

(by email only)



प्रधान निदेशक लेखापरीक्षा (केंद्रीय), हैदराबाद का कार्यालय-500004
Office of
Principal Director of Audit (Central), Hyderabad - 500 004



No. PDA(C)/CEA/Unit-V/NIEPID/SAR:2022-23/2023-24/

Date: 22. 08.2023

सेवा में

सचिव, सामाजिक न्याय और अधिकारिता मंत्रालय,

भारत सरकार,

नई दिल्ली -110 001

महोदय,

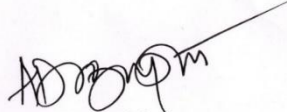
विषय: National Institute for the Empowerment of persons with Intellectual Disabilities (NIEPID), Secunderabad के वर्ष 2022-23 के लेखों पर पृथक लेखापरीक्षा प्रतिवेदन

Separate Audit Report (SAR) on the Accounts of **National Institute for the Empowerment of persons with Intellectual Disabilities (NIEPID), Secunderabad** for the year 2022-23, Annexure to SAR and one copy of the Annual Accounts of the Institute for the year 2022-23, are forwarded herewith for placing before the Parliament. The dates 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.

भवदीय,

संल: यथोपरि


(Anindya Dasgupta)
Principal Director of Audit (Central), Hyderabad

Copy to **Director, National Institute for the Empowerment of persons with Intellectual Disabilities (NIEPID), Secunderabad** along with one copy of Annual Accounts for the year 2022-23 (English version), with a request to furnish Hindi version of the approved Annual Accounts 2022-23 (2 sets), to this Office.

संल:यथोपरि



(Ch.V. Sai Prasad)

**Director/ Central Expenditure Audit
O/o Principal Director of Audit (Central)**

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL
ON THE ACCOUNTS OF THE NATIONAL INSTITUTE FOR THE EMPOWERMENT
OF PERSONS WITH INTELLECTUAL DISABILITIES (NIEPID), SECUNDERABAD
FOR THE YEAR ENDED 31 MARCH 2023**

We have audited the attached Balance Sheet of the National Institute for the Empowerment of Persons with Intellectual Disabilities (Divyangjan) (NIEPID), Secunderabad, as at 31 March 2023, Income & Expenditure Account and 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. The audit has been entrusted for the period up to 2023-24. These financial statements include the accounts seven sub-units of NIEPID, i.e. three (RCs) Regional Centers at New Delhi, Kolkata, Mumbai, Model Special Education Centre (MSEC) at New Delhi and the three Composite Regional Centres (CRC) at Nellore, Davangere and Rajnandgaon. 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 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 Ministry of Finance, Government of India.

iii. In our opinion, proper books of accounts and other relevant records have been maintained by by the Institute.

iv. We further report that:

A. Balance Sheet

A.1 Corpus/Capital Fund And Liabilities – ₹116.31 CRORE

Reference Number: OBS-728400

A.1.1 Earmarked/Endowment Funds – ₹12.61 crore

This did not include an amount of ₹9,83,96,294 being an unspent balance pertaining to SIPDA CNA¹ account. An amount of ₹21,16,06,764 has been received towards SIPDA CNA account during the year 2022-23 out of which an amount of ₹11,70,23,562 was utilized leaving a balance of ₹9,83,96,294 as the end of March 2023.

Though the funds released were for specific or earmarked purpose the Institute has shown transactions in Receipt and Payment Account instead of booking under Earmarked funds (Schedule 3).

This resulted in understatement of Earmarked Funds and Current Assets to the extent of ₹9.84 crore.

B. Income And Expenditure

B.1 Income – ₹37.12 crore

Reference Number: OBS-728495

B.1.1 Interest Earned – ₹32.23 lakh

This did not include an amount of ₹62,65,242 being an interest accrued on P&G funds which should be shown under Schedule 11 as well as Schedule 17. However, in Schedule 11 – Current Assets, Loans and Advances interest accrued upto FY 2022-23 was exhibited as ₹29,60,287 instead of ₹92,25,529². The same was not taken to the Income & Expenditure account.

¹ SIPDA is an umbrella scheme and consists total 10 sub schemes and financial assistance is provided under these sub schemes to State Governments /Autonomous bodies.

² ₹.29,60,287 – Accrued interest upto 2021-22 + ₹.62,65,242 for the year 2022-23.

This resulted in Understatement of Accrued Interest in Current Assets by an amount of ₹62,65,242 and Understatement of Schedule 17-Interest earned to the same extent.

Reference Number: OBS-735999

B.1.2 Deficit – ₹2.14 crore

This did not include an amount of ₹12,55,581 being deficit in GPF Account during the FY 2022-23 as detailed below:

GPF deficit upto 2021-22	GPF deficit upto 2022-23	GPF deficit pertaining to year 2022-23
1	2	(2)-(1)
₹19,20,099	₹31,75,680	₹12,55,581

This deficit has arised due to the difference of the interest earned on FDs of GPF account and interest payable to GPF subscribers.

This resulted in understatement of deficit by ₹12,55,581 .

C. General

Reference Number: OBS-741257

C1. Non-amortization of lease hold land at Khargar amounting to ₹38,21,422

Land leased from City and Industrial Development Corporation of Maharashtra Ltd (CIDCO) at Khargar amounting to ₹38,21,422 in 2004 for a period of 60 years has not been amortized.

D. Grants-in-aid: During the year, the Institute had received a Grants-in-aid of ₹ 40.39³ crore the entire amount was utilized during the year (as on 31st March 2023).

E. Management Letter: Deficiencies which have not been included in the Separate Audit Report have been brought to the notice of the Director, NIEPID through a Management letter issued separately for remedial / corrective action.

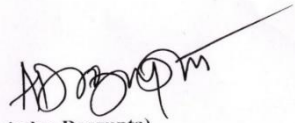
Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipts & Payments Account dealt with by this Report are in agreement with the books of accounts.

v. 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

³ ₹32,66,21,000 (Revenue) + ₹7,73,28,000 (Capital)

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 National Institute for the Empowerment of Persons with Intellectual Disabilities (Divyangjan) (NIEPID), Secunderabad, as at 31 March 2023; and
- b.** In so far as it relates to Income & Expenditure Account of the *Deficit* for the year ended on that date.



(Anindya Dasgupta)
Principal Director of Audit (Central), Hyderabad

ANNEXURE TO SAR

1. **Adequacy of Internal Audit System:** It does not have its own Internal Audit Wing. Internal Audit has been conducted by Chartered Accountant firms for the year 2022-23.
2. **Adequacy of Internal Control System:** Internal control system is adequate.
3. **System of Physical verification of fixed assets:** Annual Physical verification of Fixed Assets has been conducted for the year 2022-23.
4. **System of Physical verification of inventory:** Annual Physical verification of inventory has been conducted for the year 2022-23.
5. **Regularity in payment of statutory dues:** Statutory dues were paid regularly.



(Ch.V. Sai Prasad)

**Director/ Central Expenditure Audit
O/o Principal Director of Audit (Central)**

