10		
CURRENT ASSETS, LOANS, ADVANCES etc.,	11	4,62,88,583	1,50,71,830
MISCELLANEOUS EXPENDITURE			
(To the extent written off or adjusted			
TOTAL		13,62,10,379	7,40,24,648
SIGNIFICANT ACCOUNTING POLICIE	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

REGISTRAR

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National Institute of Plant Health Management,
Rajendranagar, Hyderabad-500 030, A.P.

DIRECTOR GENERAL

Dr. K. SATYAGOPAL, I.A.S.
Director General
National Institute of Plant Health Management
Rajendranagar, Hyderabad-500 030 (A.P.)

NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT
RAJENDRANAGAR, HYDERABAD-500030

INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

(Amount in Rs.)			
Income	Schedule	Current year	Previous year
Income from Sales/Services	12	-	-
Grants/Subsidies	13	3,49,22,000	1,10,00,000
Fees/Subscriptions	14	5,31,265	5,98,348
Income from Investments	15	-	-
Income from Royalty, Publications	16	-	-
Interest Earned	17	5,54,516	1,24,995
Other Income	18	6,87,986	1,06,257
Increase/(decrease) in stock Finished Goods	19	-	-
TOTAL(A):		3,66,95,767	1,18,29,600
EXPENDITURE			
Establishment Expenses	20	1,27,35,918	3,88,215
Other Administrative Expenses etc.	21	78,22,024	59,36,737
Expenditure on Grants, Subsidies etc.,	22	-	-
Interest Paid	23	-	-
Depreciation		83,97,828	-
TOTAL(B)		2,89,55,770	63,24,952
Balance being excess of Income over Expenditure(A-B)		77,39,997	55,04,648
Transfer to Special Reserve (Specify Each)			
Transfer to /from General Reserve			
Balance being Surplus/(Deficit) carried to Corpus/Capital Fund		77,39,997	55,04,648
SIGNIFICANT ACCOUNTING POLICIES			
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS			
	24		
	25		

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National Institute of Plant Health Management
Rajendranagar, Hyderabad-500 030, A.P.

Dr. K. SATYAGOPAL, I.A.S.
National Institute of Plant Health Management
Rajendranagar, Hyderabad-500 030 (A.P.)

NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT
RAJENDRANAGAR, HYDERABAD-500030

RECEIPTS AND PAYMENTS ACCOUNT OF NIPHM FOR THE YEAR ENDING 31/03/2011

(Amount in Rs.)

Receipts	Current year	Previous year	Payments	Current year	Previous year
I Opening Balance			I. Expenses		
a) Cash in hand	76,18,080	0	a) Establishment Expenses	1,23,35,906	35,51,544
b) Bank Balances		0	b) Administrative Expenses	79,58,311	24,64,454
II. Grants Received From Government of India	7,69,00,000	2,70,00,000	II Payments made against funds for Training programmes	1,37,101	3,08,954
III Interest from Savings Bank	3,75,764	1,24,995	III Expenditure on Fixed Asset and Capital work in Progress	3,06,52,978	
IV Misc., and Other Income			a) Purchase of Fixed Assets	15,14,624	64,52,818
a) Training Fees	5,31,265	5,98,348	IV Loans and Advances		
b) Tender Fees	0	10,080	a) Computer Advances		1,20,000
c) Hostel Room Rent	4,09,823	38,273	b) Training Programme Advance		1,26,546
d) Other Income	23,203	3000	c) TA Advance		8,000
e) Sale of Produce	0	7,064	d) Advance - Hostel Renovation - CPWD		71,99,204
f) Sale of Scraps	2,54,960	47,840	e) National Plan	3,30,420	
V. Any other Receipts Security Deposit	7,000	20,000	f) Advances to staff/others	1,20,000	
VI Deposits & Advances			V. Closing Balances		
a) Staff	50,000		a) Cash in hand		
b) National Plan (RPM)	25,00,000		b) Bank Balance		
c) PGDPHM	32,00,000		Amount in Short term Deposit		
d) Extension Reform Prog. (NE Region)	68,00,000			3,29,20,755	76,18,080
TOTAL	9,86,70,095	2,78,49,600	TOTAL	9,86,70,095	2,78,49,600


REGISTRAR
 National Institute of Plant Health Management
 Rajendranagar, Hyderabad-500 030, A.P.


Dr. K. SATYAGOPAL, I.A.S.
 Registrar, Director General
 National Institute of Plant Health Management
 Rajendranagar, Hyderabad-500 030 (A.P.)

NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

	Current Year	Previous Year
(Amount in Rs.)		
Schedule 1 – CAPITAL FUND		
Balance as at the beginning of the year	7,40,04,648	5,25,00,000
Add: Contributions towards Corpus/Capital Fund	4,19,78,000	1,60,00,000
Add:/(Deduct): Balance of Net Income/(Expenditure)	77,39,997	55,04,648
Transferred from the income and Expenditure Account		
BALANCE AT THE YEAR-END	12,37,22,645	7,40,04,648

	Current Year	Previous Year
Schedule 2 – RESERVES AND SURPLUS		
1. Capital Reserve – (Grants in Aid)		
As per last account		-
Addition during the year		-
Less : Deductions during the year		-
2. Revaluation Reserve		
As per last account		-
Addition during the year		-
Less : Deductions during the year		-
3. Special Reserve		
As per last account		-
Addition during the year		-
Less : Deductions during the year		-
4. General Reserve		
As per last account		-
Addition during the year		-
Less : Deductions during the year		-
TOTAL:		

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

(Amount in Rs.)	
	Current Year
Schedule -3 EARMARKED FUNDS	
a) Opening Balance of the Funds	-
b) Addition to the Funds	-
i. Donation/Grants	-
ii. Income from Investments made on account of Funds	-
iii Other Additions:	-
TOTAL:	-
c) Utilisation/Expenditure towards objectives of Funds	-
i. Capital Expenditure	-
- Fixed Assets	-
- Others	-
Total	-
ii. Revenue Expenditure	-
- Fixed Assets	-
- Others	-
Total	-
TOTAL	-
NET BALANCE AS THE YEAR END	-

	Current Year	Previous Year
Schedule 4 – SECURED LOANS AND BORROWINGS		
1. Central Government	-	-
2. State Government(Specify)	-	-
3. Financial Institutions	-	-
a) Term Loans	-	-
b) Interest accrued and due	-	-
4. Banks	-	-
a) Term Loans - Interest accrued and due	-	-
b) Other Loans - Interest accrued and due	-	-
5. Other Institutions and Agencies	-	-
6. Debentures and Bonds	-	-
7. Others (Specify)	-	-
TOTAL:	-	-
Note: Amount due within one year		

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[Signature]

NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

Schedule 5 – UNSECURED LOANS AND BORROWINGS		(Amount in Rs.)	
	Current Year	Previous Year	
1. Central Government			
2. State Government(Specify)			
3. Financial Institutions			
4. Banks			
a) Term Loan			
b) Other Loans			
5. Other Institutions and Agencies			
6. Debentures and Bonds			
7. Fixed Deposits			
8. Others (Specify)			
TOTAL:			
Note: Amount due within one year			

Schedule 6 – DEFERRED CREDIT LIABILITIES		Current Year	Previous Year
a) Acceptances Secured by Hypothecation of Capital Equipment and other Assets			
b) Others			
TOTAL:			
Note: Amount due within one year			

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

Schedule 7- CURRENT LIABILITIES AND PROVISIONS		(Amount in Rs.)	
Current Year	Previous Year	Current Year	Previous Year
A. CURRENT LIABILITIES			
1. Acceptances	-	-	-
2. Sundry Creditors	-	-	-
a) For Goods	-	-	-
b) Others	-	-	-
3. Advances Received – Grants Unutilized	-	-	-
4. Interest accrued but not due on	-	-	-
a) Secured Loans /Borrowings	-	-	-
b) Unsecured Loans/ Borrowings	-	-	-
5. Statutory Liabilities	-	-	-
a) Over due	-	-	-
b) Others	-	-	-
6. Other Current Liabilities	-	2,91,154	-
- outstanding Liabilities (Salaries)	-	27,000	20,000
- Performance Security	-	-	-
- Retirement Benefits from other Dept	-	-	-
- Earnest Money Deposit	-	-	-
- Sponsored Training Programmes (RPM)	-	21,69,580	-
- Extension Reform Programmes (NE REGION)	-	68,00,000	-
- Caution Deposits (PGDPHM)	-	32,00,000	-
- Interest Refundable	-	-	-
TOTAL(A)		1,24,87,734	20,000
B PROVISIONS			
1. For Taxation			
2. Gratuity			
3. Superannuation/Pension			
4. Accumulated Leave Encashment			
5. Trade Warranties/Claims			
6. Others (Specify)			
TOTAL			
TOTAL(A+B)		1,24,87,734	20,000

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

(Amount in Rs.)

Schedule - 8 FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NETBLOCK	
	Cost/Valuation as at beginning of the year	Addition During the year	Deductions During the year	Cost/Valuation At the year-end	As at beginning of the year	On Addition during the year	On deductions during the year	Total Up to year end	As at the Current Year End	As at the Previous Year End
Fixed Assets										
Buildings										
a) Building - Office	2,51,00,000	14,78,000	-	2,65,78,000	25,10,000	1,47,800	-	26,57,800	2,39,20,200	
b) Building - Residential	86,00,000			86,00,000	4,30,000			4,30,000	81,70,000	
c) Security Sheds-Civil works	75,612			75,612	7,561			7,561	68,051	
Computers										
a) Computer & Peripherals	13,06,475			13,06,475	7,83,885			7,83,885	5,22,590	
b) Printers - Deskjet	42,875			42,875	25,725			25,725	17,150	
c) Projectors	12,56,249			12,56,249	7,53,749			7,53,749	5,02,500	
d) UPS	4,84,700			4,84,700	2,90,820			2,90,820	1,93,880	
Air Conditioners	5,39,560			5,39,560	80,934			80,934	4,58,626	
Furniture and Fixtures	17,39,092			17,39,092	1,73,909			1,73,909	15,65,183	
Micro phones	88,700			88,700	13,305			13,305	75,395	
Refrigerator	35,600			35,600	5,340			5,340	30,260	
RICOH - Xerox Machine	3,85,424			3,85,424	57,814			57,814	3,27,610	
Water Purifiers	2,93,920			2,93,920	44,088			44,088	2,49,832	
Wooden Cots	99,750			99,750	9,975			9,975	89,775	
Lab Equipments	1,04,861			1,04,861	15,729			15,729	89,132	
Office Equipments	14,00,000			14,00,000	2,10,000			2,10,000	11,90,000	
Plant and Machinery	1,49,00,000	8,69,943		1,57,69,943	22,35,000	1,30,491		23,65,491	1,34,04,452	
Vehicles	25,00,000	6,44,681		31,44,681	3,75,000	96,702		4,71,702	26,72,979	
TOTAL OF CURRENT YEAR	5,89,52,818	29,92,624		6,19,45,442	80,22,834	3,74,993		83,97,827	5,35,47,615	
PREVIOUS YEAR CAPITAL WORK IN PROGRESS		3,63,74,182		3,63,74,182					3,63,74,182	

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

Schedule 9- INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS	(Amount in Rs.)	
	Current year	Previous year
TOTAL		

Schedule 10 – INVESTMENTS OTHERS	(Amount in Rs.)	
	Current year	Previous year
1. In Government Securities	170,51,890	
2. Other Approved Securities	1,22,220	
3. Shares		
4. Debentures and Bonds		
5. Subsidiaries and joint Ventures		
6. Others – Deposits in Banks		
TOTAL:		

Schedule 11- CURRENT ASSETS, LOANS, ADVANCES etc	(Amount in Rs.)	
	Current year	Previous year
A. Current Assets		
1. Inventories		
a) Stores and Spares		
b) Loose Tools		
c) Stock in Trade		
2. Sundry Debtors		
Debts Outstanding for a period exceeding six months		
Others		
3. Cash balances in Hand		
4. Bank Balances	3,29,20,755	76,18,080
-with Saving Banks	1,27,00,000	--
5. Deposits (STD) with Bank	4,56,20,755	76,18,080
TOTAL (A)		

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

	Current year	Previous year
Schedule 11- CURRENT ASSETS, LOANS, ADVANCES etc (Contd..)		
B. LOANS, ADVANCES AND OTHER ASSETS		
1. Loans		
a) Staff		
b) Other Entities engaged in activities		
c) Others		
2. Advances and other amounts recoverable in cash or kind or for value to be received		
a) Computer Advance to Staff	1,30,000	1,20,000
b) Training Programme Advance	1,26,546	1,26,546
c) Pay Advance to staff	9,530	0
d) Deposit paid for leased house	60,000	0
e) LTC advance	6,000	0
f) TTA Advances	1,57,000	8,000
g) Advance – Hostel Renovation/Work in progress – CPWD	0	71,99,204
3. Income Accrued		
a) On investments from Earmarked Funds		
b) On investments – other	26,738	
c) On Loans and Advances	1,52,014	
d) Other (Short Term Deposits)	--	
4. Claims Receivable		
TOTAL (B)	6,67,828	74,53,750
TOTAL (A+B)	4,62,88,583	1,50,71,830

	Current year	Previous year
Schedule 12- INCOME FROM SALES/SERVICES		
1. Income from Sales	-	-
2. Income from Services	-	-
Total	-	-

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

Schedule 13-GRANTS IN AID	(Amount in Rs.)	
	Current year	Previous year
1. Central Government	-	-
2. State Government	3,49,22,000	1,10,00,000
3. Government Agencies	-	-
4. Institutions/Welfare Bodies	-	-
5. International Organisation	-	-
6. Others	-	-
Total	3,49,22,000	1,10,00,000

Schedule 14- FEES/SUBSCRIPTIONS	Current year	Previous year
1. Entrance Fee	-	-
2. Annual Fees/Subscriptions	-	-
3. Seminar/Program Fees	5,31,265	5,98,348
4. Consultancy Fees	-	-
5. others	-	-
Total	5,31,265	5,98,348

Schedule 15-Income From Investments	Current year	Previous year
A. Interest on Investments from Earmarked Fund		
B. Interest on Investments - others		
1. Interest		
a) Govt . Securities		
b) Other Bonds/Debentures		
2. Dividends		
a) On shares		
b) On mutual Fund Securities		
3. Rents		
4. Others		
TOTAL		

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

	(Amount in Rs.)	
	Current year	Previous year
Schedule 16-INCOME FROM ROYALTY, PUBLICATIONS etc.		
Income from Royalty		
Income from publications		
TOTAL		

	Current year	Previous year
Schedule 17-INTEREST EARNED		
1. On Term Deposits		
a) With scheduled banks	-	-
b) With Non-Scheduled Banks	-	-
c) With Institutions		
d) Others		
2. In Savings Accounts	3,75,764	1,24,995
a) With Scheduled banks	-	-
b) With Non-Scheduled Banks	-	-
c) With Institutions	-	-
d) Others		
3. On Loans	26,738	-
a) Employees / Staff		
b) Others	-	-
c) Interest accrued (STDs)	1,52,014	-
4. Interest on Debtors and other Receivables	-	-
TOTAL	5,54,516	1,24,995

	Current year	Previous year
Schedule 18-OTHER -INCOME		
1. Profit on Sale /Disposal of Assets		
a) owned Assets	-	-
b) Assets acquired out of Grants, received free		
2. Export Incentives Received	-	10,080
3. Fees for Miscellaneous Services	-	96,177
4. Miscellaneous Income	6,87,986	1,06,257
Total	6,87,986	1,06,257

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

(Amount in Rs.)

Schedule 19 – INCREASE/DECREASE IN STOCK OF FINISHED GOODS & WORK IN PROGRESS	Current year	Previous year
a) Closing Stock	-	-
Finished Goods	-	-
Work-in-Progress	-	-
b) Less : Opening Stock	-	-
Finished Goods	-	-
Work-in-Progress	-	-
Total	-	-

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

		(Amount in Rs.)	
		Current year	Previous year
Schedule 20-ESTABLISHMENT EXPENSES			
a)	Salaries & wages	1,24,08,477	-
b)	Allowances & Bonus	-	-
c)	Contributions to Provident Fund	-	-
d)	Contributions to other Fund	-	-
e)	Staff welfare Expenses	13,940	79,261
f)	Expenses on Employees Retirement and Terminal	-	-
g)	Training Programme Expenses	3,13,501	3,08,954
TOTAL		1,27,35,918	3,88,215
Schedule 21-OTHER ADMINISTRATIVE EXPENSES etc.,			
a)	Advertisement	9,35,447	60,599
b)	Bank Charges	1076	400
c)	Batteries	-	2,46,250
d)	Books and Periodicals	1,92,028	9,96,140
e)	Catering Charges	0	7,725
f)	Computer maintenance	0	16,700
g)	Consultancy Charges	5,00,076	64,839
h)	Conveyance charges	1,77,964	1,911
i)	Design and Printing charges	1,72,430	38,000
j)	Electricity Charges	4,98,850	5,51,431
k)	Gardening Charges	0	1,47,000
l)	Honarorium	68,900	9,655
m)	Labour charges	22,005	12,750
n)	Lease Rent on Land	2,312	2,312
o)	Material and Supplies	14,836	20,24,290
p)	Medical Bills	1,81,048	9,300
q)	other Administrative Expenses	6,30,099	1,07,685
r)	Postage and Courier	30,000	30,000
s)	Printing and Stationery Expenses	4,98,167	54,167
t)	Publications	0	31,644
u)	Rates and Taxes	4,30,492	89,809
v)	Repairs and maintenance	0	3,05,619
w)	Security Charges	5,76,273	1,41,240
x)	Stipend	0	16,000
y)	Telephone & Cell Phone Expenses	2,65,282	1,22,262
z)	Travelling Expenditure	14,27,136	3,74,539
aa)	Vehicle Running & Maintenance Expenses	8,66,149	3,58,494
bb)	Water Charges	331,454	1,15,976
TOTAL		78,22,024	59,36,737

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NATIONAL INSTITUTE OF PLANT HEALTH MANAGEMENT

		(Amount in Rs.)	
Schedule 22-EXPENDITURE ON GRANTS,SUBSIDIES etc.		Current year	Previous year
a)	Grants given to Institution/Organisations	-	-
b)	Subsidies given to Institutions/Organisations	-	-
TOTAL			

		Current year	Previous year
Schedule 23 - INTEREST			
a)	On Fixed Loans	-	-
b)	On Other Funds	-	-
c)	Others	-	-
TOTAL			

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Schedule 24 : SIGNIFICANT ACCOUNTING POLICIES**1. Basis for preparation of Accounts :**

The Accounts are prepared under the historical cost convention unless otherwise stated and generally on the accrual method of accounting.

2. Revenue Recognition :

Interest on investments – on accrued basis.

Interest on loan to staff – on accrued basis.

Following items on come are recognized on collection/receipt.

- a) Seminar/Program fees.
- b) Hostel charges.
- c) sale of scrap.
- d) Other misc. incomes.
- e) Interest on bank. ,

3. Fixed Assets & Depreciation:

- a) Works which are under construction are shown under schedule 8 'Capital works in Progress'.
- b) The depreciation on all the fixed assets have provided on straight line method as per the depreciation chart of Income Tax department.
- c) No depreciation was provided during the previous year, now provided.

4. Govt. grants :

- a) Government grants of the nature of contribution towards capital have been added to Capital Fund to the extent of received.
- b) Government grants for meeting the revenue expenditure are treated as income in the year, in which they are received.
- c) Unutilized grants received and unspent are treated as carried forward, and as shown government in current liability.

Schedule 25 : CONTINGENT LIABILITES AND NOTES ON ACCOUNTS

- Previous year's figures have been regrouped whenever necessary.
- Schedules 1 to 23 are annexed to and form an integral part of the balance sheet as at 31.3.2011 and the income and expenditure account for the ended on that date.
- Consequent upon transformation as central autonomous organization as NIPHM, adopted the Accrual system of accounting and the standard formats for presentation of the Annual Financial Statement made mandatory.

REGISTRAR

Arjun



Vani Sriram

महालेखाकार (सिविल लेखापरीक्षा)

आन्ध्र प्रदेश, हैदराबाद - 500 004.

ACCOUNTANT GENERAL (CIVIL AUDIT)

ANDHRA PRADESH, HYDERABAD - 500 004.



No.AG (CA)/LA.V/U.IV/NIPHM/SAR.2010-11/2011-12

--- October 2011

inspect
66
27/10/11
29/10/11
FA/Agg/K

I forward the Annual Accounts of National Institute of Plant Health Management, Hyderabad for the year 2010-11 along with Separate Audit Report and Annexure thereof, for placing before the Parliament.

The date of presentation of Separate Audit Report in both the Houses of Parliament may please be intimated.

Receipt of this letter along with the enclosures may kindly be acknowledged.

Yours sincerely,

Sd/-

Accountant General (Civil Audit)

Shri P. K. Basu, IAS
Secretary to Government of India,
Department of Agriculture & Cooperation,
Ministry of Agriculture,
Krishi Bhavan,
NEW DELHI-110 001

Endt. No.AG (CA)/LA.V/U.IV/NIPHM/SAR.2010-11/2011-12 Date : - 10-2011

Copy to the Director General, National Institute of Plant Health Management, Rajendranagar, Hyderabad-500 030 with a request to furnish Hindi version of the approved Annual Accounts (5 sets) to this Office.

Vani

Accountant General (Civil Audit)

Separate Audit Report of the Comptroller & Auditor General of India on the Accounts of National Institute of Plant Health Management (NIPHM), Hyderabad for the year ended 31 March 2011.

We have audited the attached Balance Sheet of **National Institute of Plant Health Management (NIPHM), Hyderabad** as at 31 March 2011 and the Income & Expenditure Account/Receipts & Payments Account for the year ended on that date under Section 20(1) of the *Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971* read with Clause 22, Chapter IV of Financial Bye-laws of the Institute. The audit of the Accounts of the Institute has been entrusted to C&AG for the period from 2009-10 to 2013-14. These financial statements are the responsibility of the Autonomous Body'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 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 Receipts & Payments account dealt with by this report have been drawn up in the format approved by the Institute under clause -21, Chapter IV of Financial Bye-laws.
- iii In our opinion, proper books of accounts and other relevant records have been maintained by the Institute as required under Clause 19(a), Chapter IV of Financial Bye-laws , in so far as it appears during the course of audit..
- iv. We further report that:

Comments on Accounts

A . Balance Sheet

A. 1. Liabilities

A. 1.1 Corpus /Capital Fund: Rs.12.40 crore (Schedule -1)

A1.1.1 Incorrect inclusion of Plan Funds/Grants to the extent of Rs.4.20 crore as additions under Corpus/Capital fund had resulted in overstatement of Corpus /Capital fund and understatement of Plan fund account to the extent of Rs.4.20 crore.

A 1.2 Current Liabilities: Rs.1.24 crore (Schedule-7)

A1.2.1 An Amount of Rs.1.25 crore was received by the institute for specific purposes. The unspent closing balance of Rs.1.22 crore was accounted for under Current liabilities instead of under Earmarked Funds (separately showing the related transactions therefrom). This resulted in overstatement of Current Liabilities and corresponding understatement of Earmarked funds to the extent of Rs.1.22 crore.

A. 2.Assets**A.2.1 Fixed Assets: Rs.9.0 crore. (Schedule -8)**

A2.1.1 Amounts deposited with CPWD for Capital works, Rs.3.63 crore was incorrectly included under Capital –Work-in Progress instead of under Current Assets as "Deposits with CPWD for Capital works". This resulted in overstatement of Fixed Assets and understatement of Current Assets by Rs.3.63 crore.

A2.1.2 Capital expenditure incurred on purchase of library books, Rs.1.66 lakh was misclassified as revenue expenditure (shown under schedule 21 item'd') resulting in understatement of fixed assets and surplus and overstatement of revenue expenditure by Rs.1.66 lakh.

B. Income & Expenditure Account**B1. Income: Rs.3.66 crore**

B1.1 The Institute had accounted for an amount of Rs.3.50 crore as revenue grant on the income side of the Income & Expenditure account (Schedule 13) instead of an amount of Rs.0.70 crore, the difference being Rs.2.80 crore. This resulted in overstatement of income and Surplus and understatement of Plan funds to the extent of Rs.2.80 crore.

C. General

- 1.** Additions during the year under Buildings, Rs.14.78 lakh (Schedule -8) shown under Fixed Assets were not supported by Work Completion Report/Status report or confirmation from CPWD. This had resulted in overstatement of fixed assets and understatement of works-in-progress.
- 2.** Due to non - charging of depreciation on fixed assets for the year 2009-10, the gross block did not depict true and fair value.

3. Confirmation from CPWD for the amount of Rs.3.63 crore (Schedule-8) deposited with them for Capital works was not obtained.

D. Net effect of Audit Comments on accounts

The net impact of audit comments given in preceding paragraphs is that liabilities (Plan fund) are understated by Rs.2.80 crore, assets are understated by Rs.0.02 crore and net surplus overstated by Rs.2.78 crore.

E. Grants-in-aid

Out of total Grants-in-aid of Rs.7.69 crore received during the year (Rs.4.54 crore was received in March 2011), together with Opening balance (Unspent grants) of Rs.0.77 crore, the Institute utilised Rs..5.25 crore, leaving unspent balance of Rs.3.21 crore as on 31st March 2011.

F. Management Letter

Deficiencies which have not been included in the Separate Audit Report have been brought to the notice of the Director General, National Institute of Plant Health Management (NIPHM), Hyderabad through a 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 /Receipts & Payments 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 to the extent 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 Separate 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 National Institute of Plant Health Management (NIPHM), Hyderabad as at 31 March 2011; and
- b. In so far as it relates to Income & Expenditure Account of the surplus for the year ended on that date.

Place:



(VANI SRIRAM)
Accountant General (Civil Audit)
Andhra Pradesh

Date:

Annexure to Separate Audit Report

1. **Adequacy of Internal Audit System:** Internal audit system was not established.
2. **Adequacy of Internal Control System:** Internal control system is deficient to the extent of omissions noticed in audit as indicated below:
 - (i) Administrative and Accounts Manual have not been prepared
 - (ii) Advances Watch Register was not maintained.
 - (iii) Periodical physical progress reports of works were not being obtained against the advances given to CPWD.
 - (iv) Register of fixed Assets was not maintained.
3. **System of Physical verification of fixed assets:** Physical verification of Fixed Assets and Library was not conducted for the year.
4. **System of Physical verification of inventory:** Physical verification of inventory was also not carried out by the Management for the year.
5. **Regularity in payment of statutory dues:** The Institute is regular in depositing undisputed statutory dues with the appropriate authorities.


(R.CHANDRAMOULI)
Deputy Accountant General/IC-II 21/7/2011