

VSPM Dental College & Research Centre
Internal Audit Report
Period: November'23 to March'24



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- A) STATUTORY RELATED OBSERVATIONS**

- B) LEDGER SCRUTINY**

- C) BANKING RELATED OBSERVATIONS**

- D) PROCUREMENT RELATED OBSERVATIONS**

- E) VOUCHING RELATED OBSERVATIONS**

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A) STATUTORY RELATED OBSERVATIONS

A.1 Part-B of E-Way Bill not generated by supplier

As per E-Way Bill rules, an E-Way Bill must be generated for the movement of goods within the state of Maharashtra (intra-state) or between states (inter-state) if the consignment value exceeds Rs 50,000. Moreover, an E-Way Bill is only valid if both Part A and Part B are completed. Without Part B, which includes transportation details, the E-Way Bill is considered invalid. Transporting goods without a complete E-Way Bill can result in penalties, including the detention or seizure of goods and vehicles.

During our vouching process, we identified a case where Part B of the E-Way Bill was not generated, rendering the E-Way Bill incomplete, and potentially leading to compliance issues and associated penalties.

The details are as follows-

Vch. No	Vch. Date	Vendor	Value of Consignment	Head Debited
Mar20-4	04-Dec-23	Consed International	2,90,000	Instrument & Equipments

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A.2 Late Payment of TDS amount

As per the Income Tax Act, Tax Deducted at Source (TDS) must be deposited with the relevant authority by the 7th of the following month, with the exception of March deductions, which must be deposited by the 30th of April.

If there is a delay in remitting the deducted TDS, an interest charge of 1.5% per month or part thereof is imposed as stipulated in Section 201(1A).

During the verification of statutory dues, we have observed that the unit has not deposited the TDS amount on timely basis thereby liable to pay penal interest @ 1.5% PM.

It is suggested to make the payment of TDS on timely basis to avoid penalty in the form of interest.

Details of the same are as follows:

Vch. No.	Month of Deduction	Date of Payment	Delay (in months)	TDS Amount	Penalty of 1.5% pm. Or part thereof	Section
23/24-676	Decemeber	13-01-2024	2	10,000	300	194J

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23/24-695	Decemeber	13-01-2024	2	14,039	421.17	194 C	Formatted: Centered
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A.3 Non-Deduction of TDS u/s 194J, leading to: 30% disallowance of expenses:

As per Income Tax Act, 1961 the person responsible for making payment to the resident for professional services should deduct TDS @ 10%, either at the time of crediting such sum to the party or at the time of payment thereof, whichever is earlier failing which would attract disallowance of 30% of such expenditure, apart from penal consequences of non-deduction and payment of TDS. But we have observed 2 cases where provision for expenditure has been made but TDS upon the same not deducted.

Details of the abovementioned anomalies are as follows:

Date	Voucher No.	Ledger	Amount	TDS
31-03-2024	23-24/1069	Audit Fees	100300	10030
30-03-2024	23-24/1060	Internal Audit Fees	295000	29500
Total				39530

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B) LEDGER SCRUTINY

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B.1 Goods or services not recd./Expense or asset not debited Against advance made to suppliers:

During scrutiny of creditors, we identified several instances where advances were made to suppliers, but the goods or services have not yet been delivered, or corresponding invoices have not been submitted. This has resulted in a debit balance in the suppliers' accounts.

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(A) M/s. Hayat Computers & Security Solutions (Repeat point)

An advance of Rs 56,813 has been outstanding for more than 2 years in the account of Hayat Computers & Security Solutions dated 30-August-21. The underlying reason behind this delay in clearance of advance needs to be identified.

(B) M/s Lax Air Med Construction (Repeat point)

During ledger scrutiny of creditors, we have observed that the unit has given 50% advance of Rs. 4,16,600 to the abovementioned party for pipeline work on 8th October, 2022 and there is no entry in this party's account till date.

The status of the said work needs to be ascertained and accordingly appropriate steps should be taken.

(C) M/s. Ashwini Electro Power (Repeat point)

During audit, we observed that this account is showing a debit balance of **Rs 13,136/-** as on **31st March 2023**.

Upon scrutinizing the same, we noted that the unit has given 50% to the said party ~~as~~ on **28th Jan 2022** for electrification work of ground floor of the college. However, the bill booked against this advance ~~exceeds~~ is less than the amount given, resulting in the debit balance.

(D) M/s. Gargee Sales & Services

The account of M/s Gargee Sales & Services had a debit balance of **Rs 4,248** due to an expense for the AMC of a compressor for the period from **01-Aug-23** to **31-Aug-24** not being recorded.

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(E) M/s Snow Cool Refrigeration & Engineering

During the course of audit, we have noticed that this party's account is showing a debit balance of **Rs 3,82,003/-** as on **31-Mar-2024** being :-

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~~Upon scrutinizing the account, we came to know that the unit has paid an~~ advance ~~amount as paid~~ on 07-Jul-23 for Pipe line at UG Section of Prosthodontics Department. However, no expense is booked against such advance payment. The reason behind this needs to be ascertained and appropriate action needs to be taken.

(F) M/s Synchronik

A 50% advance payment of **Rs 40,000/-** was made to M/s Synchronik for Annual Maintenance Contract for RFID assisted library software, RFID Anti-theft gate (For the period 01-Nov-23 to 31-Oct-24). However, no expense was booked against such advance.

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(G) M/s. Manas Agro Industries & Infrastructure Ltd.

During scrutinizing of creditors, we have noted that the unit has paid 50% advance on account of software subscription renewal to the said party on 09-Feb-24 and since then nothing is debited against the same resulting into debit balance of **Rs 48,675/-**. Proper steps should be taken either to get the supply fulfilled or recover the advance.

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(H) M/s S.A Digital Films Pvt. Ltd (Repeat Point):-

During scrutinizing of creditors, we have noted that the unit has paid 50% advance on account of making of documentary film to the said party on 22nd march,2022 and since then nothing is debited against the same resulting into debit balance of **Rs 44,250/-**. Proper steps should be taken either to get the supply fulfilled or recover the advance.

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B.2 Payment not made against old outstanding balance of Hyderabad Dental Depot (Repeat Point)

A credit balance of **Rs 2,07,804/-** is outstanding in the account of Hyderabad Dental Depot since January'21. ~~Late payments to creditors may result in strained supplier relationships, potential penalties or interest charges, and could indicate inefficient cash flow management within the organization.~~ The same need to be examined whether the same is payable or not as currently there is no demand on record.

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B.3 Direct & Indirect expenses have been grouped under direct expenses:

We have observed, that indirect expenses in Tally is showing zero balance (other than depreciation) which means only direct expenses have been incurred till date, practically which is not possible.

Expenses of indirect nature have to be identified which are clubbed under direct expenses and should be shown separately under head indirect expenses.

B.4 Ethics Committee fund appearing since Feb 2022 and there is no corresponding utilization of the same:

During scrutiny, we have noted that the balance appearing in the ethics committee fund which is appearing on account of receipts from Dr Reddy laboratories has not been utilized even once ever since the amounts have been credited to this account.

Details of the same are as follows:

F. Y	Amount Received	Amount Utilized	Cumulative balance
2021-22	49,500.00	-	49,500.00
2022-23	2,08,000.00	-	2,11,500.00
Total	2,57,500.00	-	2,57,500.00

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B.5 Salary payable 2023-24 showing credit balance of Rs. 0.72 Lacs.7K/-

During the course of audit, it came to our notice that this account is showing a credit balance of **Rs 72,702/-** as on 31st March, 2024 indicating short payment of salary to employees. Upon Scrutinizing the same it came to our notice that the said amount pertains to salary reversal of **Tushar Morwade** for the month of **January'24**.

The reason for the same needs to be ascertained and proper steps should to be taken to settle the said amount.

B.6 MDS stipend payable account showing credit balance of Rs 1.37 Lacs

During the course of audit, we have noted that this account is showing a credit balance of **Rs 1,37,184/-** Upon checking, it came to our notice that this balance is for the months of October'23 to March'24.

Details of the same are as follows:

Month	Bookings	Payment	Net Payable	Cumulative Unpaid Amount
Prior April	59031	59031	0	0
Apr-23	340216	340216	0	0
May-23	311707	311707	0	0
Jun-23	258714	258714	0	0
Jul-23	255174	255174	0	0
Aug-23	249673	249673	0	0
Sep-23	241843	241843	0	0
Oct-23	317757	313805	3952	3952

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Nov-23	345252	330002	15250	19202
Dec-24	336594	316594	20000	39202
Jan-24	371224	350095	21129	60331
Feb-24	357017	339085	17932	78263
Mar-24	359231	300310	58921	137184
Grand Total	3803433	3666249	137184	

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B.7 Interns Remuneration payable account is showing a cumulative credit balance of Rs 2.09 Lacs:

During course of audit, we have that the remuneration is being paid to students however it is not completely settled thereby resulting into cumulative credit balance of Rs **2,09,908/-** of which Rs.60018/- only relates to Mar'24, leaving old outstanding balance of **Rs.1.50 Lacs** including opening balance of **Rs.1.02 Lacs**. Further details of the same are as follows:-

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Month	Booking	Payment	Net Payable	Cumulative Unpaid Amount
Prior to April'23	2,03,951	1,01,139	1,02,812	1,02,812
Apr-23	87,690	70,712	16,978	1,19,790
May-23	77,615	69,516	8,099	2,18,007
Jun-23	67,500	62,971	4,529	1,56,600
Jul-23	75,320	69,951	5,369	1,52,071
Aug-23	71,805	66,406	5,399	1,25,189
Sep-23	1,02,585	70,575	32,010	2,28,085
Oct-23	71,627	13,184	58,443	1,96,075
Nov-23	65,745	1,46,120	-80,375	1,37,632
Dec-23	68,074	60,468	7,606	1,32,795
Jan-24	60,587	54,722	5,865	1,38,660
Feb-24	66,464	58,422	8,042	1,46,702
Mar-24	60,018	6,710	53,308	2,09,908

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Month	Booking	Payment	Net Payable	Cumulative Unpaid Amount
Prior to April'23	2,03,951	1,01,139	1,02,812	1,02,812
Apr-23	87,690	70,712	16,978	1,19,790

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~~reason why it is not recovered from university~~ needs to be identified and accordingly appropriate action ~~needs~~ to be taken

Details of the exam expenses and amount received from MUHS Nashik area as follows:

Particulars	Opening Balance	Debits	Credits	Dr Balance
Practical exam BDS winter 22	1,08,538	97,706	1,40,000	66,244

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B.9 Practical exam MDS Summer 23 showing a debit balance of Rs 2,80,262/-

During the course of audit, we have observed that the Practical exam MDS winter 23 a/c is having a debit balance of **Rs 280262/-** as on 31st March, 2024 indicating short recovery of exam expenses from MUHS Nashik/ ~~or excess ineligible amount incurred, which-~~~~The reason why it is not recovered from university~~ needs to be identified and accordingly appropriate action ~~needs~~ to be taken.

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B.10 Credit balance of Rs 1,200/- in Registration Fees (MSDC) A/c

During the course of the audit, we found a credit balance of **Rs 1,200** in the Registration (MSDC) account. This ~~occurred because the may be due to~~ registration fees recovered from a student ~~which has finally not appeared in exam. The same needs to be examined and if not refundable then the same may be transferred to other income were not paid to MSDC, resulting in the credit balance. We recommend promptly remitting the outstanding registration fees to MSDC to rectify the account balance.~~

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B.11 Annual Maintenance Contract/ Subscriptions not renewed or renewed late

During audit we found instances where Annual Maintenance Contract (AMC) was not renewed or renewed late. The details are follows

Particulars	Supplier	Previous AMC/ Subscription expiry date	Date of renewal	Remarks
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B.14 Credit balance outstanding in College Caution Money

Caution money is collected as a refundable deposit by educational institutes at the time of admission and is ~~refunded~~ refundable upon completion of course ~~as and when claimed by the students, usually upon their graduation or departure from the institution, after deducting any charges for damages, if applicable.~~ During our audit, however, we noticed that balance has been outstanding in the College Caution Money account since ~~long~~ ~~as far back old~~ as 2012. We suggest that proper Standard Operating Procedures (SOPs) should be established to transfer the outstanding amount in the Caution Money account, after a fixed term, to the Student Welfare account. This practice would ~~enable~~ ensure the proper utilization of funds.

The details are as follows-

Year	Amount (Rs)
College Caution Money (BDS) 2013	2,00,000.00
College Caution Money (BDS) 2014	1,60,000.00
College Caution Money (BDS) 2015	70,000.00
College Caution Money (BDS) 2016	40,000.00
College Caution Money (BDS) 2017	2,50,000.00
College Caution Money (BDS) 2018	9,75,000.00
College Caution Money (BDS) 2019	25,00,000.00
College Caution Money (BDS) 2020	25,00,000.00
College Caution Money (BDS) 2021	25,00,000.00
College Caution Money (BDS) 2022	25,00,000.00
College Caution Money (BDS) 2023	25,00,000.00

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B.15 Delay in settlement of advances

During scrutinizing the advances given, we have found substantial delay in settlement of advances. This indicates that the controls for prompt settlement of advances have not been framed and implemented or not effective. Hence the unit shall frame strict policies regarding prompt settlement of employee advances. Details are as follows-

Employee name	Date of advance	Date of settlement	Amount	Purpose	No. of days since advance is given
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Mr. Doifode Rishikesh	17-10-2023	05-03-2024	10,000	Sports Tournament	140
Dr. Rawlani Sudhir	28-10-2023	09-02-2024	5,000	MUHS Theory Winter Exam	104
Dr Ingole Pranov	26-06-2023	07-09-2023	5,000	MUHS Theory Summer Exam	73
Dr. Pande Neelam	27-12-2023	16-02-2024	5,000	CDE Programme	51
Dr. Shenoy Ramakrishna	19-08-2023	07-10-2023	10,000	CDE Programme	49
Balani kapil	20-01-2023	08-03-2023	10,000	Adv. For photography & screen display	47
Dr. Shenoy Usha.	29-01-2024	01-03-2024	10,000	CDE Programme	32

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B.16 Non-Maintenance of Fixed Assets Register:

During the course of audit, we found that fixed assets register is not being maintained by the Unit. This poses difficulty in identification of the fixed assets held by the unit [and physical verification thereof](#). Hence it is suggested to maintain a FAR showing full particulars, Quantity, Location, Date of Acquisition, Date of Put to Use, Gross Acquisition Value, Accumulated Depreciation and Net Carrying Value as at the year end to give proper information about the fixed assets of the Unit.

B.17 Differences in revenue

During our audit, we observed discrepancies between the [revenue](#)-figures [of revenue](#) as calculated manually and those recorded in Tally and ERP software. Identifying the reasons behind these differences is crucial for ensuring accurate financial reporting and compliance.

Particulars	Amount
Revenue as per Tally	69,27,551
Revenue as per ERP	69,52,977
Difference	25,426

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Particulars	Amount
OPD Net Income	67,53,080
Revenue as per calculation	67,25,427
Difference	-27,653

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For details refer **Annexure 3**.

B.18 Provision not made for PF & TDS Return Filing Charges

During our audit, we observed that provisions for the Provident Fund (PF) and Tax Deducted at Source (TDS) return filing charges for the last quarter (Q4) have not been made. This omission results in the understatement of expenses for the period, leading to inaccuracies in the financial statements.

B.19 Payment made against incorrect reference

During audit it was noted during the audit that account shows outstanding of March 2023 while overstatement of payments for May'23. Upon scrutiny we noted that the same is due to incorrect reference of month of May 2023 (which had already been settled via Payment-273), instead of March 2023 in the payment entry for Intern Remuneration from April 2022 to March 2023 (Payment-285), an incorrect reference was used for the month of May 2023 instead of March 2023. While the overall account balance may appear correct, this error results in an overstatement of payments made against the May 2023 reference, which had already been settled via Payment-273. Simultaneously, it shows an outstanding payment against the March 2023 reference, indicating the need for adjustment to accurately reflect the financial transactions in Tally.

C) BANKING RELATED OBSERVATIONS

C.1 C.1 Outstanding Transaction in Bank Reconciliation

During the bank reconciliation process of Arvind Sahakari Bank A/c No.- 20/10, we noted that payment of Rs.12800/- to Arvind Ujjwal Co-op Credit Society is not cleared till 6th June'2024(date of latest reconciliation). The delay need to be examined.

Further, during checking we noted that in the bank reconciliation in Tally instead of actual clearing date the date of reconciliation is put as bank date which is wrong practice. an outstanding transaction dated 31-Mar-24 as per Tally records. This transaction has not been reconciled with the bank statement, indicating a discrepancy. The details are as follows-

Date	Payment made to	Amount
31-Mar-24	Arvind Ujjwal Co-op Credit Society	Rs. 12,800

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D) PROCUREMENT

D.1 Purchase order generated after the receipt of Goods:

During audit, we have observed ~~3-2~~ cases where ~~the goods have been purchased and afterwards~~ the purchase order ~~of the same~~ was generated ~~after the goods have been received / purchased, the~~ Date mentioned on invoice is of before PO date indicating that po was after purchase.

Further details of ~~the same which~~ are as follows:

Vch No.	PO Number	PO date	Invoice date	Supplier Name	GRN date	GRN No.	PO amount
23/24-862	P/2022-23/187	31-Jan-24	25-Jan-24	Mallhari	05-Feb-24	GRN/707	10,600
23/24-863	P/2022-23/	31-Jan-24	25-Jan-24	Udyog	05-Feb-24	GRN/708	30,760

D.2 Pending purchase orders worth Rs 4.5663 Lacs:

~~During audit, w~~We have extracted pending purchase order report from Yuvicare Software and observed ~~that overdue 29 purchase orders worth Rs 4.56 Lacs, 62,554 are pending from of 949~~ different suppliers.

The reason why these purchase orders are not fulfilled by the suppliers needs to be ascertained and proper action needs to be taken by the unit.

For PO wise, Suppliers wise summary and item wise summary details refer **Annexure 1**.

D.3 Cases of manual intervention in invoice is observed:

During vouching, we have found invoices with manual alterations, and there was no revised invoice attached to the voucher. It is advisable to request a corrected invoice instead of relying on alterations made to an incorrect invoice. Details are as follows-

Voucher Date	Voucher No.	Party	Amount	Remarks
19-Jan-24	23/24-767	Patil Painting	44,077	Painting Work
14-Mar-24	23/24-962	Works	1,12,793	

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Mar20-10	05-12-2023	11-11-2023	24-11-2023	11
Mar20-11	05-12-2023	01-10-2023	22-11-2023	50
Mar20-48	14-12-2023	30-11-2023	07-12-2023	5
Mar20-73	18-01-2024	09-12-2023	15-12-2023	4
23/24-776	23-01-2024	03-01-2024	09-01-2024	4
23/24-804	01-02-2024	27-12-2023	03-01-2024	5
23/24-863	14-02-2024	25-01-2024	05-02-2024	9

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D.6 Purchases made without Purchase Orders identified

During our audit we extracted Purchases made without Purchase Order (PO) Report from Yuvicare Software. Total 106 purchases amounting to Rs 11.32 Lacs were made without Purchase Order.

-It is advisable to ensure that all purchases are accompanied by a properly approved Purchase Order to maintain accurate records and facilitate transparent auditing processes. The details are mentioned in Annexure 2: No's / amt??.

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E) VOUCHING RELATED OBSERVATIONS

E.1 Delay in bill booking as long as 55 days:

While verification of vouchers, we noted many cases where delayed booking has occurred after considering 4 grace days.

Voucher No.	Bill date	Voucher date	Delay
Mar20-10	09-11-2023	05-12-2023	22
Mar20-11	31-10-2023	05-12-2023	31
Mar20-12	21-10-2023	05-12-2023	41
Mar20-14	30-10-2023	05-12-2023	32
Mar20-49	31-10-2023	14-12-2023	40
Mar20-39	20-09-2023	08-11-2023	45
Mar20-72	02-10-2023	30-11-2023	55
Mar20-42	01-12-2023	16-01-2024	42

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E.2 No Supporting attached in vouchers

While checking ~~the vouchers, we have observed in~~ two cases ~~wherein~~ no supporting was ~~found~~ attached ~~and in this situation how the voucher was passed need to be explained~~. Proper supporting is required so as to ensure the validity and authenticity of transactions and work accomplishment. The two cases are as follows-

- Retainership expenses
- Local travelling expenses (Travelling expenses head)

E.3 Incorrect narration

During the course of audit, we have observed a case of ~~wrong narration incorrect period is mentioned in narration (2 years instead of 3 Years)~~ which leads to difficulties in ledger scrutiny. ~~Incorrect period was mentioned in the security deposit refund entry.~~

Details of the same are as follows:

Voucher No.	Voucher date	Party name	Nature of payment	Amount
Payment-1511	16-Jan-24	M/s Verma Dentlink	Security Deposit Refund	Rs 2,70,249

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E.4 Prior period Expenses booked in current year:

While checking we noted that expenses totaling to **Rs. 31,769/-** which belongs to preceding financial years are booked as current year expenses, resulting into prior period expenses which is wrong accounting ~~policy~~ and will be disallowed under **Income Tax act 1961**. ~~So, it needs to be booked under separate head of prior period items and henceforth adequate provision should be done for outstanding expenses.~~

Details of the same are given in table below:

Voucher No.	Voucher Date	Gross amount	Nature of expense	Prior Period	Prior period expense
23/24-922	01-Mar-24	18437	Annual Maintenance Contract	09-Mar-23 to 31-Mar-23	1108.285
23/24-923	01-Mar-24	8085	Annual Maintenance Contract	02-Mar-23 to 31-Mar-23	1274.266
23/24-984	18-Mar-24	35400	Journals and Subscription	01-Jun-22 to 31-Mar-23	29386.85

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F) FEES RELATED OBSERVATIONS

F.1 Development fund not utilized:

During ledger scrutiny, we ~~have~~ noticed that the Development Fees Fund is appearing in the books since F.Y. 2018-19 by way of collection from students. However, the same is not utilized for any purpose.

The details of the same are as follows:

Sr. No.	Account Name	Amount Balance
1	Development Fees Fund (BDS)	6,90,90,337
2	Development Fees Fund (MDS)	1,26,29,604
Total		8,17,19,941

F.2 Self-finance fees BDS and MDS to be transferred to MUHS Nashik:

During ledger scrutiny, we ~~have~~ observed that the self-finance unit fees a/c for both the courses (BDS & MDS) are showing Credit balances as on 31st march, 2023 indicating that the same has not been transferred to MUHS Nashik. The reason for not transferring the same is to be determined and appropriate action needs to be taken.

Details of the self-Finance fees received and transferred are as follows:

F. Y	Course	Amount Received	Amount transferred	Cumulative credit balance
Prior to 2023-24	BDS	32,920.00	16,000.00	16,920.00
2023-24		5,000.00	-	21,920.00
Total		37,920.00	16,000.00	21,920.00
Prior to 2023-24	MDS	3,880.00	-	3,880.00
2023-24		900	-	4,780.00
Total		4,780.00	0.00	4,780.00
Grand Total		42,700.00	16,000.00	26,700.00

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G) SOFTWARE RELATED OBSERVATION

G1. ~~Details of MSME not Available in Software~~

~~During our audit, we found that there are Total 882 Invoices raised by the suppliers which are showing as pending for payment. Further it is not possible for us to trace which supplier falls under MSME and which isn't. Therefor it suggested to the management to take necessary steps to add MSME status as of Supplier in Payable Ageing Report in Software.~~

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G2.G1. ~~Non-Moving Items~~

~~Upon generating During the course of Audit, we observed that in report of non-moving items generated from the YUVICARE Software following items are appearing in the list which need to be examined for corrective action there was items which was classified as Non-moving items. Details of which are as under:~~

Sr.no	Product Name	Stock	Status
4	Alginate Spatula	2	Non-Moving Item
7	Birla White 5Kg	5	Non-Moving Item
10	Surgical Kit	6	Non-Moving Item

~~Reason as to why surgical kit is classified as non moving item when the same is a generally a one-time use product due to safety precautions. Further why Birla White Paint is classified as non-moving items when there is no reason to keep stock of paints.~~

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H) Inventory Related Observations

H1. ~~Excess stock in Physical verification in comparison to ERP~~

~~During our course of physical verification, it was observed that a item, details of which are in table below, is in excess quantity in store as compared to the stock as per ERP.~~

Purchase Price	Unit as Per ERP	Units as Per Verification	Purchase Price	Unit as Per ERP	Units as Per Verification
Rs.184	138	139	Rs.184	138	139

~~It came to our notice that the Indent for the same was created on earlier date but the item was not issued form the stores.~~

H2-H1. Difference in Stock as per ERP and Stock in Stores

During ~~our course of Stock Audit, we observed that the during~~ physical verification on 2nd July 2024 ~~we observed there was~~ differences in stock as per ERP and Stock as per stores ~~which shows lacks in Internal control of the unit.~~

~~Details of such instances are~~ as follows:

Items	Purchase Price	Unit as Per ERP	Units as Per Verification
DESKTOP (HP)	Rs.41200	1	0
Blazers	Rs.2500	25	0

~~We ascertained that the same is due to issue of stock without Upon asking the reasons, it was found that it is because of non-preparation of Purchase Indent issue requisition and issue of stock said items without Indent. This showings lack of iInternal control-and management needs to take appropriate steps to counter such lacks in internal control.~~

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I) OTHER OBSERVATIONS

I.1 Recommendation for closure of bank A/c with No transactions ~~since long(Repeat Point):~~

During scrutiny, we found that as there are no transactions in the bank account since long, the same needs to be closed and the necessary formalities for the same need to be carried out.

Bank Name	Balance	Date of last transaction
Oriental Bank of Commerce, A/c No01841011000905	35,251 Dr.	03-04-2010

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I.2 Provision of salary is still appearing in books: Cr. Rs. 43,55,985/- (Repeat Point)

During Ledger scrutiny, we have observed that provision for salary increment was made on 2nd March 2021 (for DA 19%Yearly increment in salary) but it has not been settled till date. No details are available that whether the same is

paid out along with regular payments or whether it is payable or not. The same need to be examined for corrective action considering the huge volume.

Details of the same are as follows:

Vouch No.	Date	Particulars	Credit
Mar20-9	02-03-2021	Salary & Allowances Non Teaching	21,73,164
Mar20-10	02-03-2021	Salary & Allowances Teaching	17,24,967
Mar20-10	02-03-2021	Salary & Allowances Non -Teaching	4,57,854

I.3 Documents not provided by the unit:

Following documents were not provided to us for verification:

Sr. No.	Particulars
1	Actuarial Valuation of Gratuity Report
2	Fixed deposit Receipts
3	Salary Sheets
4	Fee Reconciliation

Sr. No.	Particulars
1	Actuarial Valuation of Gratuity Report
2	Fixed deposit Receipts
3	Salary Sheets
4	Fee Reconciliation
5	Rent Agreement
6	Loan Repayment Schedules

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I.4 Voucher Series Differences in Tally and Physical Vouchers

A Voucher Number or a Document Number is a unique identity of any voucher /document. A voucher may be identified or searched using its unique voucher number. During our audit, we observed discrepancies between the voucher series in Tally and the physical vouchers. This inconsistency can lead to challenges in tracking transactions, reconciling accounts, and ensuring the accuracy of financial records.

I.5 Entry deleted in tally instead of reversing the same:

During vouching, we did not find 13 vouchers/ entry, meaning that the entry has been deleted instead of rectifying it.

Details of the above-mentioned vouchers are as follows:

Date	Voucher no.	Date	Voucher no.
19-Jul-23	23/24-257	05-Apr-23	Receipt-6
19-Jul-23	23/24-258	11-Apr-23	Receipt-23
02-Aug-23	23/24-303	19-May-23	Receipt- 190
13-Feb-24	23/24-857	09-Oct-23	Receipt-829
26-Apr-24	Payment-58	23-Sep-23	Receipt-761
04-Aug-23	Payment-633		
21-Sep-23	Payment-907		
13-Sep-23	Payment-892		

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It is our suggestion to the unit that whenever there is an error in passing the entries, rectify the same instead of deleting it so that it could be easily tracked.