

NAB

Driving India Into the Future

National Automotive Board



**ANNUAL
REPORT**

2015-16

Annual Report 2015-2016



वसुधैव कुटुम्बकम्

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TECHNOLOGY



RESEARCH & DEVELOPMENT

INNOVATION



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ABOUT NATIONAL AUTOMOTIVE BOARD

1. National Automotive Board (NAB) is an autonomous society, under Ministry of Heavy Industries incorporated in 2013 vide registration no. S/ND/311/2013 dated 27th August 2013 under Society Registration Act XXI of 1860 along with the Memorandum of Associations (MoA) and Rules & Regulations.
2. The society aims to bring together technical and domain expertise from the automotive sector on a single platform. This will facilitate collaboration among the various agencies and ministries involved in shaping policies, regulations, and interventions that affect the automotive industry. By doing so, it will provide a comprehensive approach to the growth and development of the sector.
3. The MoA of Society states the detailed aims and objectives of Society. The some of the key aims & objectives are as follows:
 - i. To function as a national repository of automotive sector related data, domain knowledge and expertise. To undertake analysis of such data for providing inputs for Government policy and regulation formulation.
 - ii. To ensure standardization of test procedures and protocols followed in the centres under NAB and undertake test centre co-relation audit and benchmarking.
 - iii. To be the appellate body for any automotive test and test centre disputes and redress complaints relating to certification & accreditation and testing done by Centres under NAB.
 - iv. To develop individual R&D proposals (DPRs) on behalf of testing centres, present these to funding agencies and obtain approvals. The R&D project implementation supervision, project monitoring and reporting of the outcomes of the R&D projects will also be supervised by NAB.
 - v. To administer, monitor, coordinate, regulate and synergize the functioning of the testing centres under DHI to ensure healthy competition amongst the centres, maintaining the required quality of service being offered, benchmarking of facilities.
 - vi. To ensure that there are optimum returns on the investments made by the Government in the test centres.
 - vii. To supervise, administer and coordinate with testing centres in matters related to new automotive initiatives, automotive policy, statutory compliances, grievance redressal and in respect of references from Government including matters related to statutory agencies of the Government like CVC, audit etc.
 - viii. To undertake capacity building, standardization of testing procedures, audit/accreditation and upgradation/expansion of the needs of the test centres.
 - ix. To take care of winding up and residual issues of NATIS.
 - x. To take up any other responsibilities and activities assigned to it by the Government or as decided by GC, NAB.

- xi. To offer consultancy and expertise to outside agencies for a fee as approved by the GC, NAB.
 - xii. To work with national/global consultants and experts, industry associations, national and international agencies associated with automotive policy formulation, testing, homologation, regulations, certification, accreditation, R&D, and new initiatives.
4. In terms of Rules & Regulations of Society, Governing Council is the governing body to whom the management of the society is entrusted. The Governing Council, for the purpose of registration, was constituted with eight members which now represented by 24 members of following “classes of members” of the Society:
- Ordinary Members;
 - Functional Members;
 - Member centres;
 - Affiliate Members;
 - Nominated Members;
 - Honorary Members;

Current composition of Governing Council

1.	Secretary, MHI- Chairman
2.	Additional Secretary & Finance Advisor, MHI
3.	Additional Secretary (Auto), MHI
4.	Functional Member, NAB
5.	Additional Secretary, Ministry of Environment, Forests and Climate Change (MoEFCC)
6.	Addl. Secretary (MVL), Ministry of Road Transport and Highways (MoRTH)
7.	Director (MKT), Ministry of Petroleum and Natural Gas (MoPNG)
8.	Chairman, SCALE Committee
9.	MD & CEO, Convergence Energy Services Limited (CESL)
10.	Director, MHI & Looking after Director (FPCAL), NAB, (Member Secretary, NAB)
11.	Director, MHI & looking after Director (OAADM), NAB
12.	President, SIAM
13.	President, ACMA
14.	President TMA
15.	President, ARAI
16.	Dr. Anish Shah, CEO & Managing Director, Mahindra Group
17.	Shri Shailesh Chandra, Managing Director, Tata Motors

18.	Shri Soumitra Bhattacharya, Managing Director, Bosch Limited
19.	Shri Deepak Jain, Chairman and Managing Director, Lumax
20.	Shri Gopal Mahadevan, Director Strategic Finance of Ashok Leyland
21.	Shri. Kavan Mukhtyar
22.	Director – ICAT
23.	Director – NATRAX
24.	Director – GARC

5. The sanctioned strength for the Society as approved by Department of Expenditure, Ministry of Finance is twenty five nos. comprising three members at the level of Joint Secretary and Chairman at level of Secretary to Gol.

6. The role and key functions of the Society are distinctly articulated in its Rules & Regulations as below:

- i. **Key Functions:** which inter-alia include: Administer, monitor, coordinate, regulate and synergize the functioning of the testing centres under DHI, capacity building, standardization of testing procedures, issuance of testing & homologation certificates based on test reports submitted to NAB by the testing centres. To be the repository of technical data, domain knowledge and expertise for providing advice, technical inputs and secretariat assistance for auto policy related issues, develop skills sets and competencies in the area of automotive R&D and testing etc.
 - ii. **Core Functions:** which include inter-alia to prepare policies and carry out accreditation of test labs, look after the entire spectrum of initiatives and issues related to the electric mobility in automobile sector, design & administration of New Vehicle Assessment Program (NVAP), to function as a national repository of data relating to automotive sector and undertake analysis, collaborate with the road safety board under MoRTH, coordinate R&D Projects funded by various organizations like Cess Funds Projects, test facility planning, up gradation & expansion for test centre readiness, test centres co-relation audit and benchmarking. Appellate Body for any test related disputes, development of manpower capability in the areas of emerging automotive technologies, fostering and promoting exchange with industry and academia (MoU and international and national exchange programs).
 - iii. **Facilitative Functions:** which include inter-alia to function as a National Certification Board for vehicles and components and to issue Certificates for vehicles and components based on the test reports issued by the accredited test agencies, study of feasibility for adoption of international harmonization of regulations, publication of standards, regulations and information of public interest, promotion of Indian regulatory system for automotive testing internationally etc.
 - iv. In addition, NAB will take care of winding up and residual issues of NATIS.
7. NAB after the completion of National Automotive Testing R&D Infrastructure Project (NATRIP) in 2021 is monitoring and administrating the following testing centres developed under

NATRIP. These centres are now fully functional. The brief on testing centres under NAB are as follows:

i) **International Centre for Automotive Technology (ICAT), Manesar, Haryana:**

The International Centre for Automotive Technology (ICAT) is a leading world class automotive testing, certification, homologation and R&D service provider under the aegis of National Automotive Board (NAB), Ministry of Heavy Industries (MHI), Government of India. ICAT has been notified by MoRTH as an authorized Test Agency under CMV Rule 126 for testing and certification of automotive vehicles and its components. Central Pollution Control Board (CPCB) has notified ICAT as an authorized testing centre for Emission and Noise type approval & CoP of Generator Sets. In addition to regulatory tests, ICAT also provides quality services to the industry in all the domains of automotive and non-automotive development, such as Powertrain, Noise Vibration and Harshness, Component, Fatigue, Photometry, Tyre & Wheel, Passive Safety, EMC and CAD & CAE. The centre has developed as Centre of Excellence (CoE) in following areas:

- Noise Vibration & Harshness (NVH)
- Component Development



ICAT, Campus -1 Manesar



ICAT, Campus -2 Manesar



Electromagnetic Compatibility Lab



Test Tracks

- ii) **Global Automotive Research Centre (GARC) in Chennai, Tamil Nadu:** Global Automotive Research Centre (GARC) is a prominent testing agency under the Ministry of Heavy Industry dedicated to advancing the automotive industry through comprehensive testing, validation and certification. GARC is one of the authorized test centres under CMV Rule 126 certified by MoRTH, Govt. of India. GARC has issued Type Approval Certificates for components to industries as per the CMVR. As an integral part of the automotive R&D ecosystem, GARC offers a range of service facilities aimed at testing various aspects of vehicles and their components. These services include safety evaluations, emissions testing, and performance assessments to ensure the overall reliability and compliance of automobiles with both national and international regulations. The centre has developed as Centre of Excellence (CoE) in following areas:

- Electromagnetic interference & Electromagnetic compatibility (EMC/EMI)
- Advance Passive Safety (APSL)
- Infotronics



GARC, Chennai



EMC/EMI Testing Lab



Steering Pad (Test Track)



Certification Lab

- iii) **National Automotive Test Tracks (NATRAX-Indore):** NATRAX is a notified test agency under Rule no 126 of Central Motor Vehicle Rule (CMVR). NATRAX is one of the state-of-the-art automotive testing, R&D and certification centre under NATRIP. NATRAX has comprehensive test facility and provides one stop solution for development of vehicle dynamics, certification and R&D projects globally for automotive industry through its proving ground facilities like test tracks & Vehicle Dynamics Laboratory (VDY) which is a centre-of-excellence. NATRAX proving grounds offers world class comprehensive vehicle testing and evaluation services for all categories of vehicles ranging from 2/3 wheelers to heavy commercial vehicles as per Indian as well as global standards. NATRAX is also establishing infrastructure facilities for testing, certification and development of electric vehicles under PM E-DRIVE scheme of Govt. of India. NATRAX became the 1st centre in the country to establish crash barrier testing facility to facilitate road safety infrastructure in the country. Similarly, Advance Driver Assistant System (ADAS) features testing has also started to help the cause of road safety. The centre has developed as Centre of Excellence (CoE) in following areas:

- Vehicle Dynamics (VDY)



NATRAX, Indore



Vehicle Dynamics (VDY)



Twist Track



Rough Road

- iv) **National Institute of Automotive Inspection, Maintenance and Training (NIAIMT-Silchar):** NIAIMT-Silchar situated in extreme south of The State of Assam. NIAIMT is the only centre in N-E and East part of the country. NIAIMT-Silchar has two campuses of 20 acres & 60 acres at Jaffirbond and Dholchera respectively. It has three major activities in the area of (1) Automotive driving training (2) Mechanics Training and (3) Automated vehicle fitness test. Majority of its infrastructure is located in Jaffirbond. The facility at Dholchera has a hill track of length 1 KM. NIAIMT became operational from year 2011 with automated vehicle fitness test facility while rest of the facility was completed in 2013.



Jaffirbond Campus



Mechanics Training Institute

8. All the Testing Centres of NAB are fully functional, self-sustainable and rendering world class testing, homologation services to industry and generating surplus from their operational revenue.
9. The Society is currently concentrating on establishing testing infrastructure for electric vehicles (EVs) and Electric Vehicle Supply Equipment (EVSE) at all its testing centres. This effort is designed to address the requirements of the automotive industry.



Driving India Into the Future

National Automotive Board

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FINANCIAL INFORMATION 2015-2016



National Automotive Board
Balance Sheet

As at 31st March 2016

Amount in (₹)

CORPUS/CAPITAL FUND & LIABILITIES	SCHEDULE	AMOUNT (₹) as at 31.03.2016	AMOUNT (₹) as at 31.03.2015
CORPUS/CAPITAL FUND	1	-	-
RESERVES AND SURPLUS	2	-	-
EARMARKED/ENDOWMENT FUND	3	-	-
SECURED LOANS AND BORROWINGS	4	-	-
UNSECURED LOANS AND BORROWINGS	5	-	-
DEFERRED CREDIT LIABILITIES	6	-	-
CURRENT LIABILITIES AND PROVISIONS	7	18,60,87,824	2,99,81,125
Total		18,60,87,824	2,99,81,125
ASSETS		AMOUNT (₹) as at 31.03.2016	AMOUNT (₹) as at 31.03.2015
FIXED ASSETS	8	71,763	-
INVESTMENT-FROM EARMARKED/ ENDOWMENT FUNDS	9	-	-
INVESTMENT-OTHERS	10	-	-
CURRENT ASSETS, LOAN, ADVANCES ETC.	11	18,55,02,202	2,92,95,980
MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)		5,13,859	6,85,145
Total		18,60,87,824	2,99,81,125
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25	-	-

Certified as per recasted books of accounts in accordance with
Uniform Format of Accounts for Central Autonomous Bodies

For D. C. Chhajed & Associates
Chartered Accountants

National Automotive Board

(CA. Mukesh Chhajed)
M. No: 096778
UDIN: 24096778BKCZBL3043

Under Secretary

Dated : 29.05.2024
Place : New Delhi

National Automotive Board**Income & Expenditure Account**

for the year ending 31st March 2016

Amount in (₹)

INCOME	SCHEDULE	AMOUNT (₹) as at 31.03.2016	AMOUNT (₹) as at 31.03.2015
Income From Sales/services	12	-	-
Grant/Subsidies (Deferred Income as per AS-12)	13	91,41,981	29,73,268
Fees/Subscriptions	14	-	-
Income From Investments (Income on invest. From earmarked/endow. Fund transferred to funds)	15	-	-
Income from Royalty, Publication etc.	16	-	-
Interest Earned	17	-	-
Other Income	18	-	-
Increase/(Decrease) in stock of finished goods and work in-progress	19	-	-
Total (A)		91,41,981	29,73,268
EXPENDITURE		-	-
Establishment Expenses	20	15,86,484	19,38,145
Other Administrative Expenses	21	75,09,554	10,35,123
Expenditure on Grants, Subsidies etc.	22	-	-
Interest	23	-	-
Depreciation (Net Total at the year end- corresponding to schedule 8)	8	45,943	-
Total (B)		91,41,981	29,73,268
Balance Being Excess of income over Expenditure (A-B)		-	-
Transfer to Special reserve (Specify Each)			
Transfer to/ from General Reserve		-	-
Balance Being Surplus/(Deficit) Carried to Corpus / Capital Fund		-	-
SIGNIFICANT ACCOUNTING POLICIES	24		
CONTINGENT LIABILITIES AND NOTES ON ACCOUNTS	25		

Certified as per recasted books of accounts in accordance with
Uniform Format of Accounts for Central Autonomous Bodies

For D. C. Chhajed & Associates
Chartered Accountants

(CA. Mukesh Chhajed)
M. No: 096778
UDIN: 24096778BKCZBL3043

Dated : 29.05.2024
Place : New Delhi

National Automotive Board

Under Secretary

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 1- CORPUS/CAPITAL FUND

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
Balance as at beginning of the year	-	-	-	-
Add: Contribution Towards Corpus/ Capital Fund	-	-	-	-
Add/ (Deduct) : Balance of net income/ (expenditure) transferred from the Income and Expenditure Account\	-	-	-	-
Total	-	-	-	-

SCHEDULE 2- RESERVE AND SURPLUS

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
1. Capital Reserve		-		
As Per Last Accounts	-		-	-
Addition During the Year	-		-	
Less: Deduction during the year	-		-	
2. Revaluation Reserve:		-		-
As Per Last Accounts	-		-	
Addition During the Year	-		-	
Less: Deduction during the year	-		-	
3. Special Reserve		-		-
As Per Last Accounts	-		-	
Addition During the Year	-		-	
Less: Deduction during the year	-		-	
4. General Reserve		-		-
As Per Last Accounts	-		-	
Addition During the Year	-		-	
Less: Deduction during the year	-		-	
Total			-	-

SCHEDULE 3- EARMARKED/ENDOWMENT FUNDS

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
A1) Research & Development Fund (Refer Note no: 5 of Schedule 25)				
1) Opening Balance of fund		-		-
2) Addition During the year		2,50,00,000		1,64,00,000
i. Donation/Grants				
ii. Income From Investments made on account of funds				
iii. Other Additions (Specify Nature)				
Total (A1)		2,50,00,000		1,64,00,000

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
B1) Utilization/ Expenditure towards objectives of funds				
i. Capital Expenditure				
- Fixed Assets				
- Other (Expenditure Payable Towards Research & Development)		2,50,00,000		1,64,00,000
ii. Revenue Expenditure				
Salaries , Wages and Allowances etc.				
Rent				
Other Administrative Expenses				
Total (B1)	-	2,50,00,000	-	1,64,00,000
Net Amount (A1-B1)		-		-
A2) Demand Incentive Delivery Mechanism (DIDM) Fund (Refer Note no: 6 of Schedule 25)				
a) Opening Balance of fund				
b) Addition During the year				
i. Donation/Grants		38,91,50,000		-
ii. Income From Investments made on account of funds				
iii. Other Additions (Specify Nature)				
c) DIDM Grant Receivable		7,52,93,725		
Total (A2)		46,44,43,725		-
B2) Utilization/ Expenditure towards objectives of funds				
i. Capital Expenditure				
-Fixed Assets				
-Other				
ii. Revenue Expenditure				
Salaries, Wages and Allowances etc.				
Rent				
Other Administrative Expenses				
DIDM Grant disbursed during the year		32,72,98,525		
DIDM Grant payable at close of the year		13,71,45,200		
Total (B2)	-	46,44,43,725	-	-
Total (A2-B2)	-	-	-	-
Total {(A1-B1) + (A2-B2)}	-	-	-	-

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 4- SECURED LOAN AND BORROWINGS

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
1. Central Government	-	-	-	-
2. State Government	-	-	-	-
3. Financial Institutions	-	-	-	-
a) Term Loans	-	-	-	-
b) Interest Accrue and due	-	-	-	-
4. Banks	-	-	-	-
a) Term Loans	-	-	-	-
b) Interest Accrue and due	-	-	-	-
c) Other Loans	-	-	-	-
d) Interest Accrue and due	-	-	-	-
5. Other Institution and Agencies	-	-	-	-
6. Debenture and Bonds	-	-	-	-
7. Other	-	-	-	-
Total	-	-	-	-

SCHEDULE 5- UNSECURED LOAN AND BORROWINGS

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
1. Central Government	-	-	-	-
2. State Government	-	-	-	-
3. Financial Institutions	-	-	-	-
4. Banks	-	-	-	-
a) Term Loans	-	-	-	-
b) Other Loans	-	-	-	-
5. Other Institution and Agencies	-	-	-	-
6. Debenture and Bonds	-	-	-	-
7. Fixed Deposit	-	-	-	-
8. Other	-	-	-	-
Total	-	-	-	-

SCHEDULE 6- DEFERRED CREDIT LIABILITIES

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
a) Acceptance Secured by hypothecation of capital equipment and other asset	-	-	-	-
b) Other	-	-	-	-
Total	-	-	-	-

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 7- CURRENT LIABILITIES AND PROVISIONS

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
A. CURRENT LIABILITIES				
1. Acceptances		-		-
2. Sundry Creditors		-		-
a) For Goods		-		-
b) For others		57,619		48,904
3. Advance Received		-		-
4. Interest Accrued but Not due on		-		-
a) Secured Loans/Borrowings		-		-
b) Unsecured Loans/Borrowings		-		-
5. Statutory Liabilities		-		-
a) Overdue		-		-
b) Others		-		64,726
6. Other Current Liabilities		-		-
a) Grant towards Research & Development Expenses payable		2,50,00,000		1,64,00,000
b) Expenses Payable				1,18,690
c) Interest Earned which is Payable to Govt. of India (Refer Note no: 3 of Schedule 25)		254		3,22,073
Total (A)		2,50,57,873		1,69,54,393
B. Provisions				
1) For Taxation		-		-
2) Gratuity		-		-
3) Superannuation/Pension		-		-
4) Accumulated Leave Encashment		-		-
5) Trade Warranties/Claims		-		-
6) Provision For DIDM Grant payable at close of the year		13,71,45,200		-
Total (B)		13,71,45,200		-
C. Other Project Grant (Establishment & Infra Expenses [Refer Note no: 4 of Schedule 25])				
Opening Balance	1,30,26,732		10,00,000	-
Addition During the year	2,00,00,000		1,50,00,000	
Less: Expenditure incurred during the year	91,41,981	2,38,84,751	29,73,268	1,30,26,732
Total (C)		2,38,84,751		1,30,26,732
Total (A+B+C)		18,60,87,824		2,99,81,125

National Automotive Board

Schedule of Fixed Assets

as on 31st March 2016

SCHEDULE-8

Amount in (₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK AS AT THE CURRENT YEAR END	NET BLOCK AS AT THE PREVIOUS YEAR END
	COST/ VALUATION AS AT THE BEGINNING	ADDITION DURING THE YEAR	DEDUCTION DURING THE YEAR	COST/ VALUATION AT THE END	AS AT THE BEGINNING OF THE YEAR	ON ADDITION DURING THE YEAR	ON DEDUCTION DURING THE YEAR		
A. FIXED ASSET									
1. LAND	-	-	-	-	-	-	-	-	-
a) Freehold	-	-	-	-	-	-	-	-	-
b) Leasehold	-	-	-	-	-	-	-	-	-
2. Buildings:									
a) On Freehold Land	-	-	-	-	-	-	-	-	-
b) On Leasehold Land	-	-	-	-	-	-	-	-	-
c) Ownership Flats/Premises	-	-	-	-	-	-	-	-	-
d) Superstructure on Land not belonging to the entity	-	-	-	-	-	-	-	-	-
3.Plant Machinery & Equipment	-	-	-	-	-	-	-	-	-
4. Vehicles	-	-	-	-	-	-	-	-	-
5. Furniture Fixtures	-	-	-	-	-	-	-	-	-
6.Office Equipment	-	48,195	-	48,195	-	4,237	-	43,958	-
7. Computer/Peripherals	-	69,511	-	69,511	-	41,706	-	27,805	-
8. Electric Installations	-	-	-	-	-	-	-	-	-
9. Library Books	-	-	-	-	-	-	-	-	-
10. Tubewell & W.Supply	-	-	-	-	-	-	-	-	-
11. Other Fixed Assets	-	-	-	-	-	-	-	-	-
TOTAL OF THE CURRENT YEAR	-	1,17,706	-	1,17,706	-	45,943	-	71,763	-
PREVIOUS YEAR	-	-	-	-	-	-	-	-	-
B. CAPITAL WORK-IN-PROGRESS									
TOTAL								71,763	-

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 9- INVESTMENT FROM EARMARKED/ENDOWMENT FUNDS

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1. In Government Securities	-	-
2. Other Approved Securities	-	-
3. Shares	-	-
4. Debenture and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (to be specified)	-	-
Total	-	-

SCHEDULE 10- INVESTMENT-OTHERS

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1. In Government Securities	-	-
2. Other Approved Securities	-	-
3. Shares	-	-
4. Debenture and Bonds	-	-
5. Subsidiaries and Joint Ventures	-	-
6. Others (to be specified)	-	-
Total	-	-

SCHEDULE 11- CURRENT ASSETS, LOAN, ADVANCES ETC.

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
A. Current Assets		
1. Inventories		-
a) Stores and Spares	-	-
b) loose tools	-	-
c) Stock In Trade	-	-
- Finished Goods	-	-
- Work In Process	-	-
- Raw Material	-	-
2. Sundry Debtors		
a) Debt Outstanding for period exceeding six months	-	-
b) Others	-	-
3. Cash Balance in hands	20,000	20,000
4. Bank Balance		
a) With Scheduled Banks		
- Current Account	-	-
- Deposit Account	-	-
- Saving Account	11,01,88,477	2,74,97,128
b) With Non-Scheduled Banks		
- Current Account	-	-
- Deposit Account	-	-
- Saving Account	-	-
5. Post office Saving Account	-	-
Total	11,02,08,477	2,75,17,128

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

Amount in (₹)

B. Loans and Advances and Others				
1. Loans		-		-
a) Staff		-		-
b) Other Entities engaged in activities/ Objectives Similar to that of entity		-		-
c) Advances to NATRIP				
d) Advances to National Informatics Centre Services Inc		-		17,78,852
2. Advances and other amounts Recoverable in cash or kind for value to be received:		-		-
a) On Capital Account	-		-	
b) On Prepayment	-		-	
c) DIDM Grant Receivable	-	7,52,93,725	-	
3. Income Accrued:		-		-
a) On Investment from Earmarked/ Endowment Fund	-		-	
b) On Investments	-		-	
c) On Loan and Advances	-		-	
d) Others	-		-	
4. Claims Receivable				-
Total (B)		7,52,93,725		17,78,852
Total (A+B)		18,55,02,202		2,92,95,980

SCHEDULE 12- INCOME FROM SALES/SERVICES

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1. Income From Sales	-	-
a) Sales of Finished Goods	-	-
b) Sales of Raw Material	-	-
c) Sales of Scrap	-	-
2. Income From Services	-	-
a) Labour and processing Charges	-	-
b) Professional/ Consultancy Charges	-	-
c) Agency Commission and Brokrage	-	-
d) Maintenance Services (Equipment/Property)	-	-
e) Others Please Specify	-	-
Total		

SCHEDULE 13- GRANT/SUBSIDIES

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1) Central Government	-	-
2) State Government	-	-
3) Government Agencies	-	-
4) Institutions/Welfare Bodies	-	-
5) International Organisation	-	-
6) Grant towards Establishment & Infra Expenses (Refer Note no: 1 of Schedule 25)	91,41,981	29,73,268
Total	91,41,981	29,73,268

National Automotive Board**Schedule Forming Part of Balance Sheet**

as at 31.03.2016

SCHEDULE 14- FEES/SUBSCRIPTIONS

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1. Entrance Fee	-	-
2. Annual Fees/Subscriptions	-	-
3. Seminar/Program Fees	-	-
4. Consultancy fee	-	-
5. Others Please Specify	-	-
Total	-	-

SCHEDULE 15- INCOME FROM INVESTMENTS (INCOME ON INVEST. FROM EARMARKED/ENDOW. FUND TRANSFERRED TO FUNDS)

PARTICULARS	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) Dividend		-		-
a) On Shares	-		-	
b) On Mutual funds	-		-	
3) Rent		-		-
4) Other		-		-
Total		-		-

SCHEDULE 16- INCOME FROM ROYALTY, PUBLICATION ETC.

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1. Income From Royalty	-	-
2. Income From Publications	-	-
3. Other	-	-
Total	-	-

SCHEDULE 17- INTEREST EARNED

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
1) On Term Deposit	-	-
a) With Scheduled Banks	-	-
b) With Non-Scheduled Banks	-	-
c) With Institutions	-	-
d) Others	-	-
2) On Saving Account	-	-
a) With Scheduled Banks	-	-
b) With Non-Scheduled Banks	-	-
c) With Institutions	-	-
d) Others	-	-
3. On Loans	-	-
a) Employees/Staff	-	-
b) Others	-	-
4. Interest on Debtors and other Receivables	-	-
Total	-	-

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 18- OTHER INCOME

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
1) Profit on sale/disposal of Assets		-		-
a) Owned Assets		-		-
b) Assets acquired out of grants, or received free of cost		-		-
2. Export incentive Realized		-		-
3. Fees for Miscellaneous Services		-		-
4. Miscellaneous Income		-		-
Total		-		-

SCHEDULE 19- INCREASE/(DECREASE) IN STOCK OF FINISHED GOODS AND WORK IN-PROGRESS

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
1) Closing Stock		-		-
a) Finished Goods		-		-
b) Work In Progress		-		-
2. Less Opening Stock		-		-
a) Finished Goods		-		-
b) Work In Progress		-		-
Total		-		-

SCHEDULE 20- ESTABLISHMENT EXPENSES

PARTICULARS	CURRENT YEAR 31.03.2016		PREVIOUS YEAR 31.03.2015	
a) Salary & Wages		15,86,484		19,38,145
b) Allowances and Bonus		-		-
c) Contribution to Provident Fund		-		-
d) Contribution to Other Fund		-		-
e) Staff Welfare fund		-		-
f) Expenses on Employees Retirement and termination Benefits		-		-
g) Other		-		-
Total		15,86,484		19,38,145

National Automotive Board

Schedule Forming Part of Balance Sheet

as at 31.03.2016

SCHEDULE 21- OTHER ADMINISTRATIVE EXPENSES

Amount in (₹)

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
a) Purchases		-
b) Labour & Processing Expenses		-
c) Carriage and Carriage Inwards		-
d) Electricity & Power		-
e) Water Charged		-
f) Insurance		-
g) Repair & Maintenance		-
h) Excise duty		-
i) Rent, Rates		-
j) Vehicles Running & Maintenance	57,619	-
k) Postage Telephone and Communication Charges	18,993	16,936
l) Printing & Stationery	-	-
m) Travelling & Conveyance Charges	6,14,827	83,691
n) Expenses on seminar/workshop	20,33,480	-
o) Subscription Expenses	-	-
p) Expenses on Fees	-	-
q) Auditor remunerations	-	-
r) Hospitality Expenses	-	-
s) Professional Charges	9,48,568	7,63,180
t) Provision for Bad and Doubtful Debts	-	-
u) Irrecoverable Balance Written off	-	-
v) Packing Charges	-	-
w) Freight and Forwarding Expenses	-	-
y) Advertisement	-	-
z) Bank Charges	502	30
aa) Pre Incorporative Expenses (Refer Note no: 2 of Schedule 25)	1,71,286	1,71,286
ab) Website & Software Expenses	24,64,279	-
ac) Research and Development Expenses	12,00,000	-
Total	75,09,554	10,35,123

SCHEDULE 22- EXPENDITURE ON GRANTS, SUBSIDIES ETC.

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
a) Grant given to Institutions/Organization	-	-
b) Subsidies given to Institutions/Organization	-	-
Total	-	-

SCHEDULE 23- INTEREST

PARTICULARS	CURRENT YEAR 31.03.2016	PREVIOUS YEAR 31.03.2015
a) On Fixed Loan	-	-
b) On Other Loan (Including Bank Charges)	-	-
c) Other	-	-
Total	-	-

National Automotive Board
Receipt & Payment Account
for the Year ending 31st March 2016

RECEIPT	AMT. (₹) AS ON 31.03.2016	AMT. (₹) AS ON 31.03.2015	PAYMENT	AMT. (₹) AS ON 31.03.2016	AMT. (₹) AS ON 31.03.2015
I. OPENING BALANCE			I. EXPENSES		
a) Cash in hand	20,000.00		Bank Charges	289.00	30.00
b) Bank Accounts			Consultancy Charges	10,02,906.00	7,08,842.00
i) In Current accounts	-	-	Salary	17,64,466.00	17,60,163.00
ii) In deposit accounts	-	-	Telephone Exp	18,993.00	16,936.00
iii) Saving accounts	2,74,97,128.00		Travelling and Tour Expenses	2,98,426.00	83,691.00
	-		Website Development and Software Exp	6,85,427.00	17,78,852.00
			Car Hiring Charges	3,80,656.00	-
			Conference Expenses	33,480.00	-
II. Grants Received			Exhibition Expenses	20,00,000.00	
a) From Government of India	43,41,50,000.00	3,14,00,000.00	Misc Expenses	27,388.00	
			Research and Development Expenses	1,76,00,000.00	
			Incentive Account	32,72,07,095.00	
			Amt paid to NAB Consultant	-	1,100.00
IV. Interest Received			II . REFUND OF SURPLUS MONEY		
a) On Saving Bank	32,22,555.00	3,22,073	a) To the Government of India		
Amount Received from NATRIP Society(Natrip Fund Balance)		1,43,569.00			
Cash Deposited by NAB Consultant		1,100.00	III. OTHER PAYMENTS	-	-
			Interest transfer to Government (HO)	35,44,374.00	-
			Expenses Payable		
			Amount transfer to NATRIP Society		
			Purchase of Fixes Assets	1,17,706.00	

National Automotive Board

Receipt & Payment Account

for the Year ending 31st March 2016

RECEIPT	AMT. (₹) AS ON 31.03.2016	AMT. (₹) AS ON 31.03.2015	PAYMENT	AMT. (₹) AS ON 31.03.2016	AMT. (₹) AS ON 31.03.2015
			IV. CLOSING BALANCE		
			a) Cash in hand	20,000.00	20,000.00
			b) Bank Accounts	-	-
			i) In Current accounts	-	-
			ii) In deposit accounts	-	-
			iii) Saving accounts	11,01,88,477.00	2,74,97,128.00
Total	46,48,89,683.00	31,866,742.00	Total	46,48,89,683.00	31,866,742.00

Amount in (₹)

Certified as per recasted books of accounts in accordance with
Uniform Format of Accounts for Central Autonomous Bodies

For D. C. Chhajed & Associates
Chartered Accountants

(CA. Mukesh Chhajed)
M. No: 096778
UDIN: 24096778BKCZBL3043

Dated : 29.05.2024
Place : New Delhi

National Automotive Board

Under Secretary

NATIONAL AUTOMOTIVE BOARD

SCHEDULE NO. 24

Significant Accounting Policies

1. Background

National Automotive Board (NAB) is an autonomous body incorporated as Society under Society Registration Act, 1860 vide Registration No. S/ND/311/2013 dated 27th August, 2013 by Ministry of Heavy Industries, Government of India with the specific object of operating and monitoring the FAME Scheme launch in year 2015 for promoting the manufacturing and sustainable growth of electric and hybrid vehicle technology.

2. Method of Accounting

The Society has followed the Accrual system of accounting. These financial statements are prepared on a historical cost basis in accordance with generally accepted accounting principles and accounting standards.

3. Fixed Assets

- Fixed assets owned by the Society are stated at their cost of acquisition inclusive of freight, duties and taxes and other direct expenses related to acquisition incurred for bringing the assets to working for its intended use.
- At the time of disposal of fixed assets, written down value of the asset is reduced and the balance is booked as income/expenditure, as the case may be.

4. Depreciation

- a) Depreciation has been provided on fixed assets at the rates prescribed under the Income Tax Act, 1961, on Written down basis.
- b) Depreciation on assets created from Government Grant are treated as deferred income to the extent of depreciation charged on respective assets and same is recognized in the Income and Expenditure Account following capital approach method as per Accounting Standard -12 "Accounting for Government Grants".

5. Government Grant

- a) Government Grants under FAME scheme towards R&D and Demand Incentive (DIDM) are accounted under Earmarked Fund. The expenditure related to these Grants whether paid or payable are also accounted under the Earmarked Fund.
- b) Government Grants under FAME scheme towards admin expenditure i.e. Establishment and Infrastructure Fund have been shown under the head "other Project Grant" and unutilized balance of such grant has been treated as current liability. The expenditure against these Grants are accounted as per Accounting Standard -12 "Accounting for Government Grants" under capital approach "grants related to depreciable assets/expenditure are treated as deferred income to the extent of expenditure made during the year, which is recognized in the Income and Expenditure Account.

6. Provision

Provisions are accounted for all known liabilities and losses based on estimate in the light of available information.

SCHEDULE NO. 25**NOTES TO ACCOUNTS AND CONTINGENT LIABILITIES**

1. During the Financial Year 2015-16, the society has incurred total admin expenses amounted to ₹. 91,41,981 and against which entity has booked Deferred Grant Income of ₹. 91,41,981 as per AS-12 and accordingly the same has been shown as Income under Grant towards Establishment & Infra Expenses.
2. During the current financial year i.e. 2015-16 the society has written off 1/5 of unamortized preliminary expenses amounting to ₹. 1,71,286 and the same has been shown in Other Administrative Expenses. Unamortized amount lying at the close of the year amounting to ₹. 5,13,859 is to be written off in subsequent years and has accordingly been shown under head "Miscellaneous Expenditure" (To the extent not written off or adjusted).
3. The Society has earned interest from bank amounting to ₹. 32,22,555 during the year on surplus funds lying in saving account. Previous year interest payable was ₹. 3,22,073, hence the total amount payable stood at ₹. 35,44,628/-. These surplus funds were through various grants received from MHI. As per instructions from MHI the same has to be refunded. During the current year society has refunded a sum of ₹. 35,44,374, hence the balance amount of ₹. 254/- has been shown under the heading Current Liabilities.
4. During the year society has received an Establishment & infrastructure fund of ₹. 2,00,00,000. The Society has Incurred Expenditure of ₹. 91,41,981 including Preliminary Expenses of ₹. 1,71,286 during the current year. Unutilized Establishment & Infrastructure Fund of ₹. 2,38,84,751 has been categorized as "Other Project Grant" under Current Liabilities.
5. During the Year 2015-16 the society has received amount of ₹. 2,50,00,000 towards Research & Development Fund. During the Current year the society has received claim against such fund amounting to ₹. 2,50,00,000, hence the same has been appropriated from Research & Development Fund and shown under Current Liabilities. Provision made during the Previous year of ₹. 1,64,00,000 has been utilized towards payment of Research & Development project in current financial year.
6. During the Year 2015-16 the society has received amount of ₹. 38,91,50,000 as Demand Incentive Delivery Mechanism (DIDM) Fund from MHI. Out of which society has disbursed an amount of ₹. 32,72,98,525 during the year. Furthermore with respect to claims lodged but unapproved as at the close of the year aggregating to ₹. 13,71,45,200 Provision for the same has been made and shown under Current Liabilities & Provisions. After appropriating unutilized DIDM fund of ₹. 6,18,51,475 a further amount of ₹. 7,52,93,725 has been shown as DIDM Fund Receivable under Current Assets.
7. Previous year figures are re-grouped, re-arranged & re-casted wherever necessary to make the current figure more comparable.

Certified as per recasted books of accounts in accordance with
Uniform Format of Accounts for Central Autonomous Bodies

For D. C. Chhajer & Associates
Chartered Accountants

(CA. Mukesh Chhajer)

M. No: 096778

UDIN: 24096778BKCZBL3043

Dated : 29.05.2024

Place : New Delhi

For National Automotive Board

Under Secretary

SEPARATE AUDIT REPORT OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA ON THE ACCOUNTS OF THE NATIONAL AUTOMOTIVE BOARD, MANESAR FOR THE YEAR ENDED 31 MARCH 2016

We have audited the attached Balance Sheet of National Automotive Board as on 31 March 2016, and the Income and Expenditure Account and 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 Clause 21.3 of the Rules & Regulations (Bye-laws) of the National Automotive Board. The Audit of the Board has been entrusted to the Comptroller and Auditor General of India for the period up to 2025-26. These financial statements are the responsibility of the Board'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 with respect to classification, conformity with best accounting practices, accounting standards and disclosure norms. Other significant audit observations with regard to compliance with the law, rules and regulations (propriety and regularity) and efficiency cum performance aspects etc. are reported through Inspection Reports/CAG's Audit Reports separately.

3. We have conducted our audit in accordance with the accounting standards generally accepted in India. These standards require that we plan and perform audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. Audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. Audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of financial statements. We believe that our audit provides a reasonable basis for our opinion.

4. Based on our audit, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purpose of our audit.
- (ii) The Balance Sheet and Income & Expenditure Account dealt with by this report have been drawn up in the format prescribed by the Government for Central Autonomous Bodies.
- (iii) In our opinion, proper books of accounts and other relevant records have been maintained by National Automotive Board as required under Clause 21.2 of the Rules and Regulations of the Board In so far as it appears from our examination of such books.
- (iv) We further report that:

Comments on Accounts

A. Balance Sheet as at 31 March 2016

A.I Current Liabilities and Provisions (Schedule-7): ₹ 1,860.88 lakh

National Automotive Board (NAB) received non-recurring Grants-in-Aid amounting to ₹ 2.00 crore during the year 2015-16. As per sanction order of the Administrative Ministry, the Grants-in-Aid was to be utilised towards salary of staff, hiring of office premises, purchase of

office equipment, remuneration and fee. NAB utilised an amount of ₹1,17,706 out of the above grants towards purchase of fixed assets which have been capitalised in the accounts and depreciation thereon amounting to ₹45,943 has been provided during the year. Thus, Grants-in-aid should have been capitalised to the extent of ₹1,17,706 in line with the provisions of Accounting Standard-12, However, NAB has only recognised the Grants-in-aid in the Income and Expenditure Account to the extent of depreciation charged on fixed assets and has not presented the 'Deferred Income' in the Balance Sheet.

Thus, non-capitalisation of Grants-in-aid utilised towards purchase of fixed assets resulted in understatement of Capital Fund (Deferred Income) and overstatement of Current Liabilities (Unutilised Grants) by ₹71,763(₹1,17,706 - ₹45,943).

B. General Comments

B.1 Rule 237 of General Financial Rules, 2017 stipulates that approved and authenticated annual accounts should be made available by the Autonomous Bodies to the concerned Audit Office by 30th June. Further, Annual Report and Audited Accounts should be submitted to the Nodal Ministry for it to be laid on the Table of Parliament by 31st December.

The audit of National Automotive Board (NAB) for the years 2013-14 to 2017-18 was entrusted to the Comptroller and Auditor General of India (C&AG) in February 2019. The accounts of NAB for the years 2013-14 to 2017-18 were received in February 2020. The Separate Audit Report (SAR) on the accounts of NAB for the year 2013-14 was issued on 6 November 2020 but has not been laid in both houses of the Parliament till date.

Further, pursuant to the audit observations issued during the audit of accounts for the years 2014-15 to 2017-18, NAB recast the annual accounts for the years 2014-15 to 2017-18 and submitted the same for audit on 4 October 2023. SAR on the recast accounts for the year 2014-15 was issued on 21 February 2024. In view of the comments included in the SAR, NAB again recast its accounts for the years 2014-15 to 2022-23 as per recommendations of its Board in a meeting held on 28 February 2024. The recast annual accounts for the period 2014-15 to 2022-23 were submitted by NAB for Audit on 24 July 2024.

The fact regarding recasting of accounts on the basis of audit observations and the impact thereof has not been disclosed in the Notes to Accounts.

B.2 The impact of recasting of annual accounts for the year 2015-16 by NAB is as under:

- (i) **Balance Sheet :** Capital Fund decreased by ₹145.51 lakh, Current Liabilities and Provisions increased by ₹897.46 lakh and Total Assets increased by ₹751.95 lakh.
- (ii) **Income and Expenditure Account :** Total Income decreased by ₹4,250.08 lakh, Total Expenditure decreased by ₹4,381.60 lakh and Deficit in Income and Expenditure Account decreased by ₹131.52 lakh.

B.3 As per Clause 15.3(b) of the Rules and Regulation of NAB, the Governing Council shall hold at least one meeting within every six months at such time and place as the Chairman may determine. Further, as per Clause 10.2 of the Rules and Regulations, the Annual General Meeting of NAB shall be held at least once in every year at such time and place as may be determined by the

Governing Council. However, during the year 2015-16, neither any meeting of the Governing Council was held, nor the Annual General Meeting was held.

C. Grants-in-Aid

The position of receipt and utilisation of grants-in-aid by NAB during the year 2015-16 was as under:

(₹ in lakh)

Particulars	Establishment and Infra Grant	R&D Grant	DIDM Grant	Total
Balance as on 1 April 2015	130.27	-	-	130.27
Grants received during the year	200.00	250.00	3,891.50	4,341.50
Grants receivable	-	-	752.94	752.94
Grants utilised during the year	92.14 (See Footnote)	250.00	4,644.44	4,986.58
Balance as on 31 March 2016	238.13	-	-	238.13

Besides, interest amounting to ₹32.22 lakh was earned on grants-in-aid during the year 2015-16.

D. Management Letter

Deficiencies which have not been included in the Separate Audit Report have been brought to the notice of NAB 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 and 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 Account and subject to the significant matters stated above and other matters mentioned in **Annexure I** to this Audit Report, give a true and fair view in conformity with accounting principles generally accepted in India:

¹ Amount utilised against 'Establishment and Infra Grant' comprises Establishment expenses of ₹15.86 lakh, Other Administrative Expenses of ₹75.10 lakh and Purchase of Fixed Assets of ₹1.18 lakh.

- (a) In so far as it relates to the Balance Sheet, of the state of affairs of National Automotive Board, Manesar as of 31 March 2016; and
- (b) In so far as it relates to the Income and Expenditure Account, of the Surplus/Deficit for the year ended on that date.

**For and on behalf of the
Comptroller and Auditor General of India**

Place: New Delhi

Dated: 12 NOV 2024



**(S. Ahladini Panda)
Director General of Audit
Industry & Corporate Affairs**

Annexure I to Separate Audit Report

1. Adequacy of Internal Audit System

There was no internal audit system in NAB, and internal audit was not conducted during the year 2015-16.

2. Adequacy of Internal Control System

The internal control system in NAB was inadequate and not commensurate with the size of the organization. NAB received grants and incurred expenditure during the FY 2015-16. However, NAB was not staffed by regular manpower, and activities of NAB were being looked after by officers/officials from the Department of Heavy Industry (DHI), now Ministry of Heavy Industries, in addition to their respective charges in DHI.

3. System of physical verification of Fixed Assets


NAB did not conduct physical verification of Fixed Assets during the year 2015-16.

4. System of physical verification of inventory

NAB did not have any inventory during the year 2015-16.

5. Regularity in payment of statutory dues

NAB was regular in payment of statutory dues during 2015-16.



Director (AMG-III)

S. No.	C&AG's Comments (FY 2015-16)	NAB's Explanation
A.1	<p>National Automotive Board (NAB) received non-recurring Grants-in – Aid amounting to ₹2.00 crore during year 2015-16. As per sanction order of the Administrative Ministry, the Grants-in – Aid was to be utilized towards salary of staff, hiring of office premises, purchase of office equipment, remuneration and fee. Nab utilized and amount of ₹1,17,706 out of the above grants towards purchase of fixed assets which have been capitalized in the accounts and depreciation thereon amounting to ₹45,943 has been provided during the year. Thus Grants-in-Aid should have been capitalized to the extent of ₹1, 17,706 in line with the provisions of Accounting Standard -12. However, NAB has only recognized the Grants-in- Aid in the Income and Expenditure Account to the extent of depreciation charged on fixed assets and has not presented the 'Deferred Income in the Balance Sheet.</p> <p>Thus, non-capitalization of Grants-in-Aid utilized towards purchase of Fixed assets resulted in understatement of Capital Fund (Deferred Income) and overstatement of Current Liabilities (Unutilized Grants) by ₹71,763 (₹1,17,706, - ₹46,943).</p>	<p>During the FY 2015-16, NAB received Non Plan/Non-recurring Grants-in-aid amounting to ₹2 cr. during 2015-16 vide sanction order no. 7(09)/2016-AEI(9357) dated 30.03.2016. As per sanction order of the Administrative Ministry, it was issued for Non-recurring Grants-in-aid towards establishment/infrastructure and other running expenditure (salaries of staff of NAB, hiring of office premises, purchase of office equipment, remuneration and fee) i.e. Revenue Grant. It is noteworthy to mention here that Capital Grants are given without any restriction. Apart from above, this Grant was issued for specific purpose towards establishment/ infrastructure and other running expenditure (salaries of staff of NAB, hiring of office premises, purchase of office equipment, remuneration and fee).</p> <p>Relevant Accounting provisions prescribed under Accounting Standard (AS) -12 are as mentioned below:</p> <p><i>Para 10.1 Where the government grants are of the nature of promoters' contribution, i.e., they are given with reference to the total investment in an undertaking or by way of contribution towards its total capital outlay (for example, central investment subsidy scheme) and no repayment is ordinarily expected in respect thereof, the grants are treated as capital reserve which can be neither distributed as dividend nor considered as deferred income.</i></p> <p><i>Para 8. Presentation of Grants Related to Specific Fixed Assets:</i></p> <p><i>As per para 8.2 of AS-12 prescribes Two methods of presentation in financial statements of grants (or the appropriate portions of grants) related to specific fixed assets are regarded as acceptable alternatives.</i></p> <p><i>Para 8.3 Under one method, the grant is shown as a deduction from the gross value of the asset concerned in arriving at its book value. The grant is thus recognised in the profit and loss statement over the useful life of a depreciable asset by way of a reduced depreciation charge. Where the whole, or virtually the whole, of the cost of the asset, the asset is shown in the balance sheet at a nominal value.</i></p>

		<p>Para 8.4 Under the other method, grants related to depreciable assets are treated as deferred income which is recognised in the profit and loss statement on a systematic and rational basis over the useful life of the asset. Such allocation to income is usually made over the periods and in the proportions in which depreciation on related assets is charged. Grants related to non-depreciable assets are credited to capital reserve under this method, as there is usually no charge to income in respect of such assets. However, if a grant related to a non-depreciable asset requires the fulfillment of certain obligations, the grant is credited to income over the same period over which the cost of meeting such obligations is charged to income. The deferred income is suitably disclosed in the balance sheet pending its apportionment to profit and loss account. For example, in the case of a company, it is shown after 'Reserves and Surplus' but before 'Secured Loans' with a suitable.</p> <p>In view of above, as prescribed in AS-12, NAB has followed the second method as stated in para 8.4 as under:</p> <ul style="list-style-type: none"> (i) Grants-in-aid towards establishment/ infrastructure and other running expenditure comprising of salaries of staff of NAB, hiring of office premises, remuneration and fee, which were primarily revenue expenditure in nature and were debited as expenditure and correspondingly credited as deferred income under Income & Expenditure Account. (ii) Grants-in-aid towards establishment/ infrastructure relating to purchase of office equipment have been debited to fixed assets in Balance sheet and depreciation thereof has been debited as expenditure and correspondingly credited as deferred income under Income & Expenditure Account.
B.1	Rule 237 of General Financial Rules, 2017 stipulates that the approved and authenticated annual accounts should be made available by the Autonomous Bodies to the concerned Audit Office by 30th June. Further, Annual Report and Audited Accounts should be submitted to the Nodal Ministry for it to be laid on the Table of Parliament by 31st December.	The accounts of NAB for the years 2013-14 to 2017-18 were submitted to C&AG in February 2020. The Separate Audit Report (SAR) on the accounts of NAB for the year 2013-14 was issued on 6 November 2020, meanwhile due to Covid-19 pandemic, winding up of NATIS and amalgamation procedure (which was completed in February 2023), the Annual Accounts of NAB for FY 2013-14 could not laid in Parliament.

<p>The audit of National Automotive Board (NAB) for the years 2013-14 to 2017-18 was entrusted to the Comptroller and Auditor General of India (C&AG) in February 2019. The accounts of NAB for the years 2013-14 to 2017-18 were received in February 2020. The Separate Audit Report (SAR) on the accounts of NAB for the year 2013-14 was issued on 6 November 2020 but has not been laid in both houses of the Parliament till date.</p> <p>Further, pursuant to the audit observations issued during the audit of accounts for the years 2014-15 to 2017-18, NAB recast the annual accounts for the years 2014-15 to 2017-18 and submitted the same for audit on 4 October 2023. SAR on the recast accounts for the year 2014-15 was issued on 21 February 2024. In view of the comments included in the SAR, NAB again recast its accounts for the years 2014-15 to 2022-23 as per recommendations of its Board in a meeting held on 28 February 2024. The recast annual accounts for the period 2014-15 to 2022-23 were submitted by NAB for Audit on 24 July 2024.</p> <p>The fact regarding recasting of accounts on the basis of audit observations and the impact thereof has not been disclosed in the Notes of Accounts.</p>	<p>In terms of the Government mandate, NATRIP Implementing Society (NATIS) was setup towards creation of word class Testing Infrastructure in India. Further after completion of project, vide MHI order dated 17.03.2021, NAB took over the NATIS. As per the mandate, NAB commenced its operation with the support of secretariat NATIS and administrating the centres viz. GARC, NATRAX, ICAT etc., which were created under NATIS.</p> <p>Earlier, NAB had limited function. NAB released the payments under FAME Scheme. These Schemes were being managed by MHI (earlier DHI) officials and fund disbursement to NAB was being routed through PAO, MHI. NAB started its full fledge functioning as Society after amalgamation of NATIS into NAB and the Secretariat of NATIS taking over functioning of NAB activities.</p> <p>Further, pursuant to the audit observations issued during the audit of accounts for the years 2014-15 to 2017-18, NAB recast the annual accounts for the years 2014-15 to 2017-18 and submitted the same for audit on 4 October 2023. SAR on the recast accounts for the year 2014-15 was issued on 21 February 2024. In view of the comments included in the SAR, NAB again recast its accounts for the years 2014-15 to 2022-23 as per recommendations of a meeting held on 28 February 2024 in MHI with C&AG officials. The recast annual accounts for the period 2014-15 to 2022-23 were submitted by NAB for Audit on 24 July 2024, after fresh GC approval.</p> <p>After amalgamation, Annual Accounts of NAB FY 2014-15 onwards have been recast as per previous comments of C&AG and submitted to C&AG for final comments.</p> <p>Now, C&AG has issued the SAR for FY 2015-16 on 12.11.2024 as “true & fair view”. These Annual Accounts for FY 2013-14 and 2015-16 along with C&AG Report are being placed in Both the Houses of Parliament after the approval of GC/AGM, NAB.</p> <p>The above delay were due to the following reasons:</p> <ol style="list-style-type: none"> (i) Accounts were not prepared as per format prescribed by the Government for Central Autonomous Bodies. (ii) Covid-19 pandemic started in India since March, 2020. (iii) Amalgamation of NATIS with NAB under process. <p>With regard to the recasting of accounts, it is also informed that on face of Balance Sheet, Income & Expenditure account and last page of notes to the account, it is mentioned that Annual Accounts are “Certified as per recasted books of accounts in accordance with Uniform Format of Accounts for Central Autonomous Bodies”</p>
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B.2	<p>The impact of recasting of annual accounts for the year 2015-16 by NAB is as under :</p> <p>(i) Balance Sheet: Capital Fund decreased by ₹145.51 lakh, Current Liabilities and provisions increased by ₹897.46 lakhs and Total Assets increased by ₹751.95lakh.</p> <p>(ii) Income and Expenditure Account: Total Income decreased by ₹4,250.08 lakh, Total Expenditure decreased by ₹4,381.60 lakh and Deficit in Income & Expenditure Account decreased by ₹131.52 lakh.</p>	<p>Noted, it is due to recasting of Annual Accounts as per uniform format prescribed by the Government for Central Autonomous Bodies</p>																																																												
B.3	<p>As per Clause 15.3(b) of the Rules & Regulations of NAB, the Governing Council shall hold at least one meeting within every six months at such time and place as the Chairman may determine. Further, as per Clause 10.2 of the Rules & Regulations, the Annual General Meeting of NAB shall be held at least once in every year at such time and place as may be determined by the Governing Council. However, during the year 2015-16, neither any meeting of the Governing Council was held, nor the Annual General Meeting was held.</p>	<p>Society was registered on 27th August, 2013. The year wise Society has conducted following meetings which are as under:</p> <table><tr><th>S. No.</th><th>Year</th><th>GC Meeting</th><th>AGM/EGM</th></tr><tr><td>1</td><td>2013</td><td>1st 02.09.2013</td><td></td></tr><tr><td>2</td><td>2014</td><td>NIL</td><td></td></tr><tr><td>3</td><td>2015</td><td>NIL</td><td></td></tr><tr><td>4</td><td>2016</td><td>2nd 08.04.2016</td><td></td></tr><tr><td>5</td><td>2017</td><td>NIL</td><td></td></tr><tr><td>6</td><td>2018</td><td>NIL</td><td></td></tr><tr><td>7</td><td>2019</td><td>3rd 15.10.2019</td><td>1st 15.10.2019</td></tr><tr><td>8</td><td>2020</td><td>NIL</td><td></td></tr><tr><td>9</td><td>2021</td><td>NIL</td><td></td></tr><tr><td>10</td><td>2022</td><td>4th 09.02.2022</td><td>2nd 09.02.2022</td></tr><tr><td></td><td></td><td>5th 02.11.2022</td><td>02.11.2022</td></tr><tr><td>11</td><td>2023</td><td>6th 06.04.2023</td><td>3rd 06.04.2023</td></tr><tr><td></td><td></td><td>7th 25.08.2023</td><td>25.08.2023</td></tr><tr><td>12</td><td>2024</td><td>8th 19.07.2024</td><td></td></tr></table> <p>Further, vide MHI order dated 17.03.2021, NAB took over the NATIS. As per the mandate, NAB commenced its operation with the support of secretariat NATIS and administrating the centres viz. GARC, NATRAX, ICAT etc., which were created under NATIS. Now, after amalgamation, these employees of NATIS (refer transferor society) are now the employees of NAB (refer transferee society).</p>	S. No.	Year	GC Meeting	AGM/EGM	1	2013	1 st 02.09.2013		2	2014	NIL		3	2015	NIL		4	2016	2 nd 08.04.2016		5	2017	NIL		6	2018	NIL		7	2019	3 rd 15.10.2019	1 st 15.10.2019	8	2020	NIL		9	2021	NIL		10	2022	4 th 09.02.2022	2 nd 09.02.2022			5 th 02.11.2022	02.11.2022	11	2023	6 th 06.04.2023	3 rd 06.04.2023			7 th 25.08.2023	25.08.2023	12	2024	8 th 19.07.2024	
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		<p>NATRIP project was completed in Year 2021 and the procedure of amalgamation of NATIS with NAB was completed in February, 2023.</p> <p>Earlier, NAB had limited function. NAB had released the payments of incentives under FAME Scheme. These Schemes were being managed by MHI (earlier DHI) officials and fund disbursement to NAB was being routed through PAO, MHI. NAB started its full fledge functioning as Society after amalgamation of NATIS into NAB and the Secretariat of NATIS taking over functioning of NAB activities.</p> <p>Currently from year 2022, Society is conducting the GC meeting, AGM etc. on regular basis.</p>																														
C.	<p>Grant-in-aid</p> <p>The position of receipt and utilization of grants –in-aid by NAB during the year 2015-16 was as under:</p> <p style="text-align: right;">(₹ in lakh)</p> <table><tr><th>Particular</th><th>Establishment and Infra Grant</th><th>R&D Grant</th><th>DIDM Grant</th><th>Total</th></tr><tr><td>Balance as on 1 April 2015</td><td>130.27</td><td>-</td><td>-</td><td>130.27</td></tr><tr><td>Grants received during the year</td><td>200.00</td><td>250.00</td><td>3,891.50</td><td>4,341.50</td></tr><tr><td>Grants receivable</td><td>-</td><td>-</td><td>752.94</td><td>752.94</td></tr><tr><td>Grants utilized during the year</td><td>92.14</td><td>250.00</td><td>4,644.44</td><td>4,986.58</td></tr><tr><td>Balance as on 31 March 2016</td><td>238.13</td><td>-</td><td>-</td><td>238.13</td></tr></table> <p>Besides, Interest amounting to ₹ 32.22 lakh was earned on Grants-in-Aid during the year 2015-16.</p>	Particular	Establishment and Infra Grant	R&D Grant	DIDM Grant	Total	Balance as on 1 April 2015	130.27	-	-	130.27	Grants received during the year	200.00	250.00	3,891.50	4,341.50	Grants receivable	-	-	752.94	752.94	Grants utilized during the year	92.14	250.00	4,644.44	4,986.58	Balance as on 31 March 2016	238.13	-	-	238.13	Noted
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D.	<p>Management Letter</p> <p>Deficiencies which have not been included in the Separate Audit Report have been brought to the notice of NAB through a management letter issued separately for corrective action.</p>	Noted
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Annexure 1 to Separate Audit Report		
1	Adequacy of Internal Audit System. There was <u>no internal audit system in NAB, and internal audit was not conducted during the year 2015-16.</u>	After amalgamation of NATIS with NAB, Internal Audit has also been started from FY 2021-22 onwards.
2	Adequacy of Internal Control System The internal control system in NAB was inadequate and not commensurate with the size of the organization. NAB received grants and incurred expenditure during the FY 2015-16. However, <u>NAB was not manned by regular manpower, and activities of NAB were being looked after by officers/officials from Department of Heavy Industry (DHI) in addition to their respective charges in DHI.</u>	Further, vide MHI order dated 17.03.2021, NAB took over the NATIS. As per the mandate, NAB commenced its operation with the support of secretariat NATIS and administrating the centres viz. GARC, NATRAX, ICAT etc., which were created under NATIS. Now, after amalgamation, these employees of NATIS (refer transferor society) are now the employees of NAB (refer transferee society). NATRIP project was completed in Year 2021 and the procedure of amalgamation of NATIS with NAB was completed in February, 2023. Currently, to further support the NAB operations, additional Charge of the post of three (3) Functional Member, NAB and post of five (5) Director, NAB have been entrusted to the officials posted at MHI.
3	System of physical verification of Fixed Assets NAB did not conduct physical verification of Fixed Assets during the year 2015-16.	Society having the Fixed Assets at Gross Value of ₹ 1.18 Lakhs (net value ₹ 0.72 Lakhs) only as on 31.03.2016. Details of Assets are as under: One no. of Computer including software One no. of UPS Two no. of Printer Details of Fixed Assets Register and its existence was given to audit team, which was in line with books of accounts.
4	System of Physical Verification of inventory NAB did not have any inventory during the year 2015-16.	Noted
5	Regularity in payment of Statutory dues NAB was regular in payment of statutory dues during 2015-16.	Noted



Driving India Into the Future

National Automotive Board

(A Registered Society under the Ministry of Heavy Industries, Government of India)

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