

ICAR
ANNUAL ACCOUNTS
AND
AUDIT REPORT
2008-09



INDIAN COUNCIL OF AGRICULTURAL RESEARCH
KRISHI BHAWAN, NEW DELHI

**ICAR
Annual Accounts
and
Audit Report
2008–2009**



**INDIAN COUNCIL OF AGRICULTURAL RESEARCH
KRISHI BHAWAN, NEW DELHI**

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Indian Council of Agricultural Research
Consolidated Annual Accounts 2008–09
Balance Sheet as on 31st March 2009

(Amount in Rupees)

	Schedule	Current Year	Previous Year
Corpus/Capital Fund & Liabilities			
Capital Fund	1	26954122141.46	26046469019.38
Reserves	2	661996138.00	539463430.00
Earmarked/Endowment Fund	3	2096900442.53	994470383.84
Current Liabilities & Provisions	4	2509419003.70	2777849909.78
Total		32222437725.69	30358252743.00
Assets			
Fixed Assets	5	20683391920.24	19561391972.58
Investments-Earmarked/Endowment Funds	6	960000000.00	0.00
Current Assets, Loans & Advances	7	10579045805.45	10796860770.42
Total		32222437725.69	30358252743.00

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(Ravindra Pattar)
 Director (Finance)


(A.K. Upadhyay)
 Secretary, ICAR

Indian Council of Agricultural Research

Consolidated Annual Accounts 2008–09

Income and Expenditure Account for the Year Ended 31st March 2009

(Amount in Rupees)

	Schedule	Current Year	Previous Year
A. Income			
Income from Sales/Services	8	282483452.46	281553811.30
Grants in aid/subsidies	9-A	27201068005.00	20812681572.00
Fees/Subscriptions	10	24692335.70	23154201.00
Income from Investments	11	0.00	0.00
Income from Royalty, Publications	12	14202712.00	11364719.00
Interest earned	13	343806159.32	547570957.94
Other Income	14	415495279.00	400746041.01
Prior Period Income	15	13391354.00	0.00
Total (A)		28295139297.48	22077071302.25
B. Expenditure			
Establishment expenses	16	11688372369.00	7417769871.00
Research & Operational Expenses	17	1351701330.25	1357488784.00
Administrative expenses	18	2737685116.72	2439726457.07
Grants and subsidies	19	11316806036.25	9424428404.00
Miscellaneous expenses	20	834631307.64	299746037.00
Depreciation	5	812521265.86	848805326.83
Prior Period Expenditure	21	1813080.00	10994559.00
Total (B)		28743530505.72	21798959438.90
Balance being surplus/(Deficit) carried to Corpus/Capital Fund		(-) 448391208.24	278111863.35



(S.K. Pathak)
Sr. F&AO (Accounts)



(Ravindra Pattar)
Director (Finance)

Indian Council of Agricultural Research
Consolidated Annual Accounts 2008-09
Receipt and Payment Account for the Year Ended 31st March 2009
(Amount In Rupees)

Receipt	Current Year	Previous Year	Payment	Current Year	Previous Year
I. Opening balances			I. Expenses		
(a) Cash in hand	11980402.75	11322638.75	(a) Establishment	11487921530.00	7456217508.00
(b) Bank balances			(b) Administrative	2845763723.49	2585170685.00
–in Current Accounts	3527841948.20	2170767619.62	(c) Research	1428792546.25	1581563907.79
–in Deposit Accounts	3060791682.00	3696784247.00			
–in Savings Accounts	24104940.00		II. Payments for various projects	11438590205.00	9189729471.21
II. Grants Received from Govt. of India			III. Investments and Deposits		
Plan	16879700000.00	14432300000.00	(a) Out of Earmarked funds	6531003.00	150756.00
Non-Plan	11825000000.00	8832000000.00	(b) Out of own funds	434329.00	0.00
A.P. Cess	59164826.00	137934780.00			
III. Donations and Contribution	281452.00	0.00	IV. Expenditure on Fixed Assets and capital work-in-progress		
IV. Investments & Deposits			(a) Purchase of Fixed Assets	1834938270.00	1373028089.27
(a) Earmarked Funds	107771.00	110672.00	(b) Expenditure on Capital Work-in-progress	554110159.00	0.00
(b) Own Funds	0.00	0.00			
V. Interest Received			V. Repayment of un-utilized Grants/Loans/Borrowings	1012064079.40	1902169805.00
(a) on Bank Deposits	280374954.95	476484080.48			
(b) Loans, Advances	128920643.00	55428264.00	VI. Deposit and Advances	4292047499.24	2494465788.18
(c) Others (earmark, endow., deposits)	121551179.00	0.00			
VI. Deposits and Advances	4475481788.01	2627049391.26	VII. Other Payments	358629396.45	3625200621.07

Receipts	Current Year	Previous Year	Payments	Current Year	Previous Year
VII. Other Income	573798861.16	752429463.82			
VIII. Loans and Borrowings	2707021.00	0.00		13063958.00	11980402.75
IX. Misc. Receipts	346764891.20	3639804447.54		2293097653.29	3527841948.20
				3752566070.15	3060791682.00
				21938.00	24104940.00
				0.00	0.00
Total	41318572360.27	36832415604.47		41318572360.27	36832415604.47


(S.K. Pathak)
Sr. F&AO (Accounts)


(Ravindra Pattar)
Director (Finance)


Indian Council of Agricultural Research

Balance Sheet of GPF and CPF as on 31st March 2009

(Amount in Rupees)

	Schedule	Current year	Previous year
Liabilities			
GPF Subscription and interest thereupon	1	5860897343.93	5574769543.93
CPF Subscription and interest thereupon (at Hqr.)	2	2513306.00	1360168.00
Reserve	3	2085781422.07	1905322300.17
Total		7949192072.00	7481452012.10
Assets			
Investments	4	6756025017.11	6096192389.10
Interest Accrued on securities	5	519479488.00	729165729.00
Outstanding GPF Advance	6	622895107.00	564720738.00
Cash at Bank		50792459.89	91373156.00
Total		7949192072.00	7481452012.10


(Ravindra Pattar)
 Director (Finance)


(A.K. Upadhyay)
 Secretary, ICAR

Indian Council of Agricultural Research

**Income and Expenditure Account of GPF and CPF for the period
1.4.2008 to 31.3.2009**

(Amount in Rupees)

Income	Amount	Expenditure	Amount
Interest received	238624302.00	Interest Payable	
Interest accrued (2008-09)	244303346.00	GPF	405090655.00
		CPF	198530.00
		Bank Charges	4267.90
		Outstanding Misc. receipts	0.00
		Excess of Income over expenditure	77634195.10
Total	482927648.00	Total	482927648.00



Section Officer



(Sanjeevan Prakash)
Sr. F&AO(A), ICAR

Indian Council of Agricultural Research

Receipt and Payment Account of the ICAR General Provident Fund for the Year Ended 31st March 2009

(Amount in Rupees)

Receipt	Amount	Payment	Amount
1.* Opening Balance		1. Hqrs. Payment	83590942.00
(a) Cash at Bank	91373156.00	(Temporary advance	
(b) Securities	6096192389.10	Final withdrwal etc.)	
(Annexure GPF 1)		(Annexure GPF 8)	
2. Hqrs. Subs./Recoveries/ Refund (Annexure GPF 2)	68071788.00	2. GPF Payments made to Other Deptts.	0.00
		(Annexure GPF 9)	
3. Subs./Refund from deputationists (Annexure GPF 3)	1518514.00	3. Payments to Instts.	406760443.00
		(Annexure GPF 5)	
4. GPF Receipts from other departments	342791.00	4. Bank Charges	4267.90
(Annexure GPF 4)		(Annexure GPF 10)	
5. Receipts from Instts.	346015416.74	5. Payment of Misc. recpts.	83733.00
(Annexure GPF 5)		from other Deptt.	
		alongwith subs. of GPF	
		viz GSLIS, LF, etc	
		(Annexure GPF 11)	
6. Misc. receipts from other Deptt. alongwith subs. of GPF, viz. GSLIS, LF etc.	83733.00	6.*** Excess of CPF Payments	(-)-1045186.00
(Annexure GPF 6)		over Receipts	
7.** Interest on Investments	692613889.06	7.* Closing Balance	
(Annexure GPF 7)		(a) Cash at Bank	50792459.89
		(b) Securities	6756025017.11
		(Annexure GPF 12)	
Total	7296211676.90	Total	7296211676.90



Section Officer



(Sanjeevan Prakash)

Sr. Finance & Accounts Officer (Audit)

* This opening balance/closing balance includes the amount of GPF & CPF, which cannot be bifurcated at this stage because there is only one Bank Account.

** Interest on investment includes the amount for GPF & CPF because the investment is made in a consolidated manner because there is only one bank account.

Total GPF Receipts = 415,948,510

Total GPF Payments = 490,351,385

Total CPF Receipts = 1,045,186

Total CPF Payments = 0

*** This amount has been taken from the CPF Receipts and Payments Account for 2008-09 prepared separately as per audit observation.

Indian Council of Agricultural Research

**Receipt and Payment Account of the ICAR Contributory Provident Fund
for the Year Ended 31st March 2009**

(Amount in Rupees)

Receipt		Amount	Payment		Amount
1.	Employee's Subs./Refund for Hq. (Annexure CPF 1)	422116.00	1.	Adv. & Part-final/Final withdrawal for Hqr. (Annexure CPF 5)	0.00
2.	Employee's Subs./Refund for Instt (Annexure CPF 2)	623070.00	2.	Adv. & Part-final/Final withdrawal for Instt. (Annexure CPF 6)	0.00
3.	ICAR's contribution (Annexure CPF 3)	0.00	3.	Final Payment of ICAR's contribution (Annexure CPF 7)	0.00
4.	Institute's Contribution (Annexure CPF 4)	0.00	4.	Final Payment of Instt's contribution (Annexure CPF 8)	0.00
5.*	Excess of payment over receipts (-)1045186.00				
Total		0.00	Total		0.00



Section Officer



(Sanjeevan Prakash)

Sr. Finance and Accounts Officer

*Taken over to General Provident Fund Account for Receipts and Payments for 2008-09 as there is only one bank account

**Separate Audit Report on the Accounts of the Indian Council of
Agricultural Research (ICAR), New Delhi for the year ended
31st March 2009**

We have audited the attached Balance Sheet of the Indian Council of Agricultural Research (ICAR) as on 31 March 2009 and Income and Expenditure Account/Receipt and 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 read with bye law 20(a) under Rule 40 of the ICAR Society established under the Societies Registration Act XXI of 1860. The audit has been entrusted for the period up to 2011–12. These financial statements include the accounts of 112 units/branches of ICAR. These financial statements are the responsibility of ICAR's management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. The 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 Report/CAG's Audit Report 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 the 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 Ministry of Finance.
- iii. In our opinion, proper books of accounts and other relevant records have been maintained by ICAR as required, in so far as it appears from our examination of such books.

iv. We further report that

(A) Revision of Account

In view of observation of CAG office, the ICAR revised Receipt and Payment account to effect that the grant received from Govt. of India which was overstated by Rs. 575.86 crore was shown correctly in Receipt and payment account.

(B) Balance Sheet

1. Liabilities

- (a) As per Schedule 9 'A' Grants and Subsidies appended to Balance Sheet of CRRI*, Cuttack, grant refundable to the Government of India under Non Plan head was Rs 31.33 lakh. This amount was not shown in Schedule '4' Current Liabilities which resulted in understatement of liabilities by Rs. 31.33 lakh.
- (b) In terms of new defined contribution pension scheme, the NBSS&LUP**, Nagpur, was required to contribute towards the scheme an amount equal to the subscriber's contribution. The NBSS&LUP had neither contributed its share towards the scheme nor did it make any provision in the books of accounts resulting in understatement of current liabilities by Rs. 5.36 lakh.
- (c) Schedule '5' E Fixed Assets 'Funded Schemes' appended to the Balance Sheet of CRRI*, Cuttack, disclosed depreciation for the year as Rs. 9.91 lakh. However, in Schedule '2' Reserve deduction during the year was shown as Rs. 19.45 lakh. Thus, liability was understated by Rs. 9.54 lakh in the institute's account and in consolidated account of ICAR.

ICAR accepted the fact and stated that the expenditure of Rs. 9.54 lakh would be adjusted in next year's account.

- (d) Receipt and payment account of IVRI*** disclosed payment of unutilized grant as Rs. 12.75 crore. In schedule 9A grant/subsidies the amount already refunded was shown as Rs. 11.83 crore and Balance refundable to Government as Rs. 2.93 crore. This resulted in overstatement of liabilities by Rs 0.92 crore.

2. Fixed Assets

- (a) ICAR, while calculating the depreciation on fixed assets did not follow the rate of depreciation prescribed in its significant Accounting Policies and charged depreciation on fixed assets for the year less by Rs 10.44 lakh. Thus, fixed assets were overstated and depreciation was understated in Income and Expenditure account.

*Central Rice Research Institute; **National Bureau of Soil Survey and Land Use Planning; ***Indian Veterinary Research Institute

- (b) In Schedule 5- Fixed Assets appended to Balance Sheet of VPKAS*, Almora, depreciation for the year under the head 'Building' had been shown as Rs. 21.35 lakh instead of Rs. 22.94 lakh, i.e @ 1.63 percent of the closing value of Rs. 14.07 crore. Thus fixed assets were overstated in the Balance Sheet and expenditure was understated by Rs. 1.59 lakh in the Income and Expenditure account.
- (c) In Schedule 5 'Fixed Assets' appended to Balance Sheet of 'CRIJAF**', Kolkata, additions of Library Books during the year was shown as Rs. 7.41 lakh. But as per basic records, the actual addition made during the year was Rs. 1.46 lakh. Thus, fixed assets under the sub-head "Library Books" were overstated by Rs. 5.95 lakh in the Balance sheet of CRIJAF, Kolkata and ICAR.
- (d) During 2005–06 and 2007–08 NBSS&LUP, Nagpur disposed off equipments of book value of Rs. 9122 and Rs. 19.85 lakh respectively but not deducted the same from gross block of fixed assets in Schedule '5'. Thus, fixed assets were overstated by Rs.19.94 lakh.

2.1 Current Assets

- (a) In the accounts of DGR***, Junagarh figure of the outstanding advances with employees, both interest and non interest bearing, were shown under current assets after netting out the same against excess recoveries which resulted in understatement of current assets to the extent of Rs.1.45 lakh in the Balance sheet of DGR, Junagarh.

In reply ICAR stated that rectification would be made in next year's accounts.

- (b) NBSS&LUP, Nagpur had incurred an expenditure of Rs. 14.12 lakh on sponsored/consultancy/in-house projects in excess of grants so received. However, the NBSS&LUP, Nagpur had not reckoned this amount as "Receivable", in Schedule '7' 'Current Assets'. This resulted in understatement of current assets by Rs. 14.12 lakh in the accounts of the Institute.

(C) Income and Expenditure Account

- (a) Schedule '5' Fixed Assets appended to annual account of CRRI, Cuttack disclosed depreciation for the year as Rs 94.56 lakh. However, in Income & Expenditure account depreciation on fixed assets was shown as Rs. 75.10 lakh. Thus, expenditure was understated by Rs 19.46 lakh in Income and Expenditure account.
- (b) Income and Expenditure account of CIBA****, Chennai disclosed Establishment expenses as Rs. 5.08 crore, whereas in the worksheet of adjustment of expenditure, it was shown as Rs. 6.96 crore. Thus, expenditure was understated by Rs. 1.88 crore in the Income and Expenditure account.

*Vivekanand Parvatiya Krishi Anusandhan Shala; **Central Research Institute for Jute and Allied Fibre;

Directorate of Groundnut Research; *Central Institute of Brackishwater Aquaculture

(D) Receipt and Payment Account

In CIFE*, Mumbai the closing balance of 2007–08 under cash in hand was Rs.15,000 and the bank balance under current accounts was Rs. 40.87 lakh. However, in the accounts of 2008–09 the opening balance was shown as Rs.1.61 lakh as cash in hand and Rs. 489.97 lakh as bank balance under current account. This resulted in overstatement of receipts by Rs 450.56 lakh in Receipt & Payment account of CIFE, Mumbai and the consolidated accounts of ICAR.

(E) General Comments

- (a) As per schedule 3, earmarked/endowment fund of the consolidated Balance Sheet, ICAR had an endowment fund of Rs. 99.44 crore at the beginning of the year. The purpose of the said fund was not disclosed in the accounts. ICAR had created another fund of Rs. 259.21 crore consisting of the receipts of ongoing sponsored/consultancy projects/conferences/seminars etc. during the year 2008–09. Utilization of the said two funds was not disclosed separately. Further, despite pointing out in previous years audit report and assurance given by ICAR that a separate schedule of receipts of ongoing sponsored/consultancy projects/conferences/seminars etc would be appended with receipt and payment accounts in future, ICAR neither disclosed receipts in consolidated receipt and payment account nor appended a separate schedule with receipt and payment account.
- (b) Opening balances for the year 2008–09 shown in the annual accounts and Assets register of NBSS&LUP, Nagpur did not match and need reconciliation as detailed below:

Name of the assets	Amount of assets		Difference
	As per annual accounts (Rs)	As per assets register (Rs)	
Plant & Machinery	11,34,98,667	14,36,95,696	1,77,49,057
Computer & Peripheral	1,24,47,972		
Vehicles	1,96,64,86	1,94,30,538	(–)2,34,048
Furniture & Fixtures	1,52,78,701	1,54,74,832	1,97,131
Library Books	1,99,28,134	1,97,28,259	(–)1,99,875
Net Total (Difference)			1,75,12,265

- (c) As per Assets Register CIRCOT**, Mumbai acquired assets worth Rs.1.61 crore (excluding building and library under plan and non-plan) during 2008–09. However, in schedule 5 (fixed assets) it was shown as Rs. 1.93 crore. Thus, there was difference of Rs 0.32 crore in figures shown in Assets Register and Schedule 5 of the Balance Sheet of the CIRCOT, Mumbai which need reconciliation.

*Central Institute of Fisheries Education; **Central Institute of Research on Cotton Technology

(F) Effects of audit comments on Accounts

The net impact of comments given in the preceding paragraphs is that, Liabilities were overstated by Rs 45.77 lakh. Fixed Assets were overstated by Rs 37.92 lakh; Current Assets were understated by Rs 15.57 lakh. The Expenditure was understated by Rs 219.49 lakh and the Receipts were overstated by Rs. 450.56 lakh.

(G) Grants in Aid

Out of Rs 2876.39 crore received during the year, ICAR could utilise a sum of Rs. 2837.62 crore leaving a balance of Rs 38.77 crore as unutilized grants as on 31st March 2009.

(H) Management letter

Deficiencies which have not been included in the Audit Report have been brought to the notice of the Director General, Indian Council of Agricultural Research, through a management letter issued separately for remedial/corrective action.

- v. Subject to our objections in preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/Receipt & 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 given to us, the said financial statements read together with the Accounting Policies, Notes on Accounts and subject to the significant matters and other matters stated above 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 Indian Council of Agricultural Research as at 31st March 2009 and
 - (b) In so far as it relates to Income and Expenditure of the surplus for the year ended on that date.

Principal Director of Audit (SD)

Place: New Delhi
Date: 23.11.2009