

Indian Audit And Accounts Department

सत्यमेव जयते

**Office of the Principal Director of Audit
(Central)****1st Floor, B- Block, Audit Bhavan,****Bengaluru-560 001****Tel: 22341995 Fax: 22281590****CONFIDENTIAL/BY SPEED POST**
No. PDA (CENTRAL)/CAB)/2015-16/B-162**Dt.: 18/09/2015**

To,

The Secretary to Government of India,
Ministry of Health and Family Welfare,
Department of Indian Systems of Medicine,
Department of AYUSH, IRCS Building,
No.1, Red Cross Road,
NEW DELHI

Sir,

Sub: Separate Audit Report on the accounts of the National Institute of Unani
Medicine (NIUM), Bangalore for the year 2014-15.

I forward herewith a copy of the Separate Audit Report along with certified copy of accounts of the National Institute of Unani Medicine, Bangalore for the year 2014-15 for placing before the Parliament after approval of the Board and resolution passed to the effect for having adopted the above documents. The Audit Report has been finalised after considering the replies furnished by the Board. A copy of the same has also been furnished to the Director, National Institute of Unani Medicine, Bangalore, for information and necessary action. Two copies of the printed annual reports containing above documents as placed in the Parliament along with the dates of placement in the Parliament may please be furnished to this office.

Yours faithfully,

sd/-
PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE





CONFIDENTIAL/BY SPEED POST
No. PDA (CENTRAL)/CAB/2015-16/B- 163

Dt.: 18/09/2015

Copy of the Audit Report and certified copy of accounts to: **The Director, National Institute of Unani Medicine, Bangalore** with the information that the documents may be adopted by the Board and resolution passed before sending to Government for placement in the Parliament. **Two copies of the printed annual report containing the above documents and a copy of the resolution passed in this regard may please be furnished to this office.**


DIRECTOR/CAB



Address: O/o PDA (CENTRAL), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.
Ph: 080-22640379 Fax No. 080-22281590/22380014/22353737 email – aaocab@gmail.com

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF NATIONAL INSTITUTE OF UNANI MEDICINE, BANGALORE FOR THE YEAR ENDED 31 MARCH 2015

The accounts of the National Institute of Unani Medicine, Bangalore for the year ended 31 March 2015, have been audited by the Comptroller and Auditor General of India in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963. The audit was conducted in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963. The audit was conducted in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963.

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF NATIONAL INSTITUTE OF UNANI MEDICINE, BANGALORE FOR THE YEAR ENDED 31 MARCH 2015

The accounts of the National Institute of Unani Medicine, Bangalore for the year ended 31 March 2015, have been audited by the Comptroller and Auditor General of India in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963. The audit was conducted in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963.

The accounts of the National Institute of Unani Medicine, Bangalore for the year ended 31 March 2015, have been audited by the Comptroller and Auditor General of India in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963. The audit was conducted in accordance with the provisions of the Comptroller and Auditor General's (Audit and Accounts) Rules, 1963.

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA ON THE ACCOUNTS OF NATIONAL INSTITUTE OF
UNANI MEDICINE, BANGALORE FOR THE YEAR ENDED 31 MARCH 2015**

We have audited the attached Balance Sheet of the National Institute of Unani Medicine (NIUM), Bangalore as at 31 March 2015, Income & Expenditure Account and Receipts & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The audit of accounts of the Institute has been entrusted for the period upto 2016-17. 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 and 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 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 misstatements. 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 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 approved by the Ministry of Finance, Government of India.
- iii. In our opinion, proper books of accounts and other relevant records have been maintained by the Institute in so far as it appears from our examination of such books.
- iv. We further report that:

A) GRANTS IN AID

Out of the total Grants of Rs. 17.54 crore (including previous year balance of Rs. 1.54 crore) received during the year, the Institute utilized the entire amount of Rs. 17.54 crore leaving a Nil balance as unutilized grants as on 31st March 2015.

B) GENERAL

The Institute revised the accounts on the basis of audit observations. The Revised Accounts have been submitted on 15.07.2015. The effect of revision was that Assets & Liabilities increased by Rs. 28.76 lakh, Excess of Expenditure over Income decreased by Rs. 7.70 lakh.

C) MANAGEMENT LETTER

Deficiencies which have not been included in the Audit Report have been brought to the notice of the Director, National Institute of Unani Medicine (NIUM), Bangalore 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, Income & Expenditure Account and Receipt & Payment 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 with the Accounting Policies and Notes on Accounts and subject to significant matters stated above and other matters mentioned in Annexure to the 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 Institute as at 31 March 2015; and
- b. In so far as it relates to Income & Expenditure Account of the deficit for the year ended on that date.

For and on behalf of the C&AG of India



**PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE**

Place : Bangalore

Date : 18 September, 2015



ANNEXURE**1) Adequacy of Internal Control System**

The NIUM received funds from Ministry of Health and Family Welfare, New Delhi and supposed to be audited by them. However, the Ministry is yet to take up audit since 2008-09.

2) Adequacy of Internal Audit System:

There exists no Internal Audit Department in the National Institute of Unani Medical (NIUM).

3) System of Physical Verification of fixed assets:

The National Institute of Unani Medical (NIUM) is an autonomous body under Ministry of Health and Family Welfare, and the Institute is adhering guidelines mentioned by Ministry.

4) System of Physical Verification of fixed assets and inventory:

The Institute is conducting annual physical verification each year.

5) Regularity in payment of statutory dues:

The Institute is prompt in payment of the statutory dues.


PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE



भारतीय लेखा तथा लेखापरीक्षा विभाग
India Audit And Accounts Department



प्रधान निदेशक लेखापरीक्षा (केन्द्रीय) का कार्यालय, बेंगलूरु
Office of the Principal Director of Audit (Central)
Bengaluru

CONFIDENTIAL/BY SPEED POST

No. PDA (CENTRAL)/CAB/2016-17/B-250

Dated: 24/10/2016

To,

The Secretary to Government of India,
Ministry of Health and Family Welfare,
Department of Indian System of Medicine,
Department of AYUSH, IRCS Building,
No. 1, Red Cross Road,
NEW DELHI-110 124.

Sir,

Sub: Separate Audit Report on the accounts of the National Institute of Unani Medicine (NIUM), Bangalore for the year 2015-16.

I forward herewith a copy of the Separate Audit Report along with certified copy of accounts of the National Institute of Unani Medicine (NIUM), Bangalore for the year 2015-16 for placing before the Parliament after approval of the Board and resolution passed to the effect for having adopted the above documents. The Audit Report has been finalized after considering the replies furnished by the Board. A copy of the same has also been furnished to the Director, National Institute of Unani Medicine (NIUM), Bangalore, for information and necessary action.

Two copies of the printed annual reports containing above documents as placed in the Parliament along with the dates of placement in the Parliament may please be furnished to this office.

Yours faithfully,

PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE

Address: O/o PDA (CENTRAL), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.Ph: 080-22640379 Fax No. 080-22281590/22380014/22353737 email – roys@cag.gov.in



No. PDA (CENTRAL)/CAB/2016-17/B-250

Dated: 24/10/2016

Copy ~~with a copy~~ of the Audit Report and certified copy of accounts to: **The Director, National Institute of Unani Medicine (NIUM), Bangalore** with the information that the documents may be adopted by the Board and resolution passed before sending to Government for placement in the Parliament. **Two copies of the printed annual report containing the above documents and a copy of the resolution passed in this regard may please be furnished to this office.**

S. Kandan
DEPUTY DIRECTOR/CAB 24/10/16

Address: O/o PDA (CENTRAL), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.Ph: 080-22640379 Fax No. 080-22281590/22380014/22353737 email – roys@cag.gov.in

**SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR
GENERAL OF INDIA ON THE ACCOUNTS OF NATIONAL INSTITUTE OF
UNANI MEDICINE, BANGALORE FOR THE YEAR 2015-16**

We have audited the attached Balance Sheet of National Institute of Unani Medicine(NIUM), Bangalore as at 31 March 2016 and the Income & Expenditure/ Receipts & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's (Duties, Powers and Conditions of Service) Act, 1971. The audit has been entrusted from 2015-16 to 2019-20. 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 and 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 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 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 and Income & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format prescribed 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 Institute in so far as it appears from our examination of such books.

iv We further report that:

A) REVISION OF ACCOUNTS :

The institute has revised the annual accounts based on the audit observation. The revised accounts was received on 26-08-2016. The effect of revision of accounts was that the Assets and Liabilities decreased by Rs.1.08 crore and surplus in Income & Expenditure decreased by Rs. 87.41 lakh.

B) GENERAL:

1. The Institute has not made provision of Retirement Benefits viz Gratuity, Superannuation/Pension and Leave Encashment on actuarial basis which is in contravention of AS 15.
2. The Interest income of Rs. 42,61.675/- exhibited in the I&E account includes the interest earned on unutilized grants and internal revenue receipts. The interest income on unutilized grants needs to be worked out exclusively and exhibited along with unutilized grants as liability.

C) GRANTS-IN -AID:

The financial position of the NIUM, Bengaluru funded by Government of India for the financial year 2015-16 is as follows:

(Rs. in crore)

| Project | Opening Balance | Grants received 2015-16 | Total Grants | Grants Utilized | Grants unutilized |
|---------------------|-----------------|-------------------------|--------------|-----------------|-------------------|
| Government of India | NIL | 21.00 | 21.00 | 20.45 | 00.55 |

D) MANAGEMENT LETTER:

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

- v. 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.
- vi In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Accounting Policies and Notes on Accounts, and subject to the 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 Unani Medicine, Bangalore as at 31 March 2016; and
- b. In so far as it relates to Income & Expenditure Account, there is surplus for the year ended on that date.

**PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE**

ANNEXURE**1. Adequacy of Internal Audit System**

There exists no internal audit department in the National Institute of Unani Medicine (NIUM).

2. Adequacy of internal control system

The internal control system of the Institute is inadequate due to:-

- i. The NIUM received funds from Ministry of Health & Family Welfare, New Delhi and supposed to be audited by them. However, the Ministry is yet to take up audit since 2008-09.
- ii. The physical balance of Fixed Assets does not correlate with Asset Register.
- iii. Physical verification of inventory not done.
- iv. The cash book is not maintained properly, overwriting and corrections are made without attestation by DDO and certificates of verification of cash balances not available.

3. System of Physical verification of Fixed Assets.

The institute had noted the physically available fixed assets in a separate file and it was not correlated with the stock register as the stock register did not exhibit opening balances with respect to stocks of drugs during the year 2015-16.

4. System of Physical Verification of Inventory.

Annual physical verification of stocks was not conducted.

5. Regularity in payment of dues

In general, the Institute is regular in payment of its statutory dues.

**PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE**





CONFIDENTIAL/BY SPEED POST

No. PDA(C)/CAB/2017-18/B-

06/10/2017

~~TO~~

~~The Principal Director (Local Bodies)
Office of the Comptroller and Auditor General of India
No. 9, Deen Dayal Upadhyay Marg,
New Delhi 110 124~~

Sir,


Sub: Separate Audit Report on the accounts of the National Institute of Unani Medicine, Bengaluru for the year 2016-17.

I invite a reference to Headquarters Office Letter No. 428-RC(AB)/SAR/NIUM/01-92/2017 dated: 22.09.2017 conveying approval of the Final Draft Audit Report on the accounts of the National Institute of Unani Medicine, Bangalore for the year 2016-17. The Audit Report has been finalised after taking into account the observations made by the Headquarters Office.

A copy of the Separate Audit Report along with certified copy of accounts of the Institute has been forwarded to the Secretary to Government of India, Ministry of Health & Family Welfare, Department of AYUSH, New Delhi for placing them in the Parliament. A copy of the Separate Audit Report has also been forwarded to Director, National Institute of Unani Medicine, Bengaluru, for information and necessary action.

Two copies of the Audit Report (One annotated and the other un-annotated) as issued to the Government and the Proforma are also forwarded herewith.

Yours faithfully,


Principal Director of Audit /Central
Bengaluru

Address: O/o PDA (CENTRAL), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.
Ph: 080-22640379 Fax No. 080-22281590/22380014/22353737 email – aaocab@gmail.com

भारतीय लेखा तथा लेखापरीक्षा विभाग
Indian Audit And Accounts Department



प्रधान निदेशक लेखापरीक्षा (केन्द्रीय) का कार्यालय, बेंगलूरु
Office of the Principal Director of Audit (Central)
Bengaluru

CONFIDENTIAL/BY SPEED POST

No. PDA(C)/CAB/2017-18/B-177

06/10/2017

✓ Copy of the Audit Report and certified copy of accounts to *The Director, National Institute of Unani Medicine Bengaluru* with the information that the documents may be adopted by the Board and resolution passed before sending to Government for placement in the Parliament. *Two copies of the Printed Annual Report containing the above documents and a copy of the resolution passed in this regard may please be furnished to this office.*

S. Sankar
DEPUTY DIRECTOR/CAB'

Address: O/o PDA (CENTRAL), Audit Bhavan, B Block, I Floor, Post Box No.5398, Bangalore – 01.
Ph: 080-22640379 Fax No. 080-22281590/22380014/22353737 email – aaocab@gmail.com

**SEPARATE AUDIT REPORT OF THE COMPTROLLER
AND AUDITOR GENERAL OF INDIA ON THE
ACCOUNTS OF THE NATIONAL INSTITUTE OF UNANI
MEDICINE, BENGALURU FOR THE YEAR ENDED
31 MARCH 2017**

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE NATIONAL INSTITUTE OF UNANI MEDICINE, BENGALURU FOR THE YEAR ENDED 31ST MARCH 2017

We have audited the attached Balance Sheet of National Institute of Unani Medicine (NIUM), Bengaluru as at 31 March 2017 and the Income & Expenditure Account / Receipts & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's Duties, Powers and Conditions of Service Act, 1971. The audit has been entrusted for a period of five years from 2012-13 to 2016-17. 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 and 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 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 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 and Income & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format prescribed 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 Institute so far as it appears from our examination of such books.
- iv) We further report that:

A. REVISION OF ACCOUNTS:

The Institute, based on the audit observations revised its accounts on 17th August and again revised on 8th September of 2017. The effect of revision was that "Assets and Liabilities" increased by Rs. 4.89 lakh and expenditure over income decreased by Rs. 0.03 lakh.

B. COMMENTS ON ACCOUNTS:

LIABILITIES

Current Liabilities and Provisions (Schedule 7)

The Institute has not made provision for Retirement Benefits viz., Gratuity, Superannuation/Pension and Leave Encashment on actuarial basis, which is in contravention of Accounting Standard 15.

C. GRANTS IN AID:

During 2016-17, *Rs. 21.50 crore (in addition to unspent grants of Rs. 0.55 crore of previous years)* was received as grants from Government of India for providing hospital services and conducting Post Graduate Courses. The entire grant was utilized.

Further, grant of **Rs. 8 lakh** received from Ministry of Ayush for holding CME programs, not utilized so far.

D. General Observations

I. Refund of Tax deducted at Source – Rs.2.24 lakh

The Institute Registered as a Trust under Income Tax Act 1961 is not liable for deduction of TDS on any interest income earned. However, the Institute has not preferred refund of Rs.2.24 lakh, being the TDS deducted by the Banks on interest earned by filing the Income Tax Returns.

- v) 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.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Accounting Policies and Notes on Accounts and subject to the 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 Unani Medicine, Bangalore as at 31 March 2017 and
- b. In so far as it relates to Income & Expenditure Account of the surplus for the year ended on that date.

For and on behalf of the C&AG of India

PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BENGALURU

Place: Bengaluru
Date: 06th October 2017

ANNEXURE

1. Adequacy of Internal Audit System:

There exists no internal audit department in the Institute.

2. Adequacy of Internal Control System:

The internal control system of the Institute is inadequate due to :-


- i. The NIUM is in receipt of funds from the Ministry of Health & Family Welfare, New Delhi and has to be audited by them. However, the Ministry is yet to take up audit since 2009-10 and onwards.
- ii. The physical balance of Fixed Assets does not correlate with the Asset Register.
- iii. Physical verification of inventory not carried out periodically.


3. Physical Verification of Fixed Assets:

- i. The Institute has noted the physically available fixed assets but not correlated with the Stock Register.
- ii. Annual Physical Verification of stocks of drugs not conducted.

4. Regularity in payment of statutory dues:

The Institute is regular in depositing statutory dues with the appropriate authorities.


PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BENGALURU





CONFIDENTIAL/BY SPEED POST

No. PDA (CENTRAL)/CAB/2018-19/B-264

Dated.: 20 /12/2018

To,

The Secretary to Government of India,
Ministry of Health and Family Welfare,
Department of Indian Systems of Medicine,
Department of AYUSH, IRCS Building,
No.1, Red Cross Road,
NEW DELHI

Sir,

Sub: Revised Separate Audit Report on the accounts of the National Institute of Unani Medicine, Bangalore for the year 2017-18.

I forward herewith a copy of the revised Separate Audit Report along with certified copy of accounts of the National Institute of Unani Medicine, Bangalore for the year 2017-18 for placing before the Parliament after approval of the Board and resolution passed to the effect for having adopted the above documents. The Audit Report has been finalised after considering the replies furnished by the Board. A copy of the same has also been furnished to the Director, National Institute of Unani Medicine, Bangalore, for information and necessary action.

Two copies of the printed annual reports containing above documents as placed in the Parliament along with the dates of placement in the Parliament may please be furnished to this office.

Yours faithfully,



sd/-
PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE



CONFIDENTIAL/BY SPEED POST

No. PDA (CENTRAL)/CAB/2018-19/B-265

Dt.: 20/12/2018

Copy of the Audit Report and certified copy of accounts to: **The Director, National Institute of Unani Medicine, Bangalore** with the information that the documents may be adopted by the Board and resolution passed before sending to Government for placement in the Parliament. Two copies of the printed annual report containing the above documents and a copy of the resolution passed in this regard may please be furnished to this office.

S. Sankar
DIRECTOR/CAB

[Handwritten signature]

**SEPARATE AUDIT REPORT (REVISED) OF THE COMPTROLLER AND
AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE NATIONAL
INSTITUTE OF UNANI MEDICINE, BENGALURU FOR THE YEAR ENDED
31ST MARCH 2018**

We have audited the attached Balance Sheet of the National Institute of Unani Medicine (NIUM), Bengaluru as at 31 March 2018 and the Income & Expenditure Account/Receipts & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's Duties, Powers and Conditions of Service Act, 1971. The audit has been entrusted from 2017-18 to 2021-22. 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 and 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 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 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 and Income & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format prescribed 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 Institute in so far as it appears from our examination of such books.
- iv) We further report that:

A. REVISION OF ACCOUNTS:

The Institute, based on the audit observations revised its accounts and submitted the revised accounts on 10th August 2018. The effect of revision was that "Assets and Liabilities" increased by Rs. 42.62 lakh and deficit in Income and Expenditure decreased by Rs. 33.39 lakh (Annexure).

B. GENERAL:

- B.1 Institute had not provided for Retirement Benefits viz., Gratuity, Superannuation/Pension and Leave Encashment on actuarial basis, which is in contravention of Accounting Standard 15.
- B.2 (a) The Accounting Policy No.3 (Schedule 24) states that the depreciation is charged on straight line method and rate fixed for useable life of more than one year at prescribed rate of depreciation. However, as per IT Act, the depreciation is to be provided on written down value and rates specified therein. Hence the policy of University on depreciation is in contravention of Income Tax Act. Also, the rates of depreciation adopted by the University were different from rates as specified in Income Tax Act.




C. GRANTS IN AID:

During 2017-18, Rs.50.59 Crore was received as grants from Government of India for providing hospital services conducting Post Graduate courses and holding CME and Rs.57.49 lakh unutilized grant of previous year. Thus, out of the total Rs.51.26 Crore, Rs.23.10 Crore was utilized leaving a balance of Rs.28.06 Crore.

- v) 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.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Accounting Policies and Notes on Accounts and subject to the 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 Unani Medicine, Bangalore as at 31 March 2018 and
- b. In so far as it relates to Income & Expenditure Account of the deficit for the year ended on that date.

For and on behalf of the C&AG of India


PRINCIPAL DIRECTOR OF AUDIT (CENTRAL)
BANGALORE

Place: Bangalore
Date: 27th December 2018

ANNEXURE

1. Adequacy of Internal Audit/Control System:

The deficiencies noticed in the Internal Control System were as follows:

Internal audit of the Institute has not been carried out since the year 2009-10. This aspect has been brought to the notice of Ministry for taking up the internal audit vide letter dated 05/12/2016. However, the Ministry is yet to take up internal audit.

2. System of physical verification of fixed assets:

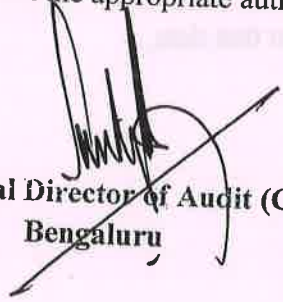
The Institute has noted the physically available fixed assets (as on 31.3.2018). However, it has not been correlated with the Stock Register. In respect of Stock of Drugs, Annual Physical Verification of stocks has not been conducted.

3. System of physical verification of inventory:

The Institute has not carried out the physical verification of Inventory as on 31.3.2018.

4. Regularity in payment of statutory dues

The Institute is regular in depositing statutory dues with the appropriate authorities.


Principal Director of Audit (Central)
Bengaluru





CONFIDENTIAL/BY SPEED POST
No. PDA (CENTRAL)/CAB/2019-20/B-246

Dated.: 08/01/2020

To.
The Secretary to Government of India,
Ministry of Health and Family Welfare,
Department of Indian Systems of Medicine,
Department of AYUSH, IRCS Building,
No.1, Red Cross Road,
NEW DELHI

10/11/2020
CA
10/11/20
A/L/S
10/11/2020
SN.

Sir,

Sub: Separate Audit Report on the accounts of the National
Institute of Unani Medicine, Bangalore for the year 2018-19.

I forward herewith a copy of the Separate Audit Report along with certified copy of accounts of the National Institute of Unani Medicine, Bangalore for the year 2018-19 for placing before the Parliament after approval of the Board and resolution passed to the effect for having adopted the above documents. The Audit Report has been finalised after considering the replies furnished by the Board. A copy of the same has also been furnished to the Director, National Institute of Unani Medicine, Bangalore, for information and necessary action.

Two copies of the printed annual reports containing above documents as placed in the Parliament along with the dates of placement in the Parliament may please be furnished to this office.

Yours faithfully,



Handwritten signature in blue ink.

sd/-
DIRECTOR GENERAL OF AUDIT (CENTRAL)
BANGALORE

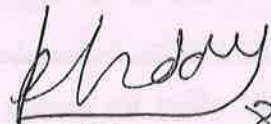
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CONFIDENTIAL/BY SPEED POST
No. PDA (CENTRAL)/CAB/2019-20/B-247

Dt.: 07/01/2020
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Copy of the Separate Audit Report and certified copy of accounts to: **The Director, National Institute of Unani Medicine, Bangalore** with the information that the documents may be adopted by the Board and resolution passed before sending to Government for placement in the Parliament. Two copies of the printed annual report containing the above documents and a copy of the resolution passed in this regard may please be furnished to this office.


Deputy Director/CAB 21/1/2020



SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE NATIONAL INSTITUTE OF UNANI MEDICINE, BENGALURU FOR THE YEAR ENDED 31ST MARCH 2019.

We have audited the attached Balance Sheet of National Institute of Unani Medicine (NIUM), Bengaluru as at 31 March 2019 and the Income & Expenditure Account / Receipts & Payment Account for the year ended on that date under Section 20(1) of the Comptroller and Auditor General's Duties, Powers and Conditions of Service Act, 1971. 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 and 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 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 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 and Income & Expenditure Account/Receipt & Payment Account dealt with by this report have been drawn up in the format prescribed by the Government of India, Ministry of Ayush.

iii) In our opinion, proper books of accounts and other relevant records have been maintained by the Institute in so far as it appears from our examination of such books.

iv) We further report that:

A. REVISION OF ACCOUNTS:

The Institute based on the audit observations revised its accounts and submitted the revised accounts on 10.10.2019. The effect of revision was that "the Capital fund has been decreased by Rs.3.91 Crore and Current liabilities and Provisions increased by Rs.3.92 Crore. Fixed asset has been increased by Rs.97.8 lakh and current assets, Loans and Advances decreased by Rs.9.72 lakh. Further, Income over Expenditure decreased by Rs.3.91 Crore.

B. GENERAL

B.1. As per the AS 15, Retirement benefits i.e., pension, gratuity and leave encashment are provided on the basis of actuarial valuation.

The University has not made the provisions towards Pension, Gratuity and Leave encashment which ought to have been provided based on actuarial valuation. This is in contravention of AS -15 –Employee Benefits as well as Uniform Format of Accounts.

B.2. It is observed that the method and rate of Depreciation adopted by the University was different from the method and rates as prescribed in Income Tax Act. As per Accounting Policy No.3 (Schedule 24) the depreciation is charged on straight line method and rate fixed for useable life of more than one year at prescribed rate of depreciation. However, as per IT Act, the depreciation is to be provided on written down value and rates specified therein.

B.2.(a) The Accounting Policy No.3 (Schedule 24) states that the depreciation is charged on straight line method and rate fixed for useable life of more than one year at

prescribed rate of depreciation. However, as per IT Act, the depreciation is to be provided on written down value and rates specified therein. Hence the policy of University on depreciation is in contravention of Income Tax Act. Also, the rate of depreciation adopted by the University were different from rates as specified in Income Tax Act.

C. GRANTS IN AID:

During 2018-19, Rs.36.50 Crore (Rs.32.50 Crore being the grants received from Ministry of AYUSH and Rs.4.00 Crore for NIUM branch at Gaziabad). Further, an amount of Rs.28.06 Crore was unspent balance of the previous year (2017-18). Out of total amount of Rs.64.56 Crore, an amount of Rs.41.23 Crore was utilized during the year and an amount of Rs.23.33 Crore is the unspent balance.

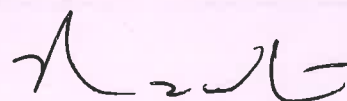
v) Subject to our observation in the preceding paragraphs we report that the Balance sheet and Income & Expenditure Account/Receipt & Payment Account dealt with by this report are in agreement with the books of accounts.

vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read with the Accounting Policies and Notes on Accounts and subject to the 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 Unani Medicine, Bangalore as at 31 March 2019 and

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

For and on behalf of the C&AG of India



**DIRECTOR GENERAL OF AUDIT (CENTRAL)
BANGALORE**



ANNEXURE**1. Adequacy of Internal Audit System:**

Internal audit of the Institute has not been carried out for the year 2018-19.

2. Adequacy of Internal Control System:

The NIUM received funds from Ministry of Ayush, New Delhi and are supposed to be audited by them. However, the Ministry is yet to take up audit which is due for the year 2018-19.

3. System of Physical Verification of Fixed Assets:

The Institute has noted the physically available fixed assets as on 31.3.2019. However, it has not been correlated with the Stock Register. In respect of Stock of Drugs, Annual Physical Verification of stocks has not been conducted.

4. System of physical verification of inventory:

The Institute has not carried out the physical verification of Inventory as on 31.3.2019.

5. Regularity in payment of statutory dues:

The Institute is regular in depositing statutory dues with the appropriate authorities.

DIRECTOR GENERAL OF AUDIT (CENTRAL)**BANGALORE**



NATIONAL INSTITUTE OF UNANI MEDICINE

Kottigepalya, Magadi Main Road, Bangalore – 560 091.

(An autonomous body under Ministry of AYUSH, Govt. of India)



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e-mail : niunumani@Yahoo.com

Tel : 080-23584260

Fax : 080-23584180

GFR 12-A

[See Rule 238 (1)]

Form of Utilization Certificate For Autonomous Bodies of the Grantee Organization

Utilization Certificate for the year 2019-20 (Provisional) in respect of recurring / non recurring Grant in aid / salaries / Creation of capital assets

1. Name of the Scheme : **National Institute of Unani Medicine, Bangalore**
2. Whether recurring or non-recurring grants : **Recurring and Non recurring grants**
3. Grants position at the beginning of the financial year (as on 01.04.2019).
 - i) Cash in hand / Bank : Rs. 1,54,67,223/-
 - ii) Unadjusted advances : Nil
 - iii) Total : Rs. 1,54,67,223/-

4. Details of grants received, expenditure incurred and closing balances (Actuals)

| Unspent balance of grants received years -figure as at sl.no 3 (ii) (Rs) | Interest earned thereon (Rs) | Interest deposited back to the Government (Rs) | Grants received during the year | | | Total Available funds (1+2-3+4) (Rs) | Expenditure incurred (up to 31/03/2020) (Rs) | Closing balance (5-6) (as on 31/03/2020) (Rs) |
|--|------------------------------|--|---------------------------------|------------|---------------|--|--|---|
| | | | Sanction No. (i) | Date (ii) | Amount (iii) | | | |
| 1 | 2 | 3 | 4 | | | 5 | 6 | 7 |
| 1,54,67,223/- | Nil | Nil | | | | | | |
| | | | G.27017/5/2019-NI(i) | 26/04/2019 | 2,48,25,000/- | 47,26,67,223/- | 47,26,67,223/- | Nil |
| | | | G.27017/5/2019-NI(ii) | 26/04/2019 | 3,75,00,000/- | | | |
| | | | G.27017/5/2019-NI(iii) | 26/04/2019 | 1,75,000/- | | | |
| | | | G.27017/5/2019-NI(iv) | 02/08/2019 | 1,75,000/- | | | |
| | | | G.27017/5/2019-NI(v) | 02/08/2019 | 3,75,00,000/- | | | |
| | | | G.27017/5/2019-NI(vi) | 02/08/2019 | 2,48,25,000/- | | | |
| | | | G.27017/5/2019-NI(vii) | 25/09/2019 | 5,95,32,777/- | | | |
| | | | G.27017/5/2019-NI(viii) | 27/09/2019 | 1,75,000/- | | | |
| | | | G.27017/5/2019-NI(ix) | 27/09/2019 | 3,75,00,000/- | | | |
| | | | G.27017/5/2019-NI(x) | 27/09/2019 | 2,48,25,000/- | | | |
| | | | G.27017/5/2019-NI(xi) | 30/10/2019 | 3,75,00,000/- | | | |
| | | | G.27017/5/2019-NI(xii) | 03/02/2020 | 2,48,25,000/- | | | |
| | | | G.27017/5/2019-NI(xiii) | 03/02/2020 | 3,75,00,000/- | | | |
| | | | G.27017/5/2019-NI(xiv) | 03/02/2020 | 5,29,67,223/- | | | |
| | | | G.27017/5/2019-NI(xv) | 03/02/2020 | 1,75,000/- | | | |
| 1,54,67,223/- | Nil | Nil | G.27017/5/2019-NI(xvi) | 27/03/2020 | 5,72,00,000/- | 47,26,67,223/- | 47,26,67,223/- | Nil |

Component wise utilization of grants

| Grant in aid General | Grant in aid salary | Grant in aid creation of capital assets | Total |
|----------------------|---------------------|---|----------------|
| 15,72,00,000/- | 15,00,00,000/- | 16,54,67,223/- | 47,26,67,223/- |

8/9/2020
 देसा अधिकारी / ACCOUNTANT
 राष्ट्रीय / N.I.U.M.

निदेशक / DIRECTOR
 राष्ट्रीय / N.I.U.M.

Contd.....



NATIONAL INSTITUTE OF UNANI MEDICINE

Kottigepalya, Magadi Main Road, Bangalore – 560 091.
(An autonomous body under Ministry of AYUSH, Govt. of India)



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e-mail : niunumani@Yahoo.com

Tel : 080-23584260

Fax : 080-23584180

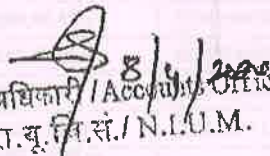
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Certified that I have satisfied myself that the conditions on which grants were sanctioned have been duly fulfilled /are being fulfilled and that I have exercised following checks to see that the money has been actually utilized for the purpose for which it was sanctioned.

- (i) The main accounts and other subsidiary accounts and registers (including asset registers) are maintained as prescribed in the relevant Act/ Rules / Standing instructions and have been duly audited by designated auditors. The figure depicted above tally with the audited figures mentioned in financial statements / accounts.
- (ii) There exist internal controls for safeguarding public funds / assets, watching outcomes and achievements of physical targets against the financial inputs, ensuring quality in asset creation etc. & the periodic evaluation of internal controls is exercised to ensure their effectiveness.
- (iii) To the best of our knowledge and belief, no transactions have been entered that are in violation of relevant Act / Rules/ Standing instructions and scheme guidelines
- (iv) The responsibilities among the key functionaries for execution of the scheme have been assigned in clear terms and are not general in nature.
- (v) The benefits were extended to the intended beneficiaries and only such areas / / districts were covered where the scheme was intended to operate
- (vi) The expenditure on various components of the scheme was in the proportions authorized as per the scheme guidelines and terms and conditions of the grants in aid.
- (vii) It has been ensured that the physical and financial performance under (name of the scheme) has been according to the requirements, as prescribed in the guidelines issued by Govt. of India and the performance / targets achieved statement for the year to which the utilization of the fund resulted in outcomes given at Annexure – I duly enclosed.
- (viii) The utilization of the fund resulted in outcomes given at Annexure – II duly enclosed (to be formulated by the Ministry / Department concerned as per their requirements / specifications)
- (ix) Details of various schemes executed by the agency through grant in aid received from the same Ministry or from other Ministries is enclosed at Annexure – II (to be formulated by the Ministry / Department concerned as per their requirements / specifications)

Date : 08.04.2020

Place : Bangalore


लेखा अधिकारी / Account Officer
रा.यू.चि.सं. / N.I.U.M.


(Prof. Abdul Wadud)
निदेशिका / DIRECTOR
रा.यू.चि.सं. / N.I.U.M.

