INTERNAL AUDIT REPORT

BAOU
Education for All

For the period

1st April, 2022 to 31st March, 2023

JAIN KEDIA & SHARMA
CHARTERED ACCOUNTANTS

1001-1002, 10th Floor, Abhijeet III
Nr. Mithakhali Six Road,
law Garden,
Ahmedabad - 380006.

Phone: 079-40032023, 079-26449920/30

Email: clients@jainkediasharma.com

Dr. Babasaheb Ambedkar Open University
"Jyotirmay Parisar",
Opp. Shri Balaji Temple,
Sarkhej-Gandhinagar Highway,
Chharodi, Ahmedabad – 382481

Dear Sir,

Sub: *Internal Audit Report for the period from 1st April, 2022 to 31st March, 2023*

We are pleased to submit our Internal Audit report as under:

DETAILED INTERNAL AUDIT REPORT

Sr. No.	Areas Covered	Findings	Recommendations
1	**BANK**		



1.1	Vouching and verification of bank transactions	The Bank book has been checked along with the vouchers maintained. No irregularities have been found.	Nil
1.2	Fixed Deposits with Banks	The fixed deposits register depicting Fixed Deposits with Banks has been verified and no discrepancies have been found.	It is advisable to make Fixed Deposits with Banks in round figures in lakhs and the option of receiving interest on Quarterly basis should be opted, so that the interest income is correctly accounted in each financial year rather than interest accounted on the date of maturity.
1.3	Fixed Deposit Interest	Mismatch is found in amount of FDR Interest as per books and as per with 26AS due to cash system is followed.	-- Do --
2	**Loans and Advances**	Many of the Loans and Advances given to old employees are still standing in books of accounts is it recoverable or not?	It is advised to write-off the Loans and Advances, which management deems unrecoverable
3	**REPAIR AND MAINTENANCE EXPENSES**		



3.1	TDS on Repair and Maintenance Expenses	It is observed that TDS is deducted on whole Repair and Maintenance Expenses irrespective of amount of expenditure incurred, which is more than what is provided in the IT Act, 1961.	Ideally, Assessee is only liable to deduct TDS u/s 194C on Labour Charges only if it exceeds the limit mentioned in Section 194C of Rs. 30,000 per transaction or Rs. 100,000 in aggregate per financial year.
3.2	Regarding Accounting of Repair and Maintenance Expenses	It is observed that Repair and Maintenance Expenses are accounted in a general manner.	It is advised to bifurcate the Repairs and Maintenance Expenses into the various categories viz. Building Repairs, Furniture and Fixture Repairs, Computer Repairs, Equipment Repairs, Vehicle Repairs, Electric Repairs etc.
3.3	Scope of Repair and Maintenance Expense	The Linen Upkeeping and Hospitality Expense are also booked under the Repair and Maintenance Expense.	Ideally Repair and Maintenance Expense only Expenses incurred for the Maintenance of the Business Assets and which ensures that assets will continue to operate in their intended manner over their useful life. The Linen Upkeeping and Hospitality Expenses should be accounted as general exps. or misc. exps.
4	**STATUTORY PAYMENTS**		
4.1	Verification of T.D.S. deduction, payment and returns	TDS challans and TDS return has been verified by us for FY. 2022-23. TDS returns of the Club have also been filed on time. The payments were found in conformity	It is advised that TDS payments are made on timely basis as per the statutory dates to avoid any disallowance of expenditure and interest or penalty thereon.



4.2	Verification of contribution and Payment of Provident Fund, ESI& Professional Tax	The university has deducted and made statutory payments as per applicable provisions in the respective Acts.	It is advised that PF and ESI payments are made on timely basis as per the statutory dates to avoid any disallowance of expenditure and interest or penalty thereon.
4.3	Goods and Service Tax (GST)	The university has effectively maintained all the records relating to Goods and Service Tax and filed all the relevant returns timely.	It is advised that club ensures timely filing of all the GST returns to avoid late fees. Further, at the time of assessment the University may have to pay interest on late filing of returns.
5	**FIXED ASSETS AND DEPRECIATION**		
5.1	Fixed Asset Register	It is observed that Fixed Assets Register is not maintained due to which there is chances of occurrence of errors increases Internal control.	It is advised to maintain the Fixed Asset Register as it will help in maintaining the reconciliation of Fixed Assets and of usage of particular Grant towards particular Asset too. It is advised to maintain the Asset wise account to incorporate the correct accounting treatment at the time of sale i.e. To book correct Profit or Loss on sale of Asset.
5.2	Verification of Fixed Assets Additions	The verification of the invoices of Fixed Assets Additions is done properly for F.Y. 2022-23	

JAIN KEDIA & SHARMA CHARTERED ACCOUNTANTS FRN 103920W AHMEDABAD

5.3	Depreciation	It is observed that university is not charging Depreciation on Fixed Assets.	It is advised to charge the depreciation on Fixed Assets for the requirement of University Grants Commission (UGC) and Comptroller and Auditor General of India (CAG).
6	**Accounting Method**	It is observed that University is following the Single Entry System through which it is difficult FOR Audit Trail and Management also.	It is advised to maintain the books on the method of accounting of expense through party accounts rather than directly through expense account so as to keep control on TDS deduction and to avoid any possibility of double payment.

For Jain Kedia & Sharma

Chartered Accountants

Firm Reg. No. 103920W



Ajaykrishna Sharma

Partner

Membership No. 035075

UDIN: 24035075BJZZLS7442

Place: Ahmedabad

Date: December 26, 2023

DR. BABASAHEB AMBEDKAR OPEN UNIVERSITY

"Jyotimay" Parisar
Opp. Shree Balaji Mandir,
Sarkhej - Gandhinagar Highway
Chharodi,
Ahmedabad

Balance Sheet

1-Apr-22 to 31-Mar-23

Liabilities	as at 31-Mar-23		Assets	as at 31-Mar-23	
University Funds & Reserves		**2,44,06,45,205.67**	**Fixed Assets**		**93,23,32,772.13**
Capital Grant (Construction)	*35,14,06,363.00*		Center Assets	*37,47,544.00*	
Statutory Corpus Reserve As Per Universities Act	*4,46,50,624.00*		*Building - Assets*	*66,17,99,369.00*	
Surplus of Income & Expenditure Account	*78,01,10,965.75*		*Computer Perif. Assets*	*4,39,71,626.00*	
University Funds	*1,26,44,77,252.92*		*Equipment - Assets*	*3,86,19,446.00*	
			Furniture & Fixture - Assets	*10,67,35,029.00*	
Loans (Liability)		**87,98,917.00**	*Library Assets*	*1,04,53,626.00*	
Centre Recovery Adv.	*65,637.00*		*Studio Equip. Assets*	*5,53,11,162.00*	
EMD	*6,94,211.00*		*Vehical (Assets)*	*1,16,94,970.13*	
Krishna Buildspace Pvt. Ltd. Deposit	*26,14,962.00*				
Library Membership Deposit	*53,154.00*		**Investments**		**1,36,51,60,917.00**
NPS Recovery	*2.00*		G.S.F.S LTD	*76,53,54,264.00*	
R R Engineering Company Deposite A/c	*2,39,800.00*		Investment in FDR	*59,97,81,653.00*	
Security Deposit	*48,77,523.00*		*40756057051 Bank Fdr Guarantee OLD*	*25,000.00*	
Shree Sagar Sales Deposit	*1,09,339.00*				
Spire Enterprise Deposit	*1,44,289.00*		**Current Assets**		**17,05,27,595.29**
			Deposits (Asset)	*1,13,968.00*	
Current Liabilities		**1,85,77,161.75**	Loans & Advances (Asset)	*7,92,88,400.00*	
Duties & Taxes	*14,68,358.00*		Cash-in-hand	*24,291.00*	
Grant in Aid 2022-23	*45,83,400.00*		Bank Accounts	*9,10,98,431.29*	
Grant in Aid FY 21-22	*14,00,000.00*		*EPF Receivble A/c*	*771.00*	
Bahusmama Construction Pvt. Ltd Payble A/c	*2,18,937.00*		*GST Receivable*	*1,734.00*	
Deposit (Liabilities)	*4,200.00*				
D R Enterpise Paybale A/c	*23,962.00*				
Kalptaru Offset Payable A/c	*4,29,202.00*				
Krishna Buildspace Pvt Ltd Paybale A/c	*57,936.00*				
Maheshbhai J Vaghela Paybale	*4,14,207.00*				
Maruti Printers Payable A/c	*37,21,449.00*				
Print Vision Pvt.Ltd. Payable A/c	*2,61,300.00*				
Safal Hospitality & Maintenance Service Paybale A/c	*1,00,000.00*				
Sahitya Mudranalaya Pvt.Ltd. Payable A/c	*53,38,384.00*				
Shiv Security Service Paybale A/c	*48,052.00*				
Spire Enterprise Paybale A/c	*80,000.00*				
Unclassified A/c Pending Identification	*4,27,774.75*				
Total		**2,46,80,21,284.42**	**Total**		**2,46,80,21,284.42**

FOR JAIN KEDIA & SHARMA
CHARTERED ACCOUNTANTS
FIRM REGN. NO.: 103920W

(Ajaykrishna Sharma)
PARTNER
Membership No. 035075

Place - Ahmedabad
Date - 30/10/2023
UDIN - 23035075BGPXAF2250

JKS
FRN 103920W
AHMEDABAD
CHARTERED ACCOUNTANTS

Finance Officer
Dr. Babasaheb Ambedkar Open University
Ahmedabad