

Sri Venkateswara College of Engineering - Regular financial audits are an essential aspect of quality assurance initiatives in institutions. An internal financial audit is conducted by the institution's internal auditors to review the financial records, accounting practices, and internal controls of the institution. The internal audit helps to identify any financial irregularities, non-compliance with financial policies and procedures, and areas for improvement.

An external financial audit is conducted by independent auditors outside the institution. The external audit reviews the institution's financial statements, accounting practices, and compliance with regulatory requirements. The external audit provides an objective assessment of the institution's financial health and helps to enhance the credibility and transparency of the institution's financial reporting.

Regular internal and external financial audits provide several benefits to the educational institution:

1. **Ensuring compliance with financial policies and regulations:** Regular financial audits help to ensure that the institution complies with financial policies and regulations, such as tax laws, accounting standards, and financial reporting requirements.
2. **Identifying areas for improvement:** Financial audits help to identify areas where the institution's financial management practices can be improved, such as strengthening internal controls or streamlining financial processes.
3. **Enhancing transparency and accountability:** Financial audits provide an objective assessment of the institution's financial health and help to enhance transparency and accountability in financial reporting.
4. **Building trust with stakeholders:** Regular financial audits help to build trust with stakeholders, such as students, parents, donors, and regulatory bodies, by demonstrating the institution's commitment to financial integrity and accountability.

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ABOUT CLIENT:

SV Colleges group was founded in 1981, based on the firm belief that education especially higher education provides a critical pathway to leadership development, economic progress, and social and political equality. Since its inception, the group has upheld a rigorous commitment to the curriculum and the programs that it offers with a wide range of courses at four institutions spread across Kadapa and Tirupati campuses. In 2022, two institutions of the society, SVCE and SVEC merged into one institution as SVCE.

PURPOSE OF THIS AUDIT:

To provide insight into an organization's culture, policies, procedures, and aids board and management oversight by verifying internal controls such as operating effectiveness, risk mitigation controls, and compliance with any relevant laws or regulations

LINK TO STRATEGIC OBJECTIVES

We strive to provide cost efficient controls to areas where financial leakages exist so that expenditure is incurred for betterment of service. As the organization try to impart high quality education and infrastructure, we integrate departments which in turn reduces duplication and reconciliation job

ROOT CAUSE CRITERIA:

Refers underlying key cause (or causes) behind review findings such as Resource issues, Personal ethical and attitude issues, process issue, policy issue, discipline issue, Leadership issues.

1. RESOURCE ISSUES:

- Competencies of staff (this may also have an impact on personal, ethical and attitude issues).
- Experience of staff (this may have an impact on personal, ethical and attitude issues)
- Engagement team dynamics (eg, toxic combinations, skills or experience gaps, lack of continuity and over familiarity)
- Time available (rushed jobs are rarely successful).
- Numbers of staff available (understaffed jobs are rarely successful).
- Lack of clarity on competencies and responsibilities.

2. PERSONAL, ETHICAL AND ATTITUDE ISSUES:

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- A mindset that is prepared to cut corners (perhaps due to laziness or a desire to keep to original timetables and budgets) meaning that certain processes are not carried out. This mindset can also accept insufficient evidence to support assertions, possibly due to a poor attitude to the work.
- Unwillingness to acknowledge or learn from mistakes.
- Being unwilling or unable to direct, supervise or review effectively, even when resource is available, and procedures require this.

3. PROCESS & POLICY ISSUES:

- Issues arising from Gaps, lack of understanding or unavailability of organizations policies and procedures. (This issue may also be bound up with personal, ethical and attitude issues.)
- Issues in on the job mentoring and lack of periodical review. (This could relate to personal, ethical and attitude issues.)
- Non-compliance with policies and procedures
- Failure to consult when appropriate. (This could relate to personal, ethical and attitude issues.)
- Poor project management, including leaving big issues to the end of the audit. (A poor attitude to the job that gives rise to this.)
- Failure to identify safeguards when necessary and its effective application

4. LEADERSHIP ISSUES:

- Failure to effect change when required
- Cosmetic leadership than real
- Not handling different perspectives
- Unable to manage a team

CONTROLLING CRITERIA:

1. EFFECTIVE:

- Key controls are adequately and appropriately designed and are operating effectively to support objectives and manage risks.
- Audit recommendations resulted in only minor enhancements to the effectiveness or efficiency of controls and processes.
- Minimal risk of non-compliance to Council-approved policies, by-laws, regulatory requirements, etc.
- Insignificant cumulative financial impact when all audit findings have been considered.
- Financial impact of both actual and potential losses is insignificant.
- Audit findings would not be subject to a follow-up by Internal Audit.

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2. ENHANCEMENT REQUIRED:

- A few key control weaknesses were noted that require enhancements to better support objectives and manage risks
- Corrective action and oversight by management is needed.
- Audit findings could be subject to a follow-up by Internal Audit

3. SIGNIFICANT IMPROVEMENT REQUIRED:

- Numerous key control weaknesses were noted that require significant improvement to support objectives and manage risks.
- Corrective action and oversight by senior management is required.
- Audit findings will be subject to a follow-up by Internal Audit.
- Management's actions, or lack thereof, have impacted or delayed a key initiative, and the funding for such initiative may be compromised.
- Management failed to provide effective control environment or oversight on a consistent basis, resulting in a negative impact on the respective division, or other departments.
- Financial impact of both actual and potential losses is significant.

4. IMMEDIATE ACTION REQUIRED:

- Financial impact of both actual and potential losses is material.
- One or more of the following conditions is true: I) management failed to identify key risks; II) management failed to implement processes and controls to mitigate key risks.
- Confirmed fraud by management or staff.
- Regardless of the type of findings, the cumulative financial impact is material to the financial statements.
- Corrective action and oversight by Corporate Leadership Team is required immediately.
- Follow-up of such audit findings by Internal Audit would be of high priority.

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EXECUTIVE SUMMARY

ReferArea for details	Observation(Q4Openpoints)	ActionPoints	Risk
HR & Payroll	Shortfall for PF compliance (176 staff count), ESI (277 staff count) and PT (51 staff count).	Resp: Govinda Reddy, Payroll Timeline: There is New Joining Staff & Not willing staff, So that not able to "0" Count.	Medium
Payables	A total of Rs. 19,79,136/- is showing as payable for more than 180 days. Of which Rs. 2,42,227 written back with the approval of management. Balance Rs. 17,36,909 outstanding.	Resp: Vimala Timeline: 31.08.2024	High
Advances / Receivables	Rs. 24,25,733 advances / receivables outstanding for more than 180 days.	Resp: Vimala Timeline: 31.08.2024	High
Statutory Compliance	TDS defaults of Rs. 41,08,180 (Salary: Rs. 38,98,070 and non salary: Rs. 2,10,110) of which it is observed that 35,09,190 due to inoperative PAN of vendors.	Resp (Non Salaries): Vimala Resp (Salary) – Govinda Reddy Timeline: 20-7-2024	

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ReferArea for details	Observation(Q3Openpoints)	Action Points	Risk
HR & Payroll	Short fall for PF compliance(176staffcount), ESI(277staffcount)and PT(51staffcount).	Resp: Govinda Reddy, Payroll	Medium
HR&Payroll	Incorrect employee and employer share updated in challan payment of EPF returns which is not as per excel file shared. This lead to interchange of employee and employer share of Rs. 98,598 / -. Interchanged 3.67% of EPS scheme with 8.33% of Employer contribution account.	Resp: PGR, Payroll DL: 20-02-2024 We will coordinate with Kadapa college and visit PF office to resolve this issue	High
HR&Payroll	Incorrect and inconsistent employee master data which needs correction.	Resp: Malathy Action: Bhanu assigned to verify the details and assist in upoloading data to Campx. DL:31-07-2024	High
Other Expenses	Exam cell payments were approved and made without the approval of Vice Chairman which is not in accordance with Purchase policy.		High
Payables	A total of Rs. 23,28,345 worth of works have been completed, but the vendor has not provided the invoice. The status of this amount, which needs to be either expensedor capitalized based on nature of payment, is still outstanding.	Timeline:29-02-2024 Resp: Vimala	High
Payables	There are amounts worth Rs. 1,28,069 (Meritrac Services) that have been long outstanding and need to be recovered from the customer. Sent mail and discussed with customer and pending for confirmation.	Get a ledger statement for reconciliation to make a decision. Resp: Vimala DL:20-02-2024	High 
StatutoryComp liance	Holding of Two PANs	DL:FY24-25Mar-25	High 

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AUDIT OF SPECIFIC FUNCTIONS

OPENING BALANCES:

OBSERVATION:

Audit Procedure	Audited tally ledger wise closing balances of previous year compared with ledger wise opening balances of Financial Year 23-24
Observation	NA
Controls Rating	NA
Recommendation	NA
Root Cause	NA
Department Response	NA
Expected date of completion	NA
Status	NA

CASH AND BANK BALANCE:

Scope of Work

- To reconcile the cash and bank balances
- To vouch the cash payments made over the limits assigned requiring appropriate approvals.
- To verify relevant receipts/ certificate /bank advice in respect of fixed deposits or other types of deposits.
- To ensure no cash receipts of more than Rs. 2 lakhs in a transaction during a year
- To ensure no cash repayment of loans/advances/deposits in cash of Rs. 20000 or above
- To make sure no cash receipts of loans/advances/deposits in cash of Rs. 20000 or above
- No cash expenditures above the limit as prescribed in Income tax act (Rs. 10000 per day per person)

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OBSERVATION – CASH:

Audit Procedure	<ul style="list-style-type: none">Verified cash ledger to ensure there are no cash receipts of more than Rs. 2 lakhs in a transaction during a year, no cash repayment of loans/advances/deposits in cash of Rs. 20000 or above, no cash receipts of loans/advances/deposits in cash of Rs. 20000 or above, Nocash expenditures above the limit as prescribed in Income tax act (Rs. 10000 per day per person)Cash payment verified to ensure that payments are approved by authorized person.Physical cash verification was undertaken on 12-09-2023 and no major Deviations found
Observation	SVDC: 1. Cash with drawn for petty expense shown as “payment” instead of “Contra”. CSD, Hostel: Difference in physical cash of Rs. 555. Advance of Rs. 200 to Purushottam without voucher. Remaining Rs. 355 pending for clarification.
Controls Rating	Enhancement required
Recommendation	<ol style="list-style-type: none">Ensure that correct vouchers are used while accountingEnsure that voucher with recipient signature available before giving any advance.
Root Cause	Personal Issues
Auditee Response	<ol style="list-style-type: none">RectifiedAttached voucher and will follow hence forth.
Expected date of completion	NA
Status	Closed

OBSERVATION - BANK:

Audit Procedure	Prepared bank reconciliation to ensure that all the bank entries posted to tally and closing balance is matching with bank statement
Observation	Refer Annexure-1 SVCE: 1. Advance paid on 09th Feb 2024 without bank date. Cheque not presented in bank and lapsed. No reversal in books.
Controls Rating	Significant Improvement Required

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Recommendation	>>Ensure proper accounting and matching closing balances. >>Update bank dates for all the transactions >>Goto reconciliation tab and delete opening unreconciled entries which is reflecting due to tally upgrade using the option “Unreconciled Vouchers >>delete”. >>Reverse lapsed cheques and account cheques when issued
Root Cause	Resource issues
Auditee Response	Accounts Department: Rectified
Expected date of completion	17-06-2024
Status	Closed

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REVENUE

Scope of Work:

- To check number of students approved for intake and actual intake and their fee collection
- Reconciliation of fee collection with EZ, Tally and bank receipts
- To ascertain whether adjustment of fee for previous year receipts during the period has been done properly
- To ascertain whether fee collected in advance have been carried forward and that the arrears that are irrecoverable have been written off under the sanction of appropriate authority
- To check whether concessions provided for fee has been authorized
- To confirm that deduction from salary is made to all staff who utilized college transport facility
- To check authenticity of donations received with copies of conditional approvals if any and utilization of the same
- To verify the list of events organized during the period and to verify the entrance/registration fees & the course fees charged from the participants.
- To verify whether interest on FD and TDS has been properly accounted and subsequently credited.

OBSERVATION – 1

Audit Procedure	<ol style="list-style-type: none">1. Compared approved intake and actual intake for FY 23-242. Reconciled fee receipts as per books with Bank receipts to conclude that bank receipts related to fee adjusted against student fee due and accounted the same in tally.3. Verified whether in active students' certificate available with college4. Verified whether fee concession is approved by authorized person and documented.5. Verified whether events or programs organized during the period and that any receipts from such event, expenses are accounted accordingly.6. Bus fee deduction from employee's reconciliation with Transport income in books7. Interest income from bank and other deposits8. Verified whether hostel and transport fee accounted properly.	
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Observation	(Refer Annexure 2,3,4) for details SVCE: <ol style="list-style-type: none">1. Difference in fee collection when compared to ERP and books/bank is Rs. 3,96,960/-.2. Narrations not updated in EZ for fee collection resulting in non- identification of adjustment of receivables.3. Incorrect reference numbers updated for fee collection Rs. 2,24,100/-4. Graduated students dues concession approvals by Sr. Manager CSD not available on two documents.	
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Controls Rating	Enhancement required
Recommendation	SVCE: <ol style="list-style-type: none">1. Reconcile the differences and correct the errors.2. Ensure that the narration is updated for all the transactions.3. Ensure reference numbers updated are correct as it will ensure dues according to student wise4. Get approval signature from authorized signatory before issuing certificates.
Root Cause	SVCE: Resource issues
Auditee Response	SVCE-1,2,3,4:Rectified
Expected date of completion	01-07-2024
Status	Closed

OPERATIONAL AND ADMINISTRATIVE EXPENSES

Scope of Work:

- To verify that all payments made by the institution are only for the purpose for which the institution is constituted.
- To check If any donations were meant for any specific purpose, and that the money was utilized for the purpose.
- To check the capital expenditure and verify the same with the sanction for the Committee as contained in the minute book.
- To vouch the establishment expenses and enquire into any unduly heavy expenditure under any head.
- If there was any annual budget prepared, see that any excess under any head over the budgeted amount was duly sanctioned by the Managing Committee.
- To verify the payments relating to Events organized.
- To check the entries in the cash book/cash payments summary with reference to the related payment vouchers.
- To check the employee data maintained in the information system for its accuracy and appropriateness as well as ensure that proper documentation is also maintained.
- To verify the payroll and statutory deductions or any other deductions are properly made and paid over to the concerned authorities
- To check electricity expenses, telephone expenses, water charges, stationery and printing, purchase of sports items, etc. should be properly verified with quotation, purchase bills, inward register and Bills received from service providers, etc. All purchases or expenses should be authorized by appropriate person.

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- To ensure that salary considered for the purpose of Contribution towards ESI, PF and PT are as per the statute.
- Whether deduction along with the employer's contribution has been remitted with in due dates, respectively.

OBSERVATION-1: HUMAN RESOURCES AND PAYROLL PROCESSING

Audit Procedure	<ul style="list-style-type: none">✚ Verified whether monthly salary processed as per fixed salary✚ Compared payroll details of employee and details in employee master data.✚ Ensured that monthly payroll expenditure and statutory contributions were made according to the requirements of respective statutes, and the accounting of the same is appropriate.✚ Verified whether authorization and documentation are available for the changes in salary.
Observation	<p>(Refer annexure 5)</p> <ol style="list-style-type: none">1. Incorrect employee ID and the same employee ID mapped to multiple employees in the monthly payroll data, which will give incorrect data.2. Employee ID not available for a few employees in the monthly payroll.3. It is observed that there was a delay in processing statutory payments.4. Shortfall for PF compliance (176 staff count), ESI (278 staff count), and PT (56 staff count).5. Incorrect employee and employer share updated in the challan payment of EPF returns, which is not as per the Excel file shared. This led to the interchange of employee and employer share of Rs. 98,598/-. Interchanged 3.67% of EPS scheme with 8.33% of the employer contribution account, due to which the above interchange of values is reflecting. This will lead to an additional liability of Rs. 98,598/- (Q3 point).6. Few employees' data not available in the employee master data.7. Difference in approved salary and processed salary.8. Difference in gross salary and experience totals in the employee master.
Controls Rating	Significant Improvement required

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Recommendation	<ol style="list-style-type: none">1. Rectify incorrect employee ID and maintain a unique ID for each employee.2. Ensure employee ID is updated for all employees in payroll before finalizing.3. Pay as per the timelines to avoid interest, late fee, and default notices. Pay opening payable, or if it is incorrect provision in previous years, rectify accordingly.4. Ensure compliance with labor laws as per the statute.5. Revise EPF return and ensure updating correct employee and employer contribution.6. Ensure that the payroll data is derived from the employee master instead of directly adding it to payroll sheets.7. Rectify short salary processed and check with approved/incremented salary before processing.8. Ensure that the details of employees are calculated automatically instead of pasting manually into master data.
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Root Cause	Resource & Personal issues
Auditee Response	<p>HR:</p> <ol style="list-style-type: none"> 1. Rectified incorrect employee ID and same ID mapped with multiple employees. Currently, salary is being processed based on the new employee ID which will be shared. 2. Will update and check employee IDs in payroll henceforth. 3. Delay due to issue in bank payment. Will ensure timely payment in the future. 4. PF: New staff, drivers are not covered under PF. ESI: Staff with health insurance and SVCK, SVDC employees are not covered. PT: SVCK and SVDC employees are not covered in PT. 5. Will revise the return with correct contributions. 6. Henceforth, will finalize master data before processing payroll. 7. Will correct in subsequent months. Corrected master data will be shared with the Payroll team for verification and import to Campx.
Expected date of completion	20 th jul 2024
Status	Open

OBSERVATION-2:OTHER EXPENSES

Audit Procedure	<ul style="list-style-type: none"> • Verified whether Purchase request raised for purchase of materials. • Ensured whether such request has been approved after getting quotations from vendors and comparing them. • Also ensured whether inward receipt and verification by the Purchase department is done in accordance with the PO raised. • Verified whether Invoice received and accounted properly.
Observation	<p>Refer Annexure (Other Expenses)</p> <ol style="list-style-type: none"> 1. Incorrect classification of ledgers while accounting for expenses or assets. 2. Proforma invoice attached for two expenses. 3. Exam Cell: Purchases more than ₹25,000 without VC approval. 4. SVCE Exam: An instance where the vehicle of an employee was hired and paid at market rate, along with TA & DA, driver bata, and also salary during that period. 5. Hostel: Names and items on the invoice are not clear. Rate per item is not available. PO not issued. Mail sent for approval after purchase (Value ₹15,235/-). 6. Stale cheques account of ₹6,01,977 (SVCE: ₹5,10,977 & SVEC: ₹91,800) long outstanding as the cheques were lapsed (Q3 open point).

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Controls Rating	Enhancement Required
Recommendation	<ol style="list-style-type: none">1. Proper classification of expenditure is required to depict the exact nature of the transaction.2. Get original invoices and document the same for accounting.3. Purchases in the exam cell, other than regular stationery, must go through the purchase policy and get VC approval if it exceeds ₹25,000. In case any modification is required in the existing policy to relax for a few transactions, it is recommended to get approval for the same from the VC.4. Ensure that the payment made for such transactions is restricted to the work that the employee is permitted to do. Dual work can't be considered and paid for both.5. Issue a Purchase Order (PO) and get approval before purchase. Also, get the invoice with item names in clear terms to get it verified and approved by the recipient.6. Identify the relevant expenditure to which those cheques were issued and reverse them if necessary.
Root Cause	Resource issues
Department Response	<ol style="list-style-type: none">1. Rectified.2. Will get original documents and document.3. Currently, Principal is giving approval for almost all expenses except few asset purchases.4. Currently, TADA has been stopped, whereas salary is being processed for such instances.5. Will identify that expenditure and reverse it in books.
Expected date of completion	05-07-2024
Status	1–Closed 2,3,4,5,6,7– OPEN

CAPITAL FUND

No change in Capital fund during the period

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FIXED ASSETS, DEPRECIATION AND AMORTIZATION

Scope of Work

- To verify the existence, ownership, classification, and completeness of the movable and immovable assets and outcome recorded in the Asset Register.
- To check that a register of movable and immovable properties is properly maintained, and the defects and inaccuracies mentioned in the previous audit report have been duly complied with.
- To check the acquisition of fixed assets and improvements to the existing ones has proper reference to supporting documents such as orders, invoices, receiving reports, and title deeds.
- To check whether the sale proceeds, depreciation, and asset account have been properly adjusted when the fixed assets are retired (i.e., destroyed, scrapped, sold, etc.).
- To check the efficiency and effectiveness of use of intangible assets.
- To verify the record keeping and accounting of intangible assets.

OBSERVATION-1:

Audit Procedure	<ul style="list-style-type: none">➤ Verification of fixed assets additions documents.➤ Verified whether any receipt of capital nature by sale of fixed asset in bank statement.
Observation	<ol style="list-style-type: none">1. Incorrect classification of expenditure.2. Discount received on asset purchase to be adjusted against asset instead of treating it as a revenue item.
Controls Rating	Enhancement required
Recommendation	<ol style="list-style-type: none">1. Proper classification of expenditure is required to depict the exact nature of the transaction.2. According to accounting standards.
RootCause	Resource issues
Department Response	Rectified
Expected date of completion	NA
Status	Closed

RECEIVABLES

- To check that the opening balances of fees receivable accounts have been transferred to the respective student accounts.
- To verify whether the fees receivable is recorded correctly during the current periods.
- Check age-wise listing of the receivables.
- Filter out receivables aging more than the credit period.
- To check into the reasons of delay in payments.
- To ensure the adequacy of the debt recovery measures and recommends ways to eliminate the inefficiency.
- To reconcile the receivables as per the branch/site and as per the Head Office.
- Accentuate on frequent visits by HO officials/auditors to site/branch to sort out the differences in the amount of debtors and keep a track on the debt recovery controls.
- Whether any of the trustees is a debtor of the trust.

Audit Procedure	<ul style="list-style-type: none"> ➤ Verified whether applicable fee demand is raised for intake students and promoted students for respective years. ➤ Verified whether fee received against previous years is adjusted against respective years' dues. ➤ Verified whether fee dues, maintained student-wise, are matching with dues receivable in books.
Observation	1. Receivables of Rs. 1,28,069 (Meritrac services) to be expensed off as it is no longer receivable. (Q3 open point)
Controls Rating	Immediate Action required
Recommendation	1. Contact customer to release payment, otherwise write off after management approval
Root Cause	Resource issues.
Auditee Response	1. Tried to contact customer multiple times but no response.
Expected date of completion	13-02-2024
Status	3-Open

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OBSERVATION

PAYABLES

Scope of work

- To check that caution money and other deposits paid by students on admission have been shown as liability in the balance sheet, not transferred to revenue, unless they are non-refundable.
- To examine the relevant correspondence/other documentary evidence to verify the validity, accuracy, and completeness of creditors/acceptances.
- To check the list of students from whom fees have been received in advance and the opening balance outstanding in the 'Fees received in Advance' account is reversed and charged to the income and expenses account. To check the fees received in advance from that student have been transferred to his/her respective student's account in case any student has left the institution.
- To scrutinize debit balances in the creditor's ledger, to determine the following:
 - Excess payment
 - Bill not booked
 - Advance made but material or service not received
 - Whether new advance was given to the same party from which earlier supplies are pending for a long time.
 - Whether any of the trustees is a creditor of the trust.

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OBSERVATION:

Observation	(Refer annexure:7) <ol style="list-style-type: none">1. Total of Rs. 24,25,733 of advances/receivables outstanding for more than 180 days. (Refer Annexure)2. A total of Rs. 19,79,136 worth of work has been completed, but the vendor has not provided the invoice. The status of this amount, which needs to be either expensed or capitalized based on a completion certificate from the Engineer, is still outstanding.
Controls Rating	Enhancement Required
Recommendation	<ol style="list-style-type: none">1. Get invoices and close the advance spending.2. Contact vendor and recover advances. If there is any dispute in recovery, get the ledger confirmation, reconcile, and close.3. Trace the transaction and close the payment. (Or) Get completion certificate from Engineer and capitalize or expense it off.
Root Cause	Resource Issues, Process issues
Department Response	Accounts Department: <ol style="list-style-type: none">1. Long outstanding ledger remarks: Shared2. Will make payment to vendors and close the transaction3. Following up with vendors: Rs. 2,42,227/- worth of payables written back with management approval as it is no longer payable.
Expected date of completion	31-08-2024
Status	Open

Scope of Work

1. To ensure that the refund of taxes deducted from the income from investment (interest on securities, etc.) has been claimed and recovered.
2. To ensure TDS deduction is made at appropriate rates & appropriate time.
3. To ensure TDS is deducted for all applicable expenses.
4. To ensure TDS deducted is remitted within due dates to the department using appropriate challans by selecting the appropriate section code and assessment year.


STATUTORY COMPLIANCE:

OBSERVATION:

Audit Procedure	<ol style="list-style-type: none">1. Verified expenses and advances to ensure TDS is deducted and remitted on all applicable expenses and advances.2. TDS challans verified to ensure whether deducted amount remitted within due dates.
Observation	<p>Refer Annexure-8</p> <ol style="list-style-type: none">1. One instance noted where TDS applicable by the nature of accounting, whereas the transaction involves labor and material supplies.2. TDS defaults of Rs. 41,08,180, of which it is observed that Rs. 35,09,190 is due to inoperative PAN of vendors.
Controls Rating	Immediate action required
Recommendation	<ol style="list-style-type: none">1. Account invoice according to the nature of transaction.2. File rectification form and close the defaults wherever applicable, and pay liability for interest and short payment.
Root Cause	Resource Issues
Auditee Response	<p>Accounts Department:</p> <ol style="list-style-type: none">1. Rectified.2. Justification reports provided to consultant and work is under process. Rectification forms filed but pending from department for approval.
Expected date of completion	NA
Status	<ol style="list-style-type: none">1. Open

LEDGER REVIEW POINTS:

Refer Annexure-Other Expenses

<div>INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT</div> <div>[Where the data of the Return of Income in Form ITR-1(SAHA)], ITR-2, ITR-3, ITR-4(SUGAM), ITR-5, ITR-6, ITR-7 filed and verified] (Please see Rule 12 of the Income-tax Rules, 1962)</div>			Assessment Year 2024-25	
PAN		AABTC6867A		
Name		COUNCIL FOR SOCIAL DEVELOPMENT		
Address		Opp LIC Training Center , Karakambadi Road, Karakambadi Road , Tirupati , 02-Andhra Pradesh, 91-INDIA, 517507		
Status		05-AOP/BOI	Form Number	ITR-7
Filed u/s		139(1)-On or before due date	e-Filing Acknowledgement Number	543008731290924
Taxable Income and Tax Details	Current Year business loss, if any		1	0
	Total Income		2	0
	Book Profit under MAT, where applicable		3	0
	Adjusted Total Income under AMT, where applicable		4	0
	Net tax payable		5	0
	Interest and Fee Payable		6	0
	Total tax, interest and Fee payable		7	0
	Taxes Paid		8	40,11,327
	(+) Tax Payable /(-) Refundable (7-8)		9	(-) 40,11,330
Accreted Income and Tax Detail	Accreted Income as per section 115TD		10	0
	Additional Tax payable u/s 115TD		11	0
	Interest payable u/s 115TE		12	0
	Additional Tax and interest payable		13	0
	Tax and interest paid		14	0
	(+) Tax Payable /(-) Refundable (13-14)		15	0
This return has been digitally signed by <u>PRAKASH AMBAVARAM</u> in the capacity of <u>Principal Officer</u> having PAN <u>ALZPA5341G</u> from IP address <u>117.241.207.26</u> on <u>29-Sep-2024 19:55:48</u> DSC SI.No & Issuer <u>4120223</u> & <u>4844935507439066776CN=PantaSign Sub CA for DSC 2022,OU=Certifying Authority,O=Pantagon Sign Securities Pvt. Ltd.,C=IN</u>				
System Generated Barcode/QR Code		<div> AABTC6867A07543008731290924d89e53c49f88eff78aaba59a023fc23928c35079</div>		
DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU				