

DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING (STRIVE)

**INTERNAL AUDIT REPORT
FOR THE PERIOD FROM
1ST OCTOBER'2020 TO 31ST MARCH'2021**

HEAD OFFICE

**A.K. AZAD ROAD REHABARI
Guwahati- 781008**

AUDITORS



SPRK & CO.

(Chartered Accountants)

**1st Floor, Royal View Building, Dr. B. K.Kakati Road
Ulubari, Guwahati – 781007, Assam**

Ph- 0361-2460984, 9435110848. Email – sprkco@rediffmail.com

Branches

- 1) Flat No. A1, Siddhidham Apartment
Jyotinagar, Ward No. 41
Sevoke Road, Siliguri
Siliguri- 734001
West Bengal
- 2) Sparkplug Coworks # 42,
4th Block, 2nd Floor,
Kormangla, Bengaluru- 560034
Karnataka
- 3) G-11, Bhavya Residency
Near Lakhdatar Hotel
Khatushyamji, Sikar- 332602
Rajasthan
- 4) Flat No 1206, Tower 5
Lotus Panache,
Sector 110,
Noida-201304
Uttar Pradesh
- 5) TD Road, Opposite ICICI Bank
West Garo Hills
Tura- 794001
Meghalaya
- 6) House No 7, Merapani LP School,
Wokha, Nagaland - 797100



SPRK & CO.
CHARTERED ACCOUNTANTS

Contact: 0361-2460984,94351-10848;Email:sprkco@rediffmail.com

1st Floor, Royal View Building
Dr. B.K.Kakoti Road,
Ulubari, Guwahati,
PIN: 781007, Assam

PART-1-Executive Summary

SCOPE

We have conducted the internal audit assignment of **Directorate of Employment & Craftsmen Training (STRIVE)** in terms of the appointment letter issued to us. The time period covered by the audit is from 1st October'2020 to 31st March'2021. Audit procedures performed are designed to evaluate the adequacy, efficiency and effectiveness of the Company's internal control processes.

SOURCES OF INFORMATION

Audit work was conducted on the basis of enquiry, observation, confirmation and verification of supporting documentation and identified processes.

It is an inherent limitation that accounting and internal control systems cannot provide management with conclusive evidence that objectives are reached due to the following reasons:

- **There is a potential human error due to carelessness, distraction, mistakes of judgments and misunderstanding of instructions.**
- **The possibility that a person responsible for exercising an internal control could abuse that responsibility.**
- **That possibility of circumventing of internal controls through the collusion of a member of management or an employee inside or an outside entity**
- **The possibility that the procedures may become inadequate due to changes in conditions, and compliance with the procedures may deteriorate.**

MANAGEMENT RESPONSIBILITIES IN TERMS OF GOVERNANCE, RISK AND CONTROLS

Management is responsible for the establishment and maintenance of effective systems of governance to:

- **Promote appropriate ethics and values within the department;**
- **Ensure effective organizational performance management and accountability;**
- **Communicate risk and control information appropriate areas in the department; and**

Cont'd:2

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(3) Flat No 1206 Tower 5 Lotus Panache, Lotus Panache Sector 110, Noida , 201304
(4) TD Road, Opposite ICICI Bank, West Garo Hills , Tura-794001
(5) G-11, Bhavya Residency, Near Lakhdatar Hotel, Khatushyamji, Sikar-332602
(6) House No. 7, Merapani LP School, Merapani Town, Wokha, Nagaland- 797110



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- **Coordinate the activities of and communication of information by external and internal auditors and management.**

Management is further responsible for the establishment and maintenance of an effective system of internal control and risk management. The objectives of the system of internal control are, inter alia, to provide management with reasonable, but not absolute, assurance that:

- **Objectives are achieved;**
- **Financial and operational information are reliable;**
- **Operations and programs are effective and efficient;**
- **Assets are safeguarded;**
- **Laws, regulations, policies, procedures and contracts are compiled with; and**
- **Risks are identified, appropriate risk responses selected, communicated and managed.**

The principal safeguard against fraud, misstatement and irregularities is an effective system of internal control. It must, however, be recognized that there are inherent limitations in any system of internal control including management override, human error and circumventions through collusion. The prevention and detection of fraud is therefore management's responsibility. Management representations made are considered to form part of our audit evidence. Any management representations will be accepted on face value and in good faith. We will not perform detailed procedures to verify the accuracy, validity or completeness of the representations.

APPRECIATION

We thank the management for their cooperation in conduct of this audit. Should there be any clarifications the management is free to revert to us.

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PART-2 – OBSERVATIONS

- i) Manual Attendance Register/Biometric Attendance not maintained for payment of Salary to the staffs due to which present/leave details of the staffs cannot be checked.
- ii) Professional Tax has been regularly deducted by the Management on salary payment but deposits of the same has not been made. The Management should comply with the Statutory Obligations strictly to avoid any late fee/penalty/interest imposed by the tax authority.
- iii) An amount of Rs. 896646/- has been incurred for Repairing /Renovation of Class Rooms, Approach Road, Firefighting Works etc. at ITI Dibrugarh in which only Running Account Bill has been submitted by the Party. Tax Invoice has not been produced for verification. As the Party registered under GST (GST No. 18BLAPK2707G1ZE) as regular taxpayer, tax invoice should mandatorily be submitted by the Party.
- iv) Labour Cess deducted of amount Rs. 8966/- in the Bill of Kushal Kakati for Repairing /Renovation of Class Rooms, Approach Road, Firefighting Works etc. at ITI Dibrugarh has not been paid. The Management should comply with the Statutory Obligations strictly to avoid any late fee/penalty/interest imposed by the Labour Department.

For S P R K & CO.
Chartered Accountants
FRN : 321080E


(NIRAJ AGARWALLA)

PARTNER

Membership No. 310895

UDIN: 22310895AQMTWO7126

Place : Guwahati

Date : 31st August'2022

HeadOffice - 1st Floor, Royal View Building, Dr. B.K.Kakoti Road, Ulubari, Ghy-781007, Assam

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DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM

BALANCE SHEET FOR THE PERIOD FROM 1ST OCTOBER' 2020 TO 31ST MARCH' 2021

LIABILITIES			ASSETS		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
<u>GENERAL FUND</u>			Fixed Assets		NIL
Opening Balance	25603733.00		(As per Schedule-II)		
Add: Surplus transferred from I/E A/c	27215247.00	52818980.00	Loans & Advances		NIL
Current Liabilities (As per Schedule-I)		137,977.00	(As per Schedule-III)		
			<u>Cash & Bank Balance</u>		
			Cash in Hand	NIL	
			Cash at Bank		
			Bank of India (A/c No:500510110003642)	52956957.00	52956957.00
		52956957.00			52956957.00

For SPRK & Co.

Chartered Accountants

Firm Regn. No. 321080E

Niraj Agarwalla
(NIRAJ AGARWALLA)

Partner

Membership No. 310895

Place : Guwahati

Date : 31st August' 2022

M
Joint Director,

Employment & Craftsmen Training, Govt. of Assam

Joint Director of Craftsmen Training
Directorate of Employment and Craftsmen
Training, Assam, Rehaban, Guwahati

**DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI**

SCHEDULES OF BALANCE SHEET

SCHEDULE-I

Details of Current Liabilities

PARTICULARS	01.10.2020 TO 31.03.2021
Salary Payable	NIL
GST TDS	17,932.00
Labour Cess	8,966.00
Forest Royalty	5,643.00
Income Tax TDS	9,107.00
Professional Tax	6,664.00
Security Deposit (Kushal Kakati)	89,665.00
TOTAL	137,977.00

SCHEDULE-II

Details of Fixed Assets

PARTICULARS	01.10.2020 TO 31.03.2021
Computer	NIL
Furniture	NIL
TOTAL	NIL

SCHEDULE-III

Details of Loans & Advances


PARTICULARS	01.10.2020 TO 31.03.2021
Fund Transferred to ITI's	NIL
TOTAL	NIL



DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI

INCOME & EXPENDITURE ACCOUNT FOR THE PERIOD
FROM 1ST OCTOBER' 2020 TO 31ST MARCH' 2021

EXPENDITURE			INCOME		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
To Salary & Remuneration		667584.00	By Fund Received during the year (As per Annexure-III)		28400000.00
" Repair & Renovation of Classroom, Approach Road etc. at ITI Dibrugarh		896646.00	" Bank Interest		379477.00
" Procurement of Fixed Assets (As per Annexure-IV)		NIL			
" Bank Charges		NIL			
" Surplus transferred to Balance Sheet		27215247.00			
		28779477.00			28779477.00

For SPRK & Co.
Chartered Accountants
Firm Regn. No. 321080E

(NIRAJ AGARWALLA)
Partner
Membership No. 310895

Place : Guwahati
Date : 31st August' 2022


Joint Director,
Employment & Craftsmen Training, Govt. of Assam

Joint Director of Craftsmen Training
 Directorate of Employment & Craftsmen Training,
 Assam, Rehabari, Guwahati

**DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI**

DETAILS OF INCOME AND EXPENDITURE ACCOUNT

ANNEXURE-III

Details of Fund Received

PARTICULARS	01.10.2020 TO 31.03.2021
RA-1	28,400,000.00
RA-2	NIL
RA-4	NIL
TOTAL	28,400,000.00

ANNEXURE-IV

Details of Procurement of Fixed Assets

PARTICULARS	01.10.2020 TO 31.03.2021
Computer	NIL
Furniture	NIL
TOTAL	NIL



DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM

RECEIPTS & PAYMENTS ACCOUNT FOR THE PERIOD
FROM 1ST OCTOBER' 2020 TO 31ST MARCH' 2021

RECEIPTS			PAYMENTS		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
<u>Opening Balance:</u>					
Cash in Hand	NIL		Salary & Remuneration		738552.00
<u>Cash at Bank</u>					
Bank of India (A/c No:500510110003642)	25681365.00	25681365.00	Repair & Renovation of Classroom, Approach Road etc. at ITI Dibrugarh		765333.00
Fund Received (As per Annexure-I)		28400000.00	Procurement of Fixed Assets (As per Annexure-II)		NIL
Bank Interest		379477.00			
			<u>Closing Balance:</u>		
			Cash in Hand	NIL	
			<u>Cash at Bank</u>		
			Bank of India (A/c No:500510110003642)	52956957.00	52956957.00
		54460842.00			54460842.00

For SPRK & Co.

Chartered Accountants

Firm Regn. No. 321080E

Niraj Agarwalla

NIRAJ AGARWALLA

Partner

Membership No. 310895

Place : Guwahati

Date : 31st August' 2022

AB
Joint Director,

Employment & Craftsmen Training, Govt. of Assam

Joint Director of Craftsmen Training
Directorate of Employment and Craftsmen
Training, Assam, Rehbari, Guwahati

**DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI**

DETAILS OF RECEIPTS AND PAYMENTS ACCOUNT

ANNEXURE-I

Details of Fund Received

PARTICULARS	01.10.2020 TO 31.03.2021
RA-1	28,400,000.00
RA-2	NIL
RA-4	NIL
TOTAL	28,400,000.00

ANNEXURE-II

Details of Procurement of Fixed Assets

PARTICULARS	01.10.2020 TO 31.03.2021
Computer	NIL
Furniture	NIL
TOTAL	NIL



**DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI**

BANK RECONCILIATION STATEMENT AS AT 31ST MARCH, 2021

S.No.	Particulars	Amount(Rs.)
1	Bank Balance as per Cash Book as on 31.03.2021 Bank of India, Savings Account No. 500510110003642 Dispur Branch, Guwahati	NIL 52,956,957.00
		52,956,957.00
2	a. Add <u>Cheques issued but not encashed in the Bank :</u> <u>Cheque No</u> <u>Date</u> <u>Amount</u> NIL	
	a. Less <u>Cheques deposited but not encashed in the Bank :</u> <u>Cheque No</u> <u>Date</u> <u>Amount</u> NIL	
	Sub Total- 2 (a-b)	-
3	Bank Balance as per Cash Book as on 31.03.2021 Bank of India, Savings Account No. 500510110003642 Dispur Branch, Guwahati	NIL 52,956,957.00
		52,956,957.00




DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
PROCUREMENT AUDIT REPORT AS AT 31ST MARCH' 2021

S.N	Itineraries ensured by Auditors	Compliance from Auditors (yes/No)	Comment of auditor in case of variation in detail
1.	Goods and services financed have been procured in accordance with the relevant financing agreement and procurement norms as laid out in the operations manual;	Yes	Nil
2.	Procurement processes being followed at the ITIs, ICs and State Societies are as per Procurement Guidelines under STRIVE project as per para 4.2 of the OM.	Yes	Nil
3.	Any procurement related complaints received, and time taken in disposal of each such complaint, and verifying that No contracts excluded from the Program have been awarded.	Yes	Nil
4.	Contract Award Notice (CAN) as per applicable formats (Competitive selection, Request for quotations, Direct Selection) are uploaded on website/public domain against of each of the completed procurement (applicable in case of LOA/contract issued)	Yes	Nil
5.	Any other section reviewed on procurement	No	Nil

Note: Observation As Part –II of Auditor's Report Should be followed.

For SPRK & CO.
Chartered Accountants
FRN : 321089E


(CA NIRAJ AGARWALLA)

PARTNER

Membership No. 310895

Place : Guwahati

Date : 31st August'2022

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