

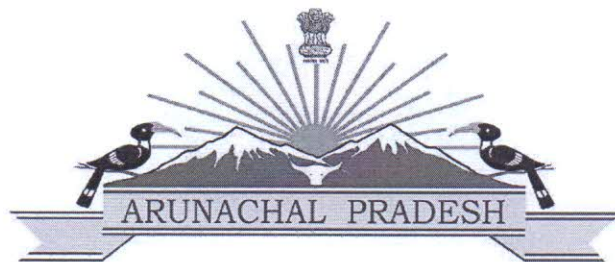


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**SEPARATE AUDIT REPORT  
OF THE  
COMPTROLLER AND AUDITOR  
GENERAL OF INDIA**

**ON THE ACCOUNTS OF THE  
RAJIV GANDHI UNIVERSITY (RGU)  
RONO HILLS, DOIMUKH  
ARUNACHAL PRADESH**



**FOR THE YEAR ENDED  
31 MARCH 2018**

**Separate Audit Report on Accounts of the Rajiv Gandhi  
University, Rono Hills, Doimukh, Arunachal Pradesh for the  
year ending 31<sup>st</sup> March 2018.**

We have audited the Balance Sheet of Rajiv Gandhi University, Rono Hills, Doimukh, Arunachal Pradesh, as at 31<sup>st</sup> March 2018, and the Income & Expenditure Account/Receipt & Payment 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 34(1) of the Rajiv Gandhi University Act, 2006. These financial statements are the responsibility of the Rajiv Gandhi University'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 their 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 mis-statements. 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 & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format approved by the Government of India, Ministry of Finance.
  - iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Rajiv Gandhi University, as required under Section 34 of the Rajiv Gandhi University Act, 2006, in so far as it appears from our examination of such books.
  - iv. We further report that:

#### **A. Grants-in-aid.**

Out of total available fund of ₹ 193.81 crore which includes opening balance of ₹ 86.53 crore, Grants-in-Aid of ₹ 79.11 crore received during the year and other receipts of ₹ 2817.10 lakh, the management could utilize a sum of ₹ 99.79 crore leaving an unutilized balance of ₹ 94.01 crore as on 31<sup>st</sup> March 2018.

#### **B. Balance Sheet**

##### **1. Current Assets (Schedule 7) - ₹ 94.01 crore** **In Savings Account- ₹ 51.16 crore**

The above includes grant amounting to ₹ 8.38 crore sanctioned during March 2018 but received during April 2018. Booking of the above grant in the receipt column of the cash book in advance of the actual receipt of grant has resulted in understatement of “Grant Receivable” and overstatement of “Cash Book balance” to the extent of ₹ 8.38 crore

## **C. Income and Expenditure Account**

### **I. Income**

#### **1. Interest Earned (Schedule 12) - ₹ 6.53 crore**

The above does not include ₹ 4.86 crore and ₹ 6.30 crore being the interest earned on Saving Accounts i.e., Maintenance account, UGC Account etc., and interest earned on term deposits. Non-accounting of the interest earned has resulted in understatement of “Interest income and investment” and overstatement of “Deficit” to the extent of ₹ 1.12 crore (*Annexure-II and II A*).

### **II. Expenditure**

#### **1. Prior Period Expenses (Schedule 22) - Nil.**

The above does not include ₹ 4.75 crore being the 7<sup>th</sup> CPC Arrear salary of 2015-16 and 2016-17 paid during 2017-18 and ₹ 1.54 crore being the depreciation in respect of vehicles for the period from the date of their acquisition till 2016-17 which has resulted in understatement of “Prior period expenses” by ₹ 6.29 crore and overstatement of “Staff payments and benefits (Establishment Expenses)” by ₹ 4.75 crore and understatement of “Deficit” to the extent of ₹ 1.54 crore.

#### **2. Depreciation (Schedule 4) - ₹ 4.69 crore**

The above includes ₹ 0.78 crore being depreciation in respect of Software license renewal cost of ₹ 0.96 crore wrongly included under the fixed assets. Further depreciation of ₹ 0.24 crore in respect of depreciation of vehicle for the year 2017-18 was not included in the accounts. This resulted in understatement of “Depreciation” to the extent of ₹0.16 crore (₹0.24 crore - ₹0.08) and “Deficit” to the extent of ₹0.16 crore.

## **E. General**

### **1. Significant Accounting Policies (Schedule 23).**


As per the Significant Accounting Policies disclosed in the accounts, Depreciation is stated to have been provided for the whole year on addition made during the year. However, it was observed that Depreciation on addition made during the year was actually provided for 6 months only irrespective of the date of purchase/addition. Hence, the note to account is deficient to this extent.

5. Subject to our observation in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/Receipt & Payment Account dealt with by this report are in agreement with the books of accounts.
6. In our opinion and to the best of our information and according to the explanations given to us, the said financial statements and subject to the significant matters stated above and other matters mentioned in the Annexure to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India.
7. In so far as it relates to the Balance Sheet, of the state of affairs of the Rajiv Gandhi University as at 31 March 2018, and
8. In so far as it relates to Income & Expenditure Account of the surplus for the year ended on that date.

Place: **Itanagar**

Dated: **21 January 2019**

*For and on behalf of the C&AG of India*

  
**Principal Accountant General  
Arunachal Pradesh**

## Annexure

### 1. Physical verification of the fixed assets and inventory

Physical verification of Fixed Assets and inventory was not done for the year 2017-18.

### 6. Internal Audit and Internal Control Mechanism

Internal Audit was not conducted for the year 2017-18.

### 7. Statutory Dues

The University was found regular in payment of Statutory Dues.

**Place: Itanagar**

**Dated: 21 January 2019**

*For and on behalf of the C&AG of India*

  
**Principal Accountant General  
Arunachal Pradesh**