

**Separate Audit Report of the Comptroller & Auditor General of India  
on the Accounts of National Council for Teacher Education for the  
year ended 31<sup>st</sup> March, 2011**

We have audited the attached Balance Sheet of National Council for Teacher Education as at 31<sup>st</sup> March, 2011 and Income & Expenditure Account / Receipts & Payments Account for the year ended on that date under Section 19(2) of the Comptroller & Auditor General's (Duties, Powers & Conditions of Service) Act, 1971 read with Section 26(3) of National Council for Teacher Education Act, 1993. These financial statements include the accounts of four branches of the NCTE. These financial statements are the responsibility of Council'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 disclosures 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/Receipts & Payments Account dealt with by this report has been drawn up in the common format of accounts 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 National Council for Teacher Education as required under Section 26(1) of the National Council for Teacher Education Act 1993 in so far as it appears from our examination of such books.
  - (iv) We further report that:

## **A Balance Sheet**

### **A.1 Liabilities**

#### **A.1.1 Provisions**

Provisions for liability payable towards gratuity, Superannuation/pension and leave encashment need to be made on actuarial basis. However, no provisions had been made for gratuity pension and leave encashment by the Council despite such significant Accounting Policy.

### **A.2 Assets**

#### **A.2.1 Overstatement of Current Assets**

The Council had paid Rs. 7.26 lakh as Ground Rent to DDA and booked as security deposit under the head "Deposit lying with other organizations/parties as Security deposit". As the Ground Rent was paid to DDA and not refundable, the same was to be booked as revenue expenditure in Income and Expenditure account. This has resulted in overstatement of Current Assets and understatement of expenditure by Rs. 7.26 lakh.

#### **A.2.2 Understatement of Current Assets**

As per Schedule 11, a sum of Rs. 2.71 lakh was depicted under the head "Unsold Stock of Publication". Whereas as per information provided by the Council, the value of Unsold Stock of Publication was Rs. 26.55 lakh. This has resulted in understatement of Current assets by Rs. 23.84 lakh.

#### **A.2.3 Over statement of fixed Assets**

The Council had purchased a photocopier at a cost of Rs. 3.40 lakh under buy-back scheme and paid Rs. 3.15 lakh after reduction of buy back price of old photocopier. The Council had capitalized only Rs. 3.15 lakh instead of Rs. 3.40 lakh. The Council had also not deducted the book value of Rs. 3.28 lakh of the old photocopier from the fixed assets and loss on sale of old photocopier amounting to Rs. 3.03 lakh (Rs. 3.28-0.25) was not booked in Income & Expenditure account. This had resulted in overstatement of fixed assets and understatement of expenditure by Rs. 3.03 lakh.

#### **A.2.4 Understatement of fixed assets**

A sum of Rs. 3.14 lakh was incurred on purchase of fixed assets however, the same has been charged as revenue expenditure under the head "Office expenses & Repair and Maintenance" (Schedule-21) instead of capital expenditure.

This has resulted in understatement of fixed assets and overstatement of expenditure by Rs. 3.14 lakh.

#### **A.2.5 Non-charging of depreciation on fixed assets**

The Council had disclosed in the accounting policies that the depreciation was provided on straight line method as per the rate specified in the Income Tax Act but no depreciation had been provided on fixed assets since inception.

#### **A.2.6 Investment**

As per the instructions issued by Ministry of Finance vide notification No. F-5(53)/2002-ECB & PB dated 14.08.2008, investment of Provident Fund should be made in various Govt. securities (upto 55%), debt securities (upto 40%), money market instruments (upto 5%) and share of companies (15%). However, investments were made in the fixed deposits of the nationalized banks & Public Sector undertakings only which was not according to the pattern prescribed by Ministry of Finance. Further, investments of Contributory provident fund were shown Rs. 206.67 lakh however, the Council had provided the details of investment of Rs. 189.67 lakh.

#### **A.2.7 Non-depiction of gifted books worth Rs. 0.48 lakh**

Number of Books worth Rs. 0.48 lakh received as free of cost had not been depicted in the Balance Sheet.

### **B. Income and Expenditure Account**

#### **B.1 Income**

##### **B.1.1 Non reconciliation of income**

- (i) A sum of Rs. 103.14 lakh was depicted as income under the head "Appeal Fee" (Schedule 18). During 2010-11, 1018 appeal cases were received and the Council had received Rs. 0.10 lakh per appeal. Therefore, an amount of Rs. 101.80 lakh was to be received on account of appeal fee. The difference of Rs. 1.34 lakh needs to be reconciled.
- (ii) A sum of Rs. 26.90 lakh was depicted as income under the head "Sale of publication" (Schedule 18). As per details provided by the Council, it comes out to Rs. 25.23 lakh. The difference of Rs. 1.67 lakh needs to be reconciled.

### **C. Receipts and Payment Account**

#### **C.1 Receipts**

C.1.1 Receipts and payment account is the summary of cash book and as such all actual cash/ Receipts & Payments should be included in this account. An amount of Rs. 2752.64 lakh on account of FDRs matured and Rs. 2454.00 lakh invested in FDRs were not reflected in the Receipt and Payment Account. However, the Council had shown only opening and closing balances of FDRs in the Receipt & Payment account.

D. Significant Accounting Policies & Notes on Accounts.

D.1 The Council prepared its accounts on cash basis instead of accrual basis.

D.2 As per Schedule 24 & 25 "Significant Accounting Policies" & "Contingent liabilities & Notes on Accounts" respectively (illustrative) have been shown. These are not illustrative but the actual followed Significant Accounting Policies & Notes on Accounts.

E. Grants-in-aid

During the year, the Council did not receive any grants from the Government.

F. Management letter

Deficiencies which have not been included in the Audit Report have been brought to the notice of the management of National Council for Teacher Education through a management letter issued separately for remedial/corrective action.

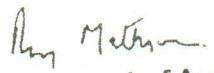
(v) Subject to our observations in the preceding paragraphs, we report that the Balance Sheet and Income & Expenditure Account/Receipt and Payment Account dealt with by this report are in agreement with the books of accounts.

(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, and 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 National Council for Teacher Education as at 31 March, 2011 and

b. In so far as it relates to income and 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 Expenditure)

Place: New Delhi

Date:

## Annexure

### 1. Adequacy of Internal Audit System

The internal audit has been conducted by the All India Council of Auditors & Accountants, New Delhi who has audited Regional Centres and headquarters up to 2010-11, 45 paras (17 paras in respect of Headquarters, New Delhi and 28 paras in respect of Regional Centres) were outstanding.

### 2. Adequacy of Internal Control System Monitoring

The management's response to external audit objections is not effective, as 33 paras for the period from 1996-97 to 2009-10 are outstanding.

### 3. System of physical verification of assets

The physical verification of fixed assets upto 2008-09 was conducted in July 2009. Consolidated fixed assets Register had not been maintained by the HQ. Further, extract of fixed assets purchased by the four Regional Centres had not been appended with the monthly accounts received at headquarters. In the absence of which figures shown in the Balance Sheet could not be verified.

### 4. System of physical verification of inventory

The physical verification of Library was conducted up to 2008 and of inventory of consumable items like stationery and others had not been conducted.

### 5. Regularity in payment of dues


No payment over six month in respect of statutory dues like income tax, sales tax, service tax, customs duty, cess and contributory provident fund are outstanding.


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
**Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi - 110 002**


**BALANCE SHEET AS ON 31st MARCH, 2011**

Amount (Rs.)

	Schedule	Current Year	Previous Year
<b>CORPUS/CAPITAL FUND AND LIABILITIES</b>			
CORPUS/CAPITAL FUND	1	762492030.73	749460948.69
RESERVES AND SURPLUS	2	-	-
EARMARKED/ENDOWMENT FUNDS	3	39226601.16	32058750.16
a) Contributory Provident Fund (Schedule 10)	10	0.00	30000000.00
SECURED LOANS AND BORROWINGS	4	-	-
UNSECURED LOANS AND BORROWINGS	5	-	-
DEFERRED CREDIT LIABILITIES	6	944237.00	927334.00
CURRENT LIABILITIES AND PROVISIONS	7	<b>802662868.89</b>	<b>812447032.85</b>
<b>TOTAL</b>			
<b>ASSETS</b>			
FIXED ASSETS	8	64990253.33	62929572.33
INVESTMENTS- FROM EARMARKED/ENDOWMENT FUNDS	9	-	-
INVESTMENTS- OTHERS -CPF	10	39226601.16	32058750.16
CURRENT ASSETS, LOANS, ADVANCES ETC.	11	698446014.40	717458710.36
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		-	-
<b>TOTAL</b>		<b>802662868.89</b>	<b>812447032.85</b>
SIGNIFICANT ACCOUNTING POLICIES	24	-	-
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25	0.00	0.00

  
**(Bhupendra Sharma)**  
 Accounts Officer

  
**(Krishna Prasad MSR)**  
 Under Secretary

  
**(Dr. Sunil Yadav)**  
 Deputy Secretary

  
**(R.P. Sisodia)**  
 Member Secretary

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**INCOME AND EXPENDITURE ACCOUNTS FOR THE PERIOD/YEAR ENDED ON 31st MARCH, 2011**  
(Amount Rs.)

INCOME	Schedule	Current Year		Previous Year
Income from Sales/Services	12	-	-	-
Grants/Subsidies	13	-	-	-
Fees/Subscriptions	14	-	-	-
Income from Investments (Income on Invest. From earmarked/endow. Funds transferred to Funds)	15	-	-	-
Income from Royalty, Publication etc.	16	-	-	-
Interest Earned	17	34417301.67		65780453.38
Other Income	18	100347641.91		85320000.87
Increase/decrease in stock of Finished goods and works-in-progress	19	-		
<b>TOTAL (A)</b>			<b>134764943.58</b>	<b>151100454.25</b>
<b>EXPENDITURE</b>				
Establishment Expenses	20	61209533.00		55591255.00
Other Administrative Expenses etc.	21	60524328.54		68484097.74
Expenditure on Grants, Subsidies etc.	22	-		-
Interest	23	-		-
Depreciation (Net Total at the year-end - corresponding to Schedule 8)		-		-
<b>TOTAL (B)</b>			<b>121733861.54</b>	<b>124075352.74</b>
Balance being excess of Income over Expenditure (A-B)		13031082.04		27025101.51
Transfer to Special Reserve (Specify each)		-		-
Transfer to /from General Reserve		-		-
<b>BALANCE BEING SURPLUS/(DEFICIT) CARRIED TO CORPUS/CAPITAL FUND</b>			<b>13031082.04</b>	<b>27025101.51</b>
SIGNIFICANT ACCOUNTING POLICIES	24	-		-
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25	0.00	0.00	-

*(Signature)*

(R.P. Sisodia)  
Member Secretary

*(Signature)*

(Dr. Sunil Yadav)  
Deputy Secretary

*(Signature)*

(Krishna Prasad MSR)  
Under Secretary

*(Signature)*

(Bhupendra Sharma)  
Accounts Officer

## NATIONAL COUNCIL FOR TEACHER EDUCATION

Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi - 110 002

### Receipts and Payments Account of Contributory Provident Fund-NCTE for the year ended on 31st March, 2011

RECEIPTS	Current Year		Previous year figure	PAYMENTS	Current Year		Previous year figure
	Amount (Rs.)	Amount (Rs.)			Amount (Rs.)	Amount (Rs.)	
Operating Balance as on 01.04.2010					1,152,000.00	1,720,100.00	
a) Cash-in-hand	0.00		0.00	CPF Advances			
b) Cash-at-Bank	10,454,503.83	10,454,503.83	5,681,476.83	CPF final withdrawals	2,075,000.00	208,148.00	
CPF Subscription	3,798,454.00	3,798,454.00	4,231,051.00	CPF Investments	12,963,737.00	14,733,628.00	
Refund of CPF Advance	848,719.00	848,719.00	572,036.00	Instalment of Recurring Deposits			
Employer's Contribution of CPF	2,173,794.00	2,173,794.00	1,425,314.00	Bank charges	1,016.00	1,826.00	
Encashment of Investment	13,794,628.00	13,794,628.00	13,380,000.00	Closing Balance as on 31.03.2011			
Interest earned				a) Cash in Hand			
a) on saving bank A/c	395,800.00		130,227.00				
b) on investment	1,175,819.00	1,571,619.00	1,698,101.00	b) Cash at Bank	16,449,964.83	10,454,503.83	
Misc Receipts	0.00	0.00	0.00				
<b>Total (Rs.)</b>	<b>32,641,717.83</b>	<b>32,641,717.83</b>	<b>27,118,205.83</b>	<b>Total (Rs.)</b>	<b>32,641,717.83</b>	<b>32,641,717.83</b>	<b>27,118,205.83</b>



(Bhupendra Sharma)  
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(Krishna Prasad MSR)  
Under Secretary



(Dr. Sunil Yadav)  
Deputy Secretary



(R.P. Sisodia)  
Member Secretary



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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

<b><u>SCHEDULE 01- CORPUS/CAPITAL FUND:</u></b>	Current Year		Previous Year		Amount (Rs.)
Balance as at the beginning of the year	749460948.69	749460948.69	722435847.18	722435847.18	
Add: Contributions towards Corpus/Capital Fund	-	-	-	-	
Add/(Deduct): Balance of net income/(expenditure) transferred from the Income and Expenditure Account	13031082.04	13031082.04	27025101.51	27025101.51	
<b><u>BALANCE AS AT THE YEAR - END</u></b>	<b>762492030.73</b>	<b>762492030.73</b>	<b>749460948.69</b>	<b>749460948.69</b>	



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(Dr. Sunil Yadav)  
Deputy Secretary




(R.P. Sisodia)  
Member Secretary


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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

Amount (Rs.)

	Current Year		Previous Year	
<b>SCHEDULE 02- RESERVES AND SURPLUS :</b>				
1. Capital Reserve :				
a) As per last Account	-	-	-	-
b) Addition during the year				
c) Less: Deductions during the year				
2. Revaluation Reserve :				
a) As per last Account				
b) Addition during the year				
c) Less: Deductions during the year				
3. Special Reserves :				
a) As per last Account				
b) Addition during the year				
c) Less: Deductions during the year				
4. General Reserve :				
a) As per last Account				
b) Addition during the year				
c) Less: Deductions during the year				
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

  
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**(Krishna Prasad MSR)**  
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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

SCHEDULE 03-EARMARKED/ENDOWMENT FUNDS	FUND-WISE BREAK UP				Amount (Rs.)	
	Fund WW	Fund XX	Fund YY	Fund ZZ	Current Year	Previous Year
a) Opening Balance of the funds	-	-	-	-	-	-
b) Additions to the Funds:						
i. Donations/grants	-	-	-	-	-	-
ii. Income from investments made on account of funds	-	-	-	-	-	-
iii. Other additions (specify nature)						
<b>TOTAL (a+b)</b>						
c) Utilisation/Expenditure towards objectives of funds						
i. Capital Expenditure						
a) Fixed Assets						
b) Others						
ii. Revenue Expenditure						
a) Salaries, Wages and allowances etc.						
b) Rent						
c) Other Administrative expenses						
<b>TOTAL (c) -</b>						
<b>NET BALANCE AS AT THE YEAR-END (a+b+c)</b>	0.00	0.00	0.00	0.00	0.00	0.00

*(Signature)*

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Accounts Officer

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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**


Amount (Rs.)

SCHEDULE 04- SECURED LOANS AND BORROWINGS:	Current Year		Previous Year	
1. Central Government	-	-	-	-
2. State Government (Specify)	-	-	-	-
3. Financial Institutions	-	-	-	-
a) Term Loans	-	-	-	-
b) Interest accrued and due	-	-	-	-
4. Banks:	0.00	0.00	30000000.00	30000000.00
a) Term Loans	-	-	-	-
Interest accrued and due	-	-	-	-
b) Other Loans (specify)	-	-	-	-
Interest accrued and due	-	-	-	-
5. Other Institutions and Agencies	-	-	-	-
6. Debentures and Bonds	-	-	-	-
7. Others (Specify)	0.00	0.00	30000000.00	30000000.00
<b>TOTAL</b>				

  
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 SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011


Amount (Rs.)

<b>SCHEDULE 05- UNSECURED LOANS AND BORROWINGS</b>	<b>Current Year</b>	<b>Previous Year</b>
1. Central Government	-	-
2. State Government (Specify)	-	-
3. Financial Institutions	-	-
4. Banks:		
a) Term Loans	-	-
b) Other Loans (specify)	-	-
5. Other Institutions and Agencies	-	-
6. Debentures and Bonds	-	-
7. Fixed Deposits	-	-
8. Others (Specify)	-	-
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

  
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SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011

Amount (Rs.)

<u>SCHEDULE 06- DEFERRED CREDIT LIABILITIES:</u>	Current Year	Previous Year
a) Acceptances secured by hypothecation of capital equipments and other assets	-	-
b) Others	-	-
<b><u>TOTAL</u></b>	<b>0.00</b>	<b>0.00</b>

  
(Bhupendra Sharma)  
Accounts Officer


  
(Krishna Prasad MSR)  
Under Secretary

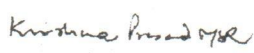
  
(Dr. Sunil Yadav)  
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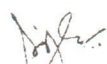
  
(R.P. Sisodia)  
Member Secretary


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

SCHEDULE 07- CURRENT LIABILITIES AND PROVISIONS	Amount (Rs.)			
A. CURRENT LIABILITIES	Current Year		Previous Year	
1. Acceptances	-			
2. Sundry Creditors:				
a) For Goods				
b) Others	-			
3. Advances Received	-			
4. Interest accrued but not due on:				
a) Secured Loans/borrowings	-			
b) Unsecured Loans/borrowings	-			
5. Statutory Liabilities:				
a) Overdue	-			
b) Others	-			
6. Other current Liabilities				
a) Outstanding Expenses	681.00		681.00	
b) Security Deposit	78885.00		61982.00	
c) Refundable to Govt.- NPEP	786919.00		786919.00	
d) Refundable to UNESCO-HIV/AIDS	77752.00		77752.00	
<b>TOTAL</b>	<b>944237.00</b>		<b>927334.00</b>	
<b>B. PROVISIONS</b>				
1. For Taxation				
2. Gratuity	-			
3. Superannuation/Pension	-			
4. Accumulated Leave Encashment	-			
5. Trade Warranties/Claims	-			
6. Others (Specify)	-			
<b>TOTAL</b>	<b>-</b>			
<b>TOTAL (A+B)</b>	<b>944237.00</b>	<b>944237.00</b>	<b>927334.00</b>	<b>927334.00</b>

  
**(Bhupendra Sharma)**  
Accounts Officer

  
**(Krishna Prasad MSR)**  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
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**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**


Amount (Rs.)

SCHEDULE 08- FIXED ASSETS DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/valuation as at beginning of the year	Additions during the year	Deductions during the year	Cost/valuation at the year-end	As at the beginning of the year	On Additions during the year	On Deductions during the year	Total up to the Year-end	As at the Current year-end	As at the Previous year-end
<b>A. FIXED ASSETS:</b>										
<b>1. LAND:</b>										
a) Freehold	4981089.00	0.00		4981089.00					4981089.00	4981089.00
b) Leasehold										
<b>2. BUILDINGS:</b>										
a) On Freehold Land										
b) On Leasehold Land										
c) Ownership Flats/Premises										
d) Superstructures on Land not belonging to the entity	40824245.40	1714662.00		42538907.40					42538907.40	40824245.40
<b>3. PLANT MACHINERY &amp; EQUIPMENT</b>	13215964.60	336967.00		13552931.60					13552931.60	13215964.60
<b>4. FURNITURE, FIXTURES</b>	3908273.33	9052.00		3917325.33	0.00	0.00	0.00	0.00	3917325.33	3908273.33
<b>5. LIBRARY BOOKS</b>	62929572.33	2060681.00	0.00	64990253.33					64990253.33	62929572.33
<b>TOTAL OF CURRENT YEAR</b>										
<b>PREVIOUS YEAR</b>										
<b>B. CAPITAL WORK-IN-PROGRESS</b>										
<b>TOTAL</b>	62929572.33	2060681.00	0.00	64990253.33	0.00	0.00	0.00	0.00	64990253.33	62929572.33

  
**(R.P. Sisodia)**  
 Member Secretary

  
**(Dr. Sunil Yadav)**  
 Deputy Secretary

  
**(Krishna Prasad MSR)**  
 Under Secretary

  
**(Bhupendra Sharma)**  
 Accounts Officer

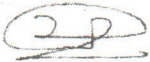


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

Amount (Rs.)

<b>SCHEDULE 09- INVESTMENTS FROM EARMARKED/ENDOWMENT FUNDS</b>	Current Year	Previous Year
1. In Government Securities	-	-
2. Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (to be specified)	-	-
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>



(Bhupendra Sharma)  
Accounts Officer



(Krishna Prasad MSR)  
Under Secretary



(Dr. Sunil Yadav)  
Deputy Secretary




(R.P. Sisodia)  
Member Secretary


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002


SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011


Amount (Rs.)

<b>SCHEDULE 10- INVESTMENTS-OTHERS</b>	Current Year	Previous Year
1. In Government Securities	-	-
2. Other approved Securities	-	-
3. Shares	-	-
4. Debentures and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (to be specified) Contributory Provident Fund	-	-
a) CPF Investment	20667315.33	19798206.33
b) Cash-at-Bank	16449964.83	10454503.83
c) Advances with Employees	2109321.00	1806040.00
<b><u>TOTAL</u></b>	<b>39226601.16</b>	<b>32058750.16</b>

  
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Accounts Officer

  
(Krishna Prasad MSR)  
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Member Secretary


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
**Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002**  
**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**


<b>SCHEDULE 11-CURRENT ASSETS, LOANS, ADVANCES Etc.</b>		<b>Amount (Rs.)</b>	
<b>A. CURRENT ASSETS:</b>		<b>Current Year</b>	<b>Previous Year</b>
1. Inventories:			
a) Stores and Spares			
b) Loose Tools	-		
c) Stock-in-trade	-		
i) Finished Goods			
ii) Work-in-progress	-		
iii) Raw Materials	-		
2. Sundry Debtors:			
a) Debts Outstanding for a period exceeding six months			
b) Others	-		
3. Cash balances in hand (including cheques/drafts and imprest)			
4. Bank Balances:	247,177.00	247,177.00	327,460.00
a) With Scheduled Banks:			
i) On Current Accounts			
ii) On Deposit Accounts (includes margin money)			
iii) On Savings accounts	483,117,982.39		495,697,861.32
1. Plan	53,025,834.76		70,940,504.79
2. N.P.E.P.	536,669.00		536,669.00
3. HIV/AIDS - UNESCO	77,752.00		77,752.00
b) With non-Scheduled Banks:		536,758,238.15	567,252,787.11
i) On Current Accounts			
ii) On Deposit Accounts	-		
iii) On Savings Accounts	-		
5. Post Office-Savings Accounts	-		
<b>TOTAL (A)</b>		<b>537,005,415.15</b>	<b>567,580,247.11</b>

**SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2011**

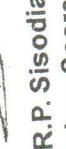
Amount (Rs.)

	Current Year	Previous Year
<b>SCHEDULE 11 - CURRENT ASSETS, LOANS, ADVANCES Etc.</b>		
<b>B. LOANS, ADVANCES AND OTHER ASSETS</b>		
1. Loans:		
a) Staff		
b) Other Entities engaged in activities/objectives similar to that of the Entity		
c) Other (specify)		
2. Advances and other amounts recoverable in cash or in kind or for value to be received:		
a) Deposits lying with other Organisations/ Parties as security Deposit.	130,428,195.00	119,702,016.00
b) Advances to Employees / Others	10,050,233.25	9,212,426.25
c) NPEP Advance	250,250.00	250,250.00
	<b>140,728,678.25</b>	<b>129,164,692.25</b>
3. Income Accrued:		
a) On Investments from Earmarked/Endowment Funds		
b) On Investments - Others		
c) On Loans and Advances		
d) Others (includes income due unrealised-Rs.....)	2,990.00	4,840.00
4. Claims Receivable		
a) LIC Premium Payable	20,438,111.00	20,438,111.00
b) Prepaid Expenses	270,820.00	270,820.00
5. Unsold Stock of Publications	161,440,599.25	149,878,463.25
<b>TOTAL (B)</b>	<b>698,446,014.40</b>	<b>717,458,710.36</b>
<b>TOTAL (A+B)</b>		

  
**(Bhupendra Sharma)**  
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Under Secretary


  
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Deputy Secretary

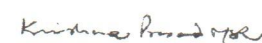
  
**(R.P. Sisodia)**  
Member Secretary


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002

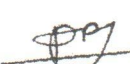
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE  
PERIOD/YEAR ENDED ON 31st MARCH, 2011**

<b>SCHEDULE 12- INCOME FROM SALES/SERVICES</b>		Amount (Rs.)	
		Current Year	Previous Year
1.	Income from Sales		
	a) Sale of Finished Goods		
	b) Sale of Raw Material	-	-
	c) Sale of Scraps	-	-
2.	Income from Services		
	a) Labour and Processing Charges		
	b) Professional/Consultancy Services	-	-
	c) Agency Commission and Brokerage	-	-
	d) Maintenance Services (Equipment/Property)	-	-
	e) Others (Spceify)	-	-
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>

  
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**(Krishna Prasad MSR)**  
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Deputy Secretary

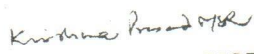
  
**(R.P. Sisodia)**  
Member Secretary

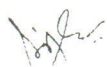
**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE**  
**PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

	Current Year	Previous Year
<b>SCHEDULE 13- GRANTS/SUBSIDIES</b>		
1. Central Government	-	
2. State Government(s)	-	
3. Government Agencies	-	
4. Institutions/Welfare Bodies	-	
5. International Organisations - UNESCO (Peace Education Project)	-	
6. Others (Specify)	-	
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>

  
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Member Secretary


**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002


**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE  
PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

<u>SCHEDULE 14- FEES/SUBSCRIPTIONS</u>	Current Year	Previous Year
1. Entrance Fees	-	-
2. Annual Fees/Subscriptions	-	-
3. Seminar/Program Fees	-	-
4. Consultancy Fees	-	-
5. Others (specify)	-	-
<b><u>TOTAL</u></b>	<b>0.00</b>	<b>0.00</b>

  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/YEAR ENDED  
ON 31st MARCH, 2011**

Amount (Rs.)

SCHEDULE 15- INCOME FROM INVESTMENTS (Income on Invest. From Earmarked/Endowment Funds transferred to Funds)	Investment from Earmarked Fund		Investment - Others	
	Current Year	Previous Year	Current Year	Previous Year
1. Interest				
a) On Govt. Securities	-	-	-	-
b) Other Bonds/Debentures	-	-	-	-
2. Dividends:				
a) On Shares	-	-	-	-
b) On Mutual Fund Securities	-	-	-	-
3. Rents				
4. Others (Specify)				
<b>TOTAL</b>	0.00	0.00	0.00	0.00
<b>TRANSFERRED TO EARMARKED/ENDOWMENT FUNDS</b>				



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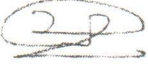


**(R.P. Sisodia)**  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE**  
**PERIOD/YEAR ENDED ON 31st MARCH, 2011**


SCHEDULE 16- INCOME FROM ROYALTY, PUBLICATION ETC.	Amount (Rs.)	
	Current Year	Previous Year
1. Income from Royalty	-	-
2. Income from Publications	-	-
3. Others (specify)	-	-
<b>TOTAL</b>	<b>0.00</b>	<b>0.00</b>




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Accounts Officer



(Krishna Prasad MSR)  
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Deputy Secretary




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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002


**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE  
PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

	Current Year	Previous Year
<b>SCHEDULE 17-INTEREST EARNED</b>		
<b>INTEREST EARNED</b>		
On FDRs/Saving Banks Accounts	34417301.67	65780453.38
<b>TOTAL</b>	<b>34417301.67</b>	<b>65780453.38</b>

  
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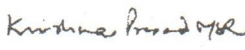
**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002


**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR  
THE PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

<b>SCHEDULE 18- OTHER INCOME</b>	<b>Current Year</b>	<b>Previous Year</b>
1) Profit on Sale/disposal of Assets:		
a) Owned assets	-	
b) Assets acquired out of grants, or received free of cost	-	
2) Export Incentives realized	-	
3) Fees for Miscellaneous Services	-	
<b>4) Miscellaneous Income</b>		
a) Sale Proceeds of Application Forms	81351.00	292100.00
b) Fees for recognition of Institutions	86429214.91	71361046.87
c) Misc. Receipts.	729415.00	367631.00
d) Sale of Publication	2690400.00	336283.00
e) Appeal fee	10313650.00	12962940.00
f) Leave Salary & Pension Contribution	103611.00	0.00
g) License Fee/ Electricity & Water Charges	0.00	0.00
h) Rent recovered	0.00	0.00
<b>TOTAL</b>	<b>100347641.91</b>	<b>85320000.87</b>

  
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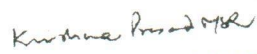
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/  
YEAR ENDED ON 31st MARCH, 2011**

Amount (Rs.)

SCHEDULE 19- INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS & WORK IN PROGRESS	Current Year		Previous Year	
a) Closing stock				
i) Finished Goods	-	-	-	-
ii) Work-in-progress	-	-	-	-
b) Less: Opening Stock				
i) Finished Goods	-	-	-	-
ii) Work-in-progress	-	-	-	-
<b>NET INCREASE/(DECREASE) [A-B]</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>



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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
**Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002**  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE**  
**PERIOD/YEAR ENDED ON 31st MARCH, 2011**

<u>SCHEDULE 20-ESTABLISHMENT EXPENSES</u>		Amount (Rs.)	
	Current Year	Previous Year	
a) Salaries and Wages	52990680.00	48237495.00	
b) Allowances and Bonus			
i. Tuition Fee/Children Education Allowance			
ii. Over Time Allowance	1284113.00		
iii. Bonus	38703.00	889731.00	
	217602.00	119430.00	
c) Contribution to Provident Fund			
d) Contribution to Other Fund (specify)	2166676.00	1540418.00	
e) Staff Welfare Expenses		2166676.00	1350059.00
f) Expenses on Employees' Retirement and Terminal Benefits			
g) Others (specify)			
i. Honorarium	0.00		0.00
ii. Leave Travel Concession			
iii. Medical Reimbursement	1300724.00		10068.00
iv. Leave Salary & Pension Contribution	1346163.00		396001.00
v. Consultants Fee	1165404.00		1115467.00
vi. Other Allowances/Receipts	672271.00		2502617.00
	27197.00	4511759.00	764202.00
<b>TOTAL</b>	<b>61209533.00</b>	<b>61209533.00</b>	<b>55591255.00</b>

22

(Bhupendra Sharma)  
Accounts Officer

*Krishna Prasad MSR*  
(Krishna Prasad MSR)  
Under Secretary

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(Dr. Sunil Yadav)  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002

**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE PERIOD/YEAR ENDED  
ON 31st MARCH, 2011**

Amount (Rs.)

	Current Year	Previous Year
<b>SCHEDULE 21-OTHER ADMINISTRATIVE EXPENSES ETC.</b>		
a) Purchases	-	-
b) Labour and processing expenses	-	-
c) Cartage and Carriage Inwards	1700725.00	1700725.00
d) Electricity, power and water charges	-	-
e) Insurance	1632776.00	1836378.00
f) Repairs and maintenance	-	-
g) Excise Duty	-	-
h) Rent, Rates and Taxes	1921085.00	1921085.00
i) Vehicles Running and Maintenance	2785841.00	2785841.00
j) Postage, Telephone and Communication Charges	4481081.00	4481081.00
k) Printing and Stationery	-	-
l) Travelling and Conveyance Expenses	2541904.00	2119943.00
i. Travel Expenses	36808.00	2578712.00
ii. Local Conveyance	-	-
m) Expenses on Seminar/Workshops	-	-
n) Subscription Expenses	-	-
o) Expenses on Fees	150418.00	150418.00
p) Auditors Remuneration	35292.00	35292.00
q) Hospitality Expenses	6168551.00	6168551.00
r) Professional Charges	-	-
	-	91253.00
	-	50428.00
	-	4941017.00

<u>SCHEDULE 21-OTHER ADMINISTRATIVE EXPENSES ETC.</u>		Current Year	Previous Year
s)	Provision for Bad and Doubtfull Debts/Advances	-	-
t)	Irrecoverable Balances Written-off	-	-
u)	Packing Charges	-	-
v)	Freight and Forwarding Expenses	-	-
w)	Distribution Expenses	-	-
x)	Advertisement and Publicity	-	-
y)	Others (specify)	3573463.00	2166294.00
	i. Liveries		
	ii. Bank Charges	1763.00	
	iii. Books & Periodicals	10909.54	50345.00
	iv. Miscellaneous Office Expenses	32660.00	36437.74
	v. Online Service Expenses	2599325.00	22825.00
	vi. Meeting of the Council and its committees	723172.00	4060835.00
	vii. TA/DA/Honorarium to Non-officials	9005888.00	648864.00
	viii. Processing of Application of Institutions for Recognition by RCs	4340193.00	13469268.00
	ix. Rent for Accommodation	6085773.00	8271482.00
	x. Project/Programmes	9236534.00	4612476.00
		3460167.00	8506334.00
	<b>TOTAL</b>	<b>35496384.54</b>	<b>4909351.00</b>
		<b>60524328.54</b>	<b>68484097.74</b>



(Bhupendra Sharma)  
Accounts Officer



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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi-110002  
**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE**  
**PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

<b>SCHEDULE 22- EXPENDITURE ON GRANTS,SUBSIDIES ETC</b>	<b>Current Year</b>	<b>Previous Year</b>
a) Grants given to Institutions/Organisations	-	-
b) Subsidies given to Institutions/Organisations	-	-
<b><u>TOTAL</u></b>		

  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
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**SCHEDULES FORMING PART OF INCOME & EXPENDITURE FOR THE**  
**PERIOD/YEAR ENDED ON 31st MARCH, 2011**


Amount (Rs.)

<u>SCHEDULE 23- INTEREST</u>	Current Year	Previous Year
a) On Fixed Loans	-	-
b) On Other Loans (including Bank Charges)	-	-
c) Others (specify)	-	-
<b>TOTAL</b>	-	-

  
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**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
Hans Bhawan Wing-II, 1 Bahadur Shah Zafar Marg, New Delhi - 110 002

**SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD  
ENDED ON 31<sup>st</sup> MARCH, 2011**

**SCHEDULE 24 – SIGNIFICANT ACCOUNTING POLICIES (Illustrative)**

**1. ACCOUNTING CONVENTION**

The financial statements are prepared on the basis of historical cost convention, unless otherwise stated and on the accrual method of accounting.

**2. INVENTORY VALUATION**

2.1. Stores and Spares (including machinery spares) are valued at cost.

2.2. Raw materials, semi-finished goods and finished goods are valued at lower of cost and net realizable value. The costs are based on weighted average cost. Cost of finished goods and semi-finished goods is determined by considering material, labour and related overheads.

**3. INVESTMENTS**

3.1. Investments classified as "long term investments" are carried at cost. Provision for decline, other than temporary, is made in carrying cost of such investments.

3.2. Investments classified as "Current" are carried at lower of cost and fair value. Provision for shortfall on the value of such investments is made for each investment considered individually and not on a global basis.

3.3. Cost includes acquisition expenses like brokerage, transfer stamps.

**4. EXCISE DUTY**

Liability for excise duty in respect of goods produced by the entity, other than for exports, is accounted upon completion of manufacture and provision is made for excisable manufactured goods as at the year-end.

5. **FIXED ASSETS**

- 5.1. Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental and direct expenses related to acquisition. In respect of projects involving construction, related pre-operational expenses (including interest on loans for specific project prior to its completion), form part of the value of the assets capitalized.
- 5.2. Fixed Assets received by way of non-monetary grants, (other than towards the Corpus Fund), are capitalized at values stated, by corresponding credit to Capital Reserve.

6. **DEPRECIATION**

- 6.1. Depreciation is provided on straight-line method as per rates specified in the Income-tax Act, 1961 except depreciation on cost adjustments arising on account of conversion of foreign currency liabilities for acquisition of fixed assets, which is amortized over the residual life of the respective assets.
- 6.2. In respect of additions to/deductions from fixed assets during the year, depreciation is considered on pro-rata basis.
- 6.3. Assets costing Rs. 5,000 or less each are fully provided.

7. **MISCELLANEOUS EXPENDITURE**

Deferred revenue expenditure is written off over a period of 5 years from the year it is incurred.

8. **ACCOUNTING FOR SALES**

Sales include excise duty and are net of sales returns, rebate and trade discount.

9. **GOVERNMENT GRANTS/SUBSIDIES**

- 9.1. Government grants of the nature of contribution towards capital cost of setting up projects are treated as Capital Reserve.
- 9.2. Grants in respect of specific fixed asset acquired are shown as a deduction from the cost of the related assets.
- 9.3. Government grants/subsidy are accounted on realization basis.

10. **FOREIGN CURRENCY TRANSACTIONS**

10.1. Transactions denominated in foreign currency are accounted at the exchange rate prevailing at the date of the transaction.

10.2. Current assets, foreign currency loans and current liabilities are converted at the exchange rate prevailing as at the year end and the resultant gain/loss is adjusted to cost of fixed assets, if the foreign currency liability relates to fixed assets, and in other cases is considered to revenue.

11. **LEASE**

Lease rentals are expensed with reference to lease terms.

12. **RETIREMENT BENEFITS**

12.1. Liability towards gratuity payable on death/retirement of employees is accrued based on actuarial valuation.

12.2. Provision for accumulated leave encashment benefit to the employees is accrued and computed on the assumption that employees are entitled to receive the benefit as at each year end.



(Bhupendra Sharma)  
Accounts Officer



(Krishna Prasad MSR)  
Under Secretary



(Dr. Sunil Yadav)  
Deputy Secretary



(R.P. Sisodia)  
Member Secretary

**NATIONAL COUNCIL FOR TEACHER EDUCATION**  
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**SCHEDULES FORMING PART OF THE ACCOUNTS FOR THE PERIOD  
ENDED ON 31<sup>st</sup> MARCH, 2011**

**SCHEDULE 25 – CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS (Illustrative)**

**1. CONTINGENT LIABILITIES**

- a) Disputed demands in respect of Assessment Year 2005-06 :


The Dy. Director of Income Tax (E) Inv. Circle-II, New Delhi has raised a demand of Rs.5,62,18,833/- and issued notice for penalty proceeding for the same amount. Appeal against the said orders has been preferred before the Commissioner of Income Tax (Appeal)-21, New Delhi. The Dy. Director of Income Tax (E) Inv. Circle-II recovered Rs. 2,02,04,261. The Commissioner of Income Tax (Appeals), New Delhi has passed an order regarding appeal for exemption of Income Tax for the assessment year 2005-06 that the action of Assessing Officer i.e. DDIT(E), Inv.Cir.II in rejecting the accumulation is upheld but the same is restricted to over and above 15% of the limit as a **result the appeal is partly allowed** vide appeal order No.51/10-11 dated 10.02.2011.


Further, NCTE has filed an appeal in Income Tax Appellate Tribunal (ITAT) against the above order of Commissioner of Income Tax (Appeals), New Delhi with the approval of the Council.


- b) Assessment proceedings in respect of receipts of NCTE for the Assessment Year 2008-09 was in process in the Income Tax Department. Asstt. Director of Income Tax (E) was satisfied with representation of NCTE that the assessee was exempted u/s 10(23C) (iiiab) of Income Tax Act, 1961 for assessment year 2006-07 and 2007-08 stated that there is no change in the activities carried out during the year under consideration, accordingly, an assessment order has been passed on 21.12.2010 by Assistant Director of Income Tax (Exemption) the taxable income has been found to be NIL for the assessment year 2008-09.

2. Schedules 1 to 25 are annexed to and form an integral part of the Balance Sheet as on 31<sup>st</sup> March, 2011 and the Income and Expenditure Account for the year ended on that date.

  
(Bhupendra Sharma)  
Accounts Officer

  
(Krishna Prasad MSR)  
Under Secretary

  
(Dr. Sunil Yadav)  
Deputy Secretary

  
(R.P. Sisodia)  
Member Secretary