



कार्यालय महानिदेशक लेखापरीक्षा,  
पर्यावरण एवं वैज्ञानिक विभाग

नई दिल्ली-110 002

OFFICE OF THE DIRECTOR GENERAL OF AUDIT,  
ENVIRONMENT & SCIENTIFIC DEPARTMENTS,  
A.G.C.R. BUILDING, I.P. ESTATE  
NEW DELHI-110 002

सं. म.नि.वै.वि./नि./SAR/4(21)/2020-21 | 707-708

दिनांक: 9/11/2021

सेवा में,

डा.सुधांशु व्रती  
कार्यपालक निदेशक  
क्षेत्रीय जैवप्रौद्योगिकी केन्द्र  
तृतीय मील पत्थर, फरीदाबाद-गुड़गांव एक्सप्रेसवे,  
फरीदाबाद-121001

**विषय: क्षेत्रीय जैवप्रौद्योगिकी केन्द्र वर्ष 2020-21 के लेखों पर प्रथक ऑडिट रिपोर्ट।**

महोदय,

मुझे क्षेत्रीय जैवप्रौद्योगिकी केन्द्र के वर्ष 2020-21 के लेखों पर ऑडिट रिपोर्ट आग्रेषित करने का निर्देश हुआ है।

संसद के दोनों सदनों में प्रस्तुत करने से पहले वर्ष 2020-21 के वार्षिक लेखों को क्षेत्रीय जैवप्रौद्योगिकी केन्द्र, फरीदाबाद द्वारा अपनाया जाए। प्रत्येक दस्तावेज जो संसद में प्रस्तुत किया जाए उसकी तीन प्रतियां इस कार्यालय तथा दो प्रतियां भारत के नियंत्रक एवम महालेखापरीक्षक को अग्रेषित की जाए। संसद के दोनों सदनों में प्रस्तुत करने की तिथि (या) भी इस कार्यालय को सूचित की जाए।

आपसे अनुरोध है कि ऑडिट रिपोर्ट का हिन्दी अनुवाद अपने कार्यालय में कराने के पश्चात सॉफ्ट कॉपी तथा हार्ड कापी दोनों में हमें भेज दें ताकि हिन्दी प्रति को शीघ्र अग्रेषित किया जा सके।

यह महानिदेशक द्वारा अनुमोदित है।

भवदीया,

संलग्नक: यथोपरि।

निदेशक (निरीक्षण)  
8/11/21

**Separate Audit Report of Comptroller and Auditor General of India on the accounts of Regional Centre for Biotechnology, Faridabad for the year ended 31 March 2021**

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We have audited the attached Balance Sheet of Regional Centre for Biotechnology (RCB), Faridabad at 31 March 2021 and the Income and Expenditure Account/ Receipts and Payments 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 32 (1) of RCB Act, 2016. These financial statements are the responsibility of the RCB'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 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/ Comptroller and Auditor General'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 except those stated in the report, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) The Balance Sheet, Income and Expenditure Account and Receipts and Payments Account dealt with by this report have been drawn up in the format approved by the Government of India;

(iii) In our opinion, proper books of accounts and other relevant records have been maintained by RCB, except those stated in this audit report.

(iv) We further report that:

## **A. BALANCE SHEET**

### **A 1 Assets**

#### **A.1.1 Fixed Assets (Schedule 8- Rs. 51.42 crore)**

The balances of Office Equipment also included Rs.20.60 lakh towards balances of Air-conditioning system and purchases during current year Rs.5.89 lakh. The Air-conditioning System are required to be booked under Furniture & Fixture head. This has resulted in overcharging of depreciation by Rs. 1.32 lakh under Office Equipment.

#### **A.1.2 Schedule 11 – Current Assets, Loans and Advances (Rs. 3678.95 lakh)**

Above included Rs. 0.10 lakh as Cash in Hand/ imprest, which was not shown as Closing Balance Cash in Hand in Receipt and Payment Account.

## **B Income and Expenditure**

#### **B.1.1 Schedule 21 – Other Administrative Expenses etc (Rs. 1639.82 lakh)**

Above also included an expenditure of Rs. 18.84 lakh booked as revenue expenditure pertaining to prior period. This has resulted in overstatement of expenditure and understatement of Prior period expenditure to that extent.

#### **B.1.2 Schedule 20 – Establishment Expenses (Rs. 1080.83 lakh)**

Above did not include Salary for March 2021 paid in April 2021 amounting to Rs. 73.85 lakh. Similarly, previous year salary for March 2020 paid in April 2020 amounting to Rs.70.44 lakh was booked as expenditure for current year. The transactions have resulted in understatement of revenue expenditure by Rs. 3.41 lakh and prior period expenditure by Rs. 70.44 lakh.

#### **B.1.3 Deferred Income – Fixed Assets**

An expenditure of Rs. 680.62 lakh has been charged towards depreciation on fixed assets as per schedule 8- Fixed Assets for 2020-21 however, the expenditure is also shown as Deferred Income- Fixed Assets in Income. The Uniform Format of

Accounts for Autonomous Bodies does not provide such provision in accounts as format adopted the capital approach.

**C. General:**

(i) There is a difference of Rs.225.54 lakh in previous year balance of Corpus/Capital Fund in Balance Sheet ( Rs.6281.96 lakh) and Schedule 1 Corpus/ Capital Fund (Rs.6507.49 lakh) as Balances of Schedule 2 Reserve and Surplus are also shown in Schedule 1.

**(ii) Schedule 8: Fixed Assets (Rs.5141.90 lakh)**

Columns of schedule 8 Fixed Assets included in accounts are not as per the approved format of Accounts. The names of all the columns adopted are different besides two columns in Depreciation and one in Net Block have not been maintained. Therefore, the schedule 8 may please be maintained as per approved format of accounts.

(iii) The following three heads were misclassified as Administrative Expenses instead of Establishment Expenses. This has led to Understatement of Establishment Expenses and overstatement of Administrative Expenses by Rs.177.90 lakh. :

**Schedule 20 – Establishment Expenses:**

Fellowships to Students	: Rs. 17.39 lakhs
Wages – Outsourced manpower	: Rs.160.18 lakhs
Travelling Expenses	: Rs. 0.33 lakhs

(iv) No provision for retirement benefits has been made in the accounts in contravention of Accounting Standard 15 issued by ICAI.

**D. Grants-in-Aid**

RCB received total grant of Rs 33 crore from DBT during 2020-21, besides having carried forward unspent grant of Rs 1.19 crore for the year 2019-20. Rs. 34.18 crore was available for expenditure during the year. RCB utilized Rs 31.78 crore during the year leaving a closing balance of Rs. 2.40 crore on 31<sup>st</sup> March 2021.

v). Subject to our observations in the preceding paragraphs, we report that the Balance Sheet, Income & Expenditure Account and Receipts & 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 together with the

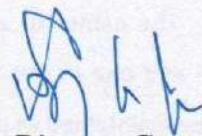
Accounting Policies and Notes on Accounts, subject to the significant matters stated above and other matters mentioned in **Annexure** to this Audit Report give a true and fair view in conformity with accounting principles generally accepted in India.

- a. In so far as it relates to the Balance Sheet of the state of affairs of the Regional Centre for Biotechnology, Faridabad as at 31 March 2021; 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 CAG of India**

**Dated:** 8/11/2021

**Place : New Delhi**



**Director General of Audit  
(Environment and Scientific Departments)**

**Annexure – I to Audit Report**

**Internal Audit/Control System**

**(A) Adequacy of Internal Audit System**

Internal Audit of the Regional Centre for Bio-technology (RCB) was required to be conducted annually by the internal audit wing of Principal Pay & Accounts Office of the Department of Science & Technology, New Delhi which was completed upto March 2019. A total number of 4 paras (one pertained to the period 2010-14 and 3 pertained to the period 2017-19) were outstanding till date.

Internal Audit of Regional Centre for Bio-technology (RCB) is pending since March 2019.

**(B) Adequacy of Internal Control System**

**B.1** RCB has sanctioned permanent imprest ranging from Rs. 10000 to Rs. 50000 to eight departmental officers for day to day utilization in official work. It is seen that the utilization of funds from imprest account was very low and government money was unnecessarily kept out of government account.

**B.2** The Significant Accounting Policies as per Uniform Format of Account provided that annual accounts should be prepared on accrual system of accountancy. However, the accounts of RCB Faridabad have been maintained on actual/cash basis in respect of extramural funds and other project grants.

**B.3** Test check of Form-16 and related documents in respect of RCB staff revealed that center had allowed tax rebate for the year 2020-21 without submitting supporting documents. This shows poor internal control mechanism on part of RCB.

**B.4** Main Cashbook was maintained only in electronic form and subsidiary Cash Book was maintained in the physical format (GAR-3).

**B.5** The details of outstanding Utilization Certificates are as under:

SL. No.	Programme	Year	Number of outstanding UCs	Amount (Rs. in Lakhs)Approx.
1.	DBT JRF Programme	2019-20	30	92.304/-
2.	DBT Ramalingaswamy Fellowship Programme	2019-20	12	230.64/-
TOTAL			42	322.944/-

**C. System of Physical Verification of Fixed Assets**

Register of Fixed Assets was being maintained in RCB as per Rule 211(ii)(a) in Form GFR-22, it was further observed that physical verification of Fixed Assets has been conducted for the year upto 31<sup>st</sup> March,2021.

**D. System of Physical verification of inventory**

The Physical verification of Consumable items and Materials has been carried out for the period upto 31<sup>st</sup> March 2021 and no discrepancy was reported. The Physical verification of Library Books has been carried out for the period upto 31<sup>st</sup> March 2021 and no discrepancy was reported.

**E Regularity in payment of statutory dues:**

No statutory dues were outstanding against RCB as on 31<sup>st</sup> March 2021.

  
Director (Insp.)



महानिदेशक लेखापरीक्षा  
पर्यावरण एवं वैज्ञानिक विभाग  
ए.जी.सी.आर.भवन, इन्द्रप्रस्थ एस्टेट,  
नई दिल्ली-110002

**DIRECTOR GENERAL OF AUDIT  
ENVIRONMENT & SCIENTIFIC DEPARTMENTS  
A.G.C.R. BUILDING, I.P. ESTATE  
NEW DELHI-110002**

**Sanjay Kumar Jha  
Director General of Audit**

D. O. No. DGA(ESD)/Inspection/1(47)/RCB/Annual A/cs/2020-21 | 2021 Dated: 9/11/2021

*Dear Dr. Vrati,*

I have audited the Annual Accounts of the Regional Centre for Bio-technology, Faridabad for the year 2020-21 and have issued the Audit Report thereon vide letter dated-9/11/21. During the course of audit, some deficiencies were noticed which were of a relatively minor nature and were, therefore, not included in the Audit Report and are now enclosed in the **Annexure**. These are being brought to your notice for remedial and corrective action.

*With warm regards,*

Yours sincerely,

Encl: Annexure

Dr. Sudhanshu Vrati,  
Executive Director,  
Regional Centre for Bio-technology,  
NCR Biotech Science Cluster,  
Faridabad – 121001



**Annexure**

**A. Schedule 21 – Other Administrative Expenses etc (Rs. 1639.82 lakh)**

Recovery of Rs. 6.24 lakhs on account of electricity charges from RCB Hostel for 2020-21 was adjusted from the expenditure booked in Schedule 21 – Other Administrative Expenditure electricity charges under the head Electricity charges - RCB amounting to Rs. 231.28 lakh resulting in understatement of expenditure as well as revenue receipts refundable to Government to that extent.

**B. Schedule 8: Fixed Assets (Rs.5141.90 lakh)**

The Receipt and Payment account has not been maintained as per prescribed format of account as heads in receipts as well as in payment side of account were not matching with heads in schedules of Income & Expenditure Account and Balance Sheets. Due to this the same heads were being shown on both sides of Receipts & Payment Account.



**Director General of Audit (ESD)**

Annexure to Circular letter No. 173-Rep. (AB)/27-84(I) dated 10.01.1999


**PROFORMA**

(Referred in Paragraph 4.11 of the Manual of Instruction for Audit of Autonomous Bodies)

Proforma on progress of Audit to be sent to the Office of the Comptroller and Auditor General of India along with the audited accounts and Audit Report

Name of the Autonomous Body: **Regional Centre for Biotechnology, Faridabad**

1.	Date of submission of the account to the Audit by the Autonomous Body	25.06.2021		
2.	Where applicable reasons for returning the accounts for revision indication why the accounts could not be certified with qualification	-N.A.-		
3.	Date of submission of revised accounts to Audit where revision was considered essential	-N.A.-		
4.	Dates on which audit was taken up and completed	23.06.2021 to 13.07.2021		
5.	Date of issue of draft SAR to autonomous Body for replies/ comments	10.08.2021		
6.	Date of receipt of replies/comments from autonomous body	24.08.2021		
7.	Date of issue of draft SAR including replies/comments of autonomous body along with an side memoire to CAG's office for approval	24.09.2021		
8.	(a) Date of CAG's office letter communication approval to SAR	06.10.2021		
	(b) Date of receipt of letter and approval at 8(a)			
9.	Date of issue of final Audit Report to Government of India/ State Government/CAG's office English version/Hindi version			
10.	Reasons for delay, if any at various stages			
11.	Dates of presentation of the previous Audit Reports before Parliament/Legislature (Where the Audit Report for previous years have not been placed, years to which these pertain, may also be indicated)	<b>Year</b>	<b>Lok Sabha</b>	<b>Rajya Sabha</b>
		2019-20	19.03.21	09.3.21

  
Director General of Audit

Env. & Scientific Departments