

DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING (STRIVE)

INTERNAL AUDIT REPORT

**FOR THE PERIOD FROM
1ST APRIL'2021 TO 30TH SEPTEMBER'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



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 April'2021 to 30th September'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.

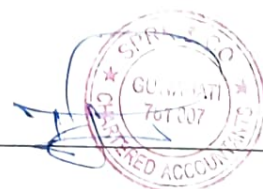
It is an inherent limitation that accounting and internal control systems cannot provide management with conclusive evidence that objectives are reached due to the following reasons:

- **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**



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

Branches - (1) Flat No A1, Siddhidham Apartment, Jyotinagar, Ward No 41, Sevoke Road, Siliguri, 734001
(2) Sparkplug Coworks, #42 4th Block, 2ndFloor,Kormangla Bengaluru-560034
(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



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

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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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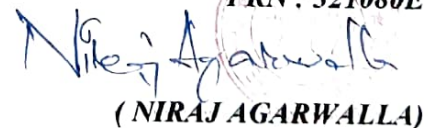
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PART-2 – OBSERVATIONS

- 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) Fixed Asset Numbering has not been done by DECT (only marking of Project (STRIVE) name have been done) for assets purchased by them. Proper identification of assets can be made if the assets has been numbered. Also, assets sent to the Field has not been entered in the fixed Asset Register. The same should be entered in the Fixed Asset Register as payment of the same has been made by DECT, Guwahati.
- 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 in FY 2019-20 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: 22310895AQMUGY6561

Place : Guwahati

Date : 31st August'2022

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


Branches - (1) Flat No A1, Siddhidham Apartment, Jyotinagar, Ward No 41, Sevoke Road, Siliguri, 734001
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DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM


BALANCE SHEET FOR THE PERIOD FROM 1ST APRIL' 2021 TO 30TH SEPTEMBER' 2021

LIABILITIES			ASSETS		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
GENERAL FUND			Fixed Assets		312,648.00
Opening Balance	52818980.00		(As per Schedule-II)		
Add: Surplus/(Deficit) transferred from I/E A/c	(1,126,082.00)	51692898.00	Loans & Advances		23,300,000.00
Reserve for Fixed Assets		312648.00	(As per Schedule-III)		
Current Liabilities		110,784.00	Cash & Bank Balance		
(As per Schedule-I)			Cash in Hand	NIL	
			Cash at Bank		
			Bank of India (A/c No:500510110003642)	28503682.00	28503682.00
		52116330.00			52116330.00

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, Rehabun, Guwahati-0.

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

SCHEDULES OF BALANCE SHEET

SCHEDULE-I

Details of Current Liabilities

PARTICULARS	01.04.2021 TO 30.09.2021
Salary Payable	NIL
Professional Tax	10,212.00
GST TDS	1,941.00
Labour Cess	8,966.00
Forest Royalty	NIL
Security Deposit (Kushal Kakati)	89,665.00
TOTAL	110,784.00

SCHEDULE-II

Details of Fixed Assets

PARTICULARS	01.04.2021 TO 30.09.2021
Printer (1 nos.)	16,299.00
Desktop Computer (2nos.)	118,724.00
Furniture (Executive Chairs etc. 8 nos.)	53,426.00
Multi-Media Projector (1nos.)	124,199.00
TOTAL	312,648.00

SCHEDULE-III

Details of Loans & Advances

PARTICULARS	01.04.2021 TO 30.09.2021
<u>Fund Transferred to ITI's</u>	
IMC ITI Tinsukia	4,400,000.00
Govt. ITI Jorhat	6,500,000.00
Govt. ITI Nagaon	6,500,000.00
Govt. ITI for Women Guwahati	5,900,000.00
TOTAL	23,300,000.00

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

INCOME & EXPENDITURE ACCOUNT FOR THE PERIOD
FROM 1ST APRIL' 2021 TO 30TH SEPTEMBER' 2021

EXPENDITURE			INCOME		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
To Salary & Remuneration		777417.00	By Fund Received during the year (As per Annexure-V)		NIL
" Procurement of Fixed Assets (As per Annexure-VI)		312648.00	" Bank Interest		557887.00
" Manpower Expenses for Software Development		593904.00			
" Bank Charges		NIL			
" Surplus transferred to Balance Sheet		NIL	" Deficit transferred to Balance Sheet		1126082.00
		1683969.00			1683969.00

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

Niraj Agarwalla
(NIRAJ AGARWALLA)

Partner

Membership No. 310895

Place : Guwahati

Date : 31st August' 2022

MS
Joint Director,

Employment & Craftsmen Training, Govt. of Assam

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

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

DETAILS OF INCOME AND EXPENDITURE ACCOUNT

ANNEXURE-V

Details of Fund Received

PARTICULARS	01.04.2021 TO 30.09.2021
RA-1	NIL
RA-2	NIL
RA-4	NIL
TOTAL	NIL

ANNEXURE-VI

Details of Procurement of Fixed Assets

PARTICULARS	01.04.2021 TO 30.09.2021
Printer (1 nos.)	16,299.00
Desktop Computer (2nos.)	118,724.00
Furniture (Executive Chairs etc. 8 nos.)	53,426.00
Multi-Media Projector (1nos.)	124,199.00
TOTAL	312,648.00

DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM

RECEIPTS & PAYMENTS ACCOUNT FOR THE PERIOD
FROM 1ST APRIL' 2021 TO 30TH SEPTEMBER' 2021

RECEIPTS			PAYMENTS		
PARTICULARS	AMOUNT	AMOUNT	PARTICULARS	AMOUNT	AMOUNT
<u>Opening Balance:</u>					
Cash in Hand	NIL		Salary & Remuneration		773869.00
Cash at Bank					
Bank of India (A/c No:500510110003642)	52956957.00	52956957.00	Procurement of Fixed Assets (As per Annexure-II)		308419.00
Fund Received (As per Annexure-I)		NIL	Manpower Expenses for Software Development		593904.00
Bank Interest		557887.00	Payment of Statutory Dues (As per Annexure-III)		34970.00
			Fund Transferred to ITI's (As per Annexure-IV)		23300000.00

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			Closing Balance:		
			Cash in Hand		NIL
			Cash at Bank		
			Bank of India (A/c No:500510110003642)	28503682.00	28503682.00
		53514844.00			53514844.00

Place : Guwahati
Date : 31st August' 2022


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

Joint Director of Craftsmen Training
Directorate of Employment and Craftsmen
Training, Assam, Rehabani, Guwahati-8

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

NIRAJ AGARWALLA
Partner
Membership No. 310895

**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	01.04.2021 TO 30.09.2021
RA-1	NIL
RA-2	NIL
RA-4	NIL
TOTAL	NIL

ANNEXURE-II

Details of Procurement of Fixed Assets

PARTICULARS	01.04.2021 TO 30.09.2021
Printer (1 nos.)	16,023.00
Desktop Computer (2nos.)	116,712.00
Furniture (Executive Chairs etc. 8 nos.)	53,426.00
Multi-Media Projector (1nos.)	122,258.00
TOTAL	308,419.00

ANNEXURE-III

Details of Payment of Statutory Dues

PARTICULARS	01.04.2021 TO 30.09.2021
GST TDS	20,220.00
Income Tax TDS	9,107.00
Forest Royalty	5,643.00
TOTAL	34,970.00



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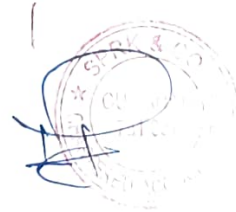
**DIRECTORATE OF EMPLOYMENT & CRAFTSMEN TRAINING
GOVERNMENT OF ASSAM
A.K. AZAD ROAD, REHABARI**

DETAILS OF RECEIPTS AND PAYMENTS ACCOUNT

ANNEXURE-IV

Details of Fund Transferred to ITI's

PARTICULARS	01.04.2021 TO 30.09.2021
IMC ITI Tinsukia	4,400,000.00
Govt. ITI Jorhat	6,500,000.00
Govt. ITI Nagaon	6,500,000.00
Govt. ITI for Women Guwahati	5,900,000.00
TOTAL	23,300,000.00



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

BANK RECONCILIATION STATEMENT AS AT 30TH SEPTEMBER, 2021

S.No.	Particulars	Amount(Rs.)						
1	Bank Balance as per Cash Book as on 30.09.2021 Bank of India, Savings Account No. 500510110003642 Dispur Branch, Guwahati	NIL 28,503,682.00						
		28,503,682.00						
2	a. Add <u>Cheques issued but not encashed in the Bank :</u> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><u>Cheque No</u></td> <td style="text-align: center;"><u>Date</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td colspan="3">NIL</td> </tr> </table>	<u>Cheque No</u>	<u>Date</u>	<u>Amount</u>	NIL			
<u>Cheque No</u>	<u>Date</u>	<u>Amount</u>						
NIL								
	a. Less <u>Cheques deposited but not encashed in the Bank :</u> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;"><u>Cheque No</u></td> <td style="text-align: center;"><u>Date</u></td> <td style="text-align: center;"><u>Amount</u></td> </tr> <tr> <td colspan="3">NIL</td> </tr> </table> Sub Total- 2 (a-b)	<u>Cheque No</u>	<u>Date</u>	<u>Amount</u>	NIL			- -
<u>Cheque No</u>	<u>Date</u>	<u>Amount</u>						
NIL								
3	Bank Balance as per Bank Statement/Passbook as on 30.09.21 Bank of India, Savings Account No. 500510110003642 Dispur Branch, Guwahati	NIL 28,503,682.00						
		28,503,682.00						

