

R. I. KOTHARI & Co.
Chartered Accountants



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Date: 25/06/2024

UDIN: 24110802BKEGGMG6054

To,
The Principal,
The Govt. College of Engineering,
Station Road,
Chhatrapati Sambhaji Nagar-431001

Sub: Tuition Fees & Allied Activities Audit Report for April 2023 - March 2024

Ref: Your Appointment Letter No. Accounts/GECA/Accounts/2024/1318 Dt. 30/04/2024.

With respect to the above we here by submit our **Audit Report** of Tuition Fees & Allied Activities for the period **1st April, 2023 to 31st March, 2024**. As per the directives of the Dy. Director Technical Education Regional office Chhatrapati Sambhaji Nagar and appointment letter of Principal, Government College of Engineering, Chhatrapati Sambhaji Nagar, we have conducted Audit of Tuition Fees & Allied Activities of Government College of Engineering, Chhatrapati Sambhaji Nagar. Subject to the our remarks we have checked all vouchers of Tuition Fees & Allied Activities.

Tuition Fees is basically divided into four parts namely:

1. BE Regular
2. ME Regular
3. BE ME Part Time
4. Doctor of Philosophy (Ph. D)

These four parts has been divided on the basis of the courses conducted by college. Out of that BE Regular First year Engineering to Bachelor of Engineering is funded by Government to the extent salary of the employees, apart from that tuition fees & other fees collected from the students is deposited to Separate Tuition Fees Account.



Other three parts like ME Regular, Part time & Ph. D are non-funded and all the fees collected have been accounted in to this book.

We have verified all the receipts and payments and found it to be true and fair subject to our remarks.

Receipts and Payment account and detailed Audit reports is enclosed herewith.

Date: 25/06/2024

Place: Chhatrapati Sambhaji Nagar



For R. I. Kothari & Co.
Chartered Accountants

Rajkumar I. Kothari

Partner

M. No. 110802



Audit Report

We have verified Tuition Fees Cash Book of Government College of Engineering, Chhatrapati Sambhaji Nagar, Station Road, Chhatrapati Sambhaji Nagar for the period **01/04/2023 to 31/03/2024**.

- 1. BE Regular:** Where all the receipts related to the First Year BE to Final Year BE are maintained. The tuition fees have been collected from students and deposited in to Separate Tuition Fees Accounts, and only other receipt and payment have been collected and expended
- 2. Part Time:** Where all the receipts related to the Part Time courses are collected. These are not funded by the Government. Including tuition fees all the fees have been collected from the student.
- 3. ME Regular:** Where all the receipts related to the post graduate Engineering Courses are collected in ME Regular Cash Book. These are not funded by the Government. Including tuition fees, all the fees have been collected from the students.
- 4. Doctor of Philosophy (Ph. D):** Where all the receipts related to the doctorate in engineering field are collected in Ph. D. Cash Book. These are not funded by the Government. Including tuition fees, all the fees have been collected from the students.



Discrepancies Observed:

TDS Under Income Tax Act 1961.

Non deduction or Short Deduction of Tax Deduction at Source

It is observed that few payments are made beyond the prescribed limits of TDS provisions of Income Tax Act 1961. Failure to deduct tax may result in imposition of Interest & Penalties as per the provisions of the law. We will advise that immediately deduct the TDS and pay with interest voluntarily for the entire financial year 2023-24 and pay with due interest and it may immune you from levy of penalties.

Instances of such discrepancies is as mentioned in **Annexure-A**.

Note : Alternatively we can obtain and kept on the record the certificate in the "Form No. 26A" certified by Chartered Accountant from the respective supplier/Service Provider. Then in that case you will be escaped from the liability of deduction of TDS as mentioned above.

General Observations:

On the basis of our verification, it is observed the all the entries are made properly and they are true and correct. No abnormal items found during the course of review except mentioned above. Books are maintained generally in well condition and all entries are posted properly.

Material Facts :

1. Manual Accounting system has been discontinued & Computerized system has been adopted in Current F.Y. 2023-24. In this manner, Computerized Receipts are being issued w.e.f. 1st December 2023 instead of Manual Receipts.
2. Fixed Deposit investments are now recorded as per Current balance (i.e. Including Accrued Interest), instead of Invested amount. This change in accounting policy was opted in order to achieve reflection of financial position of Investments as on 31st March 2024. This led to Material Increase in Income of the entity.



Suggestions :

1. As per the provisions of the Income Tax act, various types of monetary limits provided it is mandatory to follow time to time and appropriate TDS has to be deducted from the concerned person/entity and deposited to the Central Government. Results of the Computerized Accounting & Manual Accounting should be matched and reconciled and only after satisfaction that both the accounting system are generating the same results, then only manual accounting system may be discontinued.
2. GST is levied and collected regularly from students, but it is calculated manually even after transforming into Computerized accounting. It is suggested to find a way of calculation of GST in the accounting software itself, so that the risk of miscalculation will be eliminated.

Date: 25/06/2024
Place: Chhatrapati Sambhaji Nagar



For R. I. Kothari & Co.
Chartered Accountants

Rajkumar I. Kothari
Partner
M. No. 110802

Annexure A : Short / non deduction of TDS from following parties :-

1) Under section 194C (TDS on Contract Payment)

Date	Invoice No.	Party Name	Gross Amount	Rate (in %)	TDS Deductible (in Rs.)	TDS Actually Deducted	Diff.
30/10/2023	01	Radharaman Enterprises	3,76,400.00	2%	7,528.00	5,568.00	1,960.00
31/10/2023	NI/2324/10/056	Niyati Infotech	70,800.00	2%	1,416.00	0.00	1,416.00
01/02/2024	NI/2324/02/095	Niyati Infotech	70,800.00	2%	1,416.00	0.00	1,416.00
Total			5,18,000.00		10,360.00	5,568.00	4,792.00

Govt. Engineering College
Osmanpura , Station Road, Chhatrapati Sambhajnagar - 431005

Receipts and Payments Account
For the year ended 31-03-2024

Receipts	Amount (Rs.)		Payments	Amount (Rs.)	
<u>To Opening Balance</u>			<u>By Indirect Expenses</u>		
Bank Accounts	30939717.42	448939717.42	Activities of Functionaries	6113442.00	87364520.72
Fixed Deposits	418000000.00		Adv. Publication	267910.00	
			Civil Work	24463.00	
<u>To Indirect Income</u>		Contract Basis Faculty Salary	13908474.00		
Tuition Fees	30848093.00	Duties & Taxes	89541.00		
Development Fees	54412132.00	Electricity Charges	3615730.00		
Gymkhana Fees	2949956.00	Furniture	34800.00		
TPO Fees	1926980.00	Gymkhana Expenses	1456364.00		
Library Fees	7262886.00	Housekeeping	4501231.00		
CMD	303500.00	Internet Expenses	442300.00		
Interent & Email Fees	5426644.00	Laboratory Expenses	115813.00		
Annual Gathering Fees	1702542.00	Machinery & Equipment	3671302.00		
Laboratory Fees	8222478.00	Maintenance Work	2268074.00		
Hostel Rent & MED Income	819153.00	Office Expenses	6893038.72		
Hostel CMD Fees	101500.00	Other/ Misc	705533.00		
Testing & Consultancy Fees	28686827.00	Property Tax	1193177.00		
Testing & Consultancy IRG Income	24339762.00	Refund of Tution Fees	2346760.00		
IRG Income	39904.00	Remu-Additional Man Power	139272.00		
Testing & Consultancy Fees Witho	9267096.00	Remu-Non Teaching Faculty	1001687.00		
Misc. Income	2195592.00	Security Charges	8480678.00		
<u>To Other Income</u>		Telephone Charges	23836.00		
Interest On FD	65789423.00	Testing & Consultancy Expenses	24026276.00		
		Travelling Expenses	632373.00		
		Water Charges	5412446.00		
		<u>By Closing Balance</u>			
		Bank Accounts	122080241.70		
		Cash-in-hand	0.00		
		Fixed Deposits	483789423.00		
Total	693234185.42	Total	605869664.70	693234185.42	

As per our separate Audit Report of even date attached

For Govt. Engineering College

For R. I. Kothari & Co.

Chartered Accountants

Principal

Place : Chh. Sambhaji Nagar

Date : 25/06/2024

B. Sambhaji
26/6/24
Principal,
Govt. College of Engineering
Chhatrapati Sambhajnagar



Rajkumar I. Kothari
Rajkumar I. Kothari
Partner (M. No. 110802)
UDIN :24110802BKEGMG6054