



**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH
JUNE, 2017**

To,
**Governing Board,
CEPT University,
Ahmedabad.**

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th June, 2017 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

Auditor's Responsibility

4. Our responsibility is to express an opinion on functioning of internal financial controls, its effectiveness and adequacy. We conducted our audit in accordance with **Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India**. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls are functioning effectively and are adequate looking to the size and quantum of transactions carried out by the University in particular financial process. Our scope also included examining financial transactions from the view point of regulatory compliance under various tax statutes of the Government of India and Government of Gujarat.
5. An audit involves performing procedures to obtain audit evidence about the effectiveness and adequacy of internal controls. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's size in order to design audit procedures that are appropriate in the circumstances.
6. Our scope of work specifically included following areas of University's functioning

- a) Review of Payroll Expenses
- b) Verification of payments made to Visiting Faculty Members





- c) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- d) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- e) Review of Statutory Compliance:
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- f) Verification of Bank Reconciliation Statements.
- g) Verification of Cash Book.
- h) Overall study and suggestions for system improvements in all the above areas

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,
- (a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.
 - (b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.
 - (c) Applicable laws in respect of TDS, Employee Provident Fund and Professional Tax were materially complied with.
 - (d) University Management is advised to implement the process improvement suggestions communicated by us for betterment of existing processes.

Date: 18th August, 2017
Place: Ahmedabad



For Mehta Sheth & Associates

Chartered Accountants
Firm Registration No: 106238W

CA. Salil Sheth

Partner

Membership No.110500



INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH SEPTEMBER, 2017

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th September, 2017 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

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6. Our scope of work specifically included following areas of University's functioning

- a) System of Fees Receipt from students for regular courses and reconciliation of fee receipt with books of accounts.





- b) Review of Payroll Expenses
- c) Verification of payments made to Visiting Faculty Members
- d) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- e) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- f) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- g) Verification of Bank Reconciliation Statements.
- h) Verification of Cash Book.
- i) Overall study and suggestions for system improvements in all the above areas

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Opinion

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- (a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.
 - (b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.
 - ❖ In USO Department, it is suggested to update Leave Records of Teaching/Non-Teaching Staff by use of online/biometric controls.
 - (c) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with **except expenses of Rs. 202.25 Lacs, on which GST on Reverse Charge basis was not paid by the University.**
 - (d) University Management is advised to implement the process improvement suggestions communicated by us for betterment of existing processes.

Date: 19th February, 2018
Place: Ahmedabad



For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W
Saliil Sheth
CA. Saliil Sheth
Partner
Membership No.110500



**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 31ST
DECEMBER, 2017**

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 31ST December, 2017 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

Auditor's Responsibility

4. Our responsibility is to express an opinion on functioning of internal financial controls, its effectiveness and adequacy. We conducted our audit in accordance with **Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India**. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls are functioning effectively and are adequate looking to the size and quantum of transactions carried out by the University in particular financial process. Our scope also included examining financial transactions from the view point of regulatory compliance under various tax statutes of the Government of India and Government of Gujarat.
5. An audit involves performing procedures to obtain audit evidence about the effectiveness and adequacy of internal controls. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's size in order to design audit procedures that are appropriate in the circumstances.
6. Our scope of work specifically included following areas of University's functioning

- a) Review of Payroll Expenses
- b) Verification of payments made to Visiting Faculty Members





- c) Expense Authorization and payment process with respect to Purchases and Expenditure booked
 - d) Review of Procurement function of Information Technology Purchases and general purchases including services procurement.
 - e) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
 - f) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
 - g) Verification of Bank Reconciliation Statements.
 - h) Verification of Cash Book.
 - i) Overall study and suggestions for system improvements in all the above areas
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,
- (a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.
 - ❖ **In the USO, we suggest a periodic reconciliation of employees (teaching, non-teaching and Support Staff) data as compiled by USO and as available with Accounts Department.**
 - (b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.
 - ❖ **In USO Department, it is suggested to update Leave Records of Teaching/Non-Teaching Staff by use of online/biometric controls.**
 - ❖ **In IT Procurements it is suggested to speed up the process of inviting the quotations from different vendors.**
 - (c) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with.





(d) University Management is advised to implement the process improvement suggestions communicated by us for betterment of existing processes.

Date: 15th March, 2018
Place: Ahmedabad



For Mehta Sheth & Associates

Chartered Accountants

Firm Registration No: 106238W

CA. Salil Sheth

Partner

Membership No.110500



**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 31ST
MARCH, 2018**

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 31ST March, 2018 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

Auditor's Responsibility

4. Our responsibility is to express an opinion on functioning of internal financial controls, its effectiveness and adequacy. We conducted our audit in accordance with **Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India**. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls are functioning effectively and are adequate looking to the size and quantum of transactions carried out by the University in particular financial process. Our scope also included examining financial transactions from the view point of regulatory compliance under various tax statutes of the Government of India and Government of Gujarat.
5. An audit involves performing procedures to obtain audit evidence about the effectiveness and adequacy of internal controls. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's size in order to design audit procedures that are appropriate in the circumstances.
6. Our scope of work specifically included following areas of University's functioning

- a) System of Fees Receipt from students for regular courses and reconciliation of fee receipt with books of accounts.





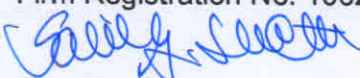
- b) Review of Payroll Expenses
 - c) Verification of payments made to Visiting Faculty Members
 - d) Expense Authorization and payment process with respect to Purchases and Expenditure booked
 - e) Review of Construction Projects
 - f) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
 - g) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
 - h) Review of Related Party Transactions
 - i) Verification of Bank Reconciliation Statements.
 - j) Verification of Cash Book.
 - k) Overall study and suggestions for system improvements in all the above areas
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,
- (a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.
 - (b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.
 - (c) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with.
 - (d) University Management is advised to implement the process improvement suggestions communicated by us for betterment of existing processes.

Date: 6th June, 2018
Place: Ahmedabad



For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

CA. Salil Sheth
Partner
Membership No.110500

Dated : 5th August 2019

To

M/S MEHTA SHETH & ASSOCIATES

CHARTERED ACCOUNTANTS

Sub : Reply To Internal Audit Report Dated : 19th February 2018 for 2017-18 (Q2)

Opinion Point 8 (b) :

Proper and adequate supporting documents were maintained by the University in support of each financial transaction.

“In USO Department, it is suggested to update Leave Records of Teaching/Non-Teaching Staff by use of online/biometric controls.”

Auditee’s Reply To Above :

We are pleased to inform that in line with enhancing our systems and standards and need for continual improvements in all matters of operations, Biometric based Attendance System is installed and operation started from 1st November 2018.

Opinion Point 8 (c) :

Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with **except expenses of Rs. 202.25 Lacs, on which GST on Reverse Charge basis was not paid by the University.**

Auditee’s Reply To Above :

As GST was being newly implemented, certain clarities were being looked into & hence GST on Reverse Charge Mechanism was not paid.

However in FY19-20 based on re-workings done by Finance Department & Auditors jointly GST Liability on Reverse Charge Mechanism was recalculated and Principal Rs 63.89 Lacs & Interest upto 31-7-2019 Rs 19.84 Lacs were paid on account of GST on Reverse Charge Mechanism on 31st July 2019.

Thanks & Regards



Kaushik Paul

Chief Finance Officer





**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH
JUNE, 2018**

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th June, 2018 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
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Auditor's Responsibility

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6. Our scope of work specifically included following areas of University's functioning
- Review of Payroll Expenses
 - Verification of payments made to Visiting Faculty Members
 - Expense Authorization and payment process with respect to Purchases and Expenditure booked
 - Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
 - Verification of Bank Reconciliation Statements.
 - Verification of Cash Book.
 - Overall study and suggestions for system improvements in all the above areas
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,
- Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.
 - ❖ In the USO, we suggest a periodic reconciliation of employees (teaching, non-teaching and Support Staff) data as compiled by USO and as available with Accounts Department.
 - Proper and adequate supporting documents were maintained by the University in support of each financial transaction.
 - ❖ In USO Department, it is suggested to update Leave Records of Teaching/Non-Teaching Staff by use of online/biometric controls.
 - University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 6th August, 2018
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

CA. Salil Sheth
Partner
Membership No. 110500





INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH SEPTEMBER, 2018

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th September, 2018 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

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6. Our scope of work specifically included following areas of University's functioning
 - a) System of Fees Receipt from students for regular courses and reconciliation of fee receipt with books of accounts.





- b) Review of Payroll Expenses
- c) Verification of payments made to Visiting Faculty Members
- d) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- e) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- f) Verification of Bank Reconciliation Statements.
- g) Verification of Cash Book.
- h) Overall study and suggestions for system improvements in all the above areas

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Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,

(a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.

❖ **University needs to resolve instances over/under payments of fee as compared to approved fee structure.**

(b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.

❖ **In USO Department, it is suggested to update Leave Records of Teaching/Non-Teaching Staff by use of online/biometric controls**

(c) University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 5th February, 2019
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

CA. Salil Sheth
Partner
Membership No. 110500





**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 31ST
DECEMBER, 2018**

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 31st December, 2018 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

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 - a) Review of Payroll Expenses
 - b) Verification of payments made to Visiting Faculty Members





- c) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- d) Review of Procurement function of Information Technology Purchases and general purchases including services procurement.
- e) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- f) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- g) Verification of Bank Reconciliation Statements.
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Opinion

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- (b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.

❖ **USO Department needs to resolve long pending entries in the HR Report in relation to Extension of Contract, Pending Clearance of relieved employees, Full and Final Settlement etc. for long period of time, which needs to be resolved expeditiously.**

(c) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with.





(d) University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 6th March, 2019
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

Saili Sheth

CA. Saili Sheth
Partner
Membership No. 110500





INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 31ST MARCH, 2019

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 31ST March, 2019 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
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6. Our scope of work specifically included following areas of University's functioning
 - a) System of Fees Receipt from students for regular courses and reconciliation of fee receipt with books of accounts.





- b) Reconciliation of fees receipt of Winter School 2018 & Summer School 2018 with books of account.
- c) Review of Student Scholarship for FY 2018-19.
- d) Review of Payroll Expenses
- e) Verification of payments made to Visiting Faculty Members
- f) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- g) Review of Construction Projects
- h) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- i) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- j) Verification of Bank Reconciliation Statements.
- k) Verification of Cash Book.
- l) Overall study and suggestions for system improvements in all the above areas

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,

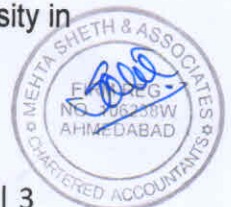
(a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.

❖ **University needs to resolve instances over/under payments of fee as compared to approved fee structure.**

(b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.

❖ **USO Department needs to resolve long pending entries in the HR Report in relation to Extension of Contract, Pending Clearance of relieved employees, Full and Final Settlement etc. for long period of time, which needs to be resolved expeditiously.**

(c) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.




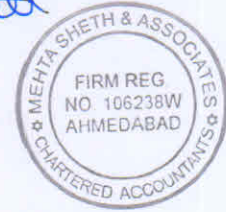


- (d) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with.
- (e) University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 10th June, 2019
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W


CA. Salil Sheth
Partner
Membership No. 110500



Dated : 16th August 2019

To

M/S MEHTA SHETH & ASSOCIATES

CHARTERED ACCOUNTANTS

Sub : Reply To Internal Audit Reports for 2018-19 (Q1, Q2, Q3 & Q4)

FY 18-19 (Q1) Opinion Point 8 (a) :

In the USO, we suggest a periodic reconciliation of employees (teaching, non-teaching and Support Staff) data as compiled by USO and as available with Accounts Department.

Auditee's Reply To Above :

We are pleased to inform that in line with enhancing our systems and standards and need for continual improvements in all matters of operations, Biometric based Attendance System is installed and operation started from 1st November 2018.

Now the system is streamlined and Employee numbers are updated from Biometric system, so no need for any manual reconciliations.

FY 18-19 (Q2 & Q4) Opinion Point 8 (a) :

University needs to resolve instances over/under payments of fee as compared to approved fee structure.

Auditee's Reply To Above :

Collection of Fees is an ongoing process with a specific cut-off date. At times it may so happen that at any point of time some cases may be outstanding or received in advance which are subsequently realised / adjusted.

FY 18-19 (Q3 & Q4) Opinion Point 8 (b) :

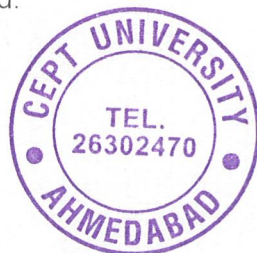
USO Department needs to resolve long pending entries in the HR Report in relation to Extension of Contract, Pending Clearance of relieved employees, Full and Final Settlement etc. for long period of time, which needs to be resolved expeditiously.

Auditee's Reply To Above :

This is presently resolved.

Thanks & Regards


Kaushik Paul
Chief Finance Officer



KASTURBHAI LALBHAI
CAMPUS, UNIVERSITY RD
NAVRANGPURA
AHMEDABAD 380 009
GUJARAT, INDIA



**INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH
JUNE, 2019**

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th June, 2019 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

Auditor's Responsibility

4. Our responsibility is to express an opinion on functioning of internal financial controls, its effectiveness and adequacy. We conducted our audit in accordance with **Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India**. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls are functioning effectively and are adequate looking to the size and quantum of transactions carried out by the University in particular financial process. Our scope also included examining financial transactions from the view point of regulatory compliance under various tax statutes of the Government of India and Government of Gujarat.
5. An audit involves performing procedures to obtain audit evidence about the effectiveness and adequacy of internal controls. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's size in order to design audit procedures that are appropriate in the circumstances.





6. Our scope of work specifically included following areas of University's functioning

- a) Review of Payroll Expenses
- b) Verification of payments made to Visiting Faculty Members
- c) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- d) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- e) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- f) Verification of Bank Reconciliation Statements.
- g) Verification of Cash Book.
- h) Overall study and suggestions for system improvements in all the above areas

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

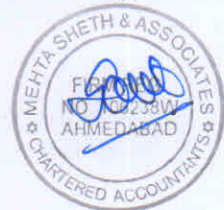
Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,

(a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.

❖ **University is suggested to have a relook at "Capital V. Revenue bifurcation" of expenses for expenditure amounting to Rs.8.30 Lacs, which is treated as Revenue Expenditure.**

(b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.





(c) University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 6th June, 2020
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

CA. Salil Sheth
Partner
Membership No. 110500
UDIN: 20110500AAAAEN4213





INTERNAL AUDIT REPORT OF CEPT UNIVERSITY FOR THE QUARTER ENDED 30TH SEPTEMBER, 2019

To,
Governing Board,
CEPT University,
Ahmedabad.

Report on Admission Process:

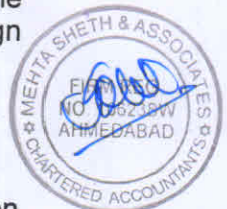
1. We have audited the detailed Internal Audit of CEPT University for the Quarter ended 30th September, 2019 and submit our report hereunder.

Management's Responsibility for the designing and implementation of Internal Financial Control:

2. The University's Management is responsible for designing and implementation of Internal Financial Control Process, which includes design, implementation and periodic review of Internal Financial Controls.
3. The University's Management is also responsible for legal and regulatory compliance with respect to all financial transactions undertaken by the University.

Auditor's Responsibility

4. Our responsibility is to express an opinion on functioning of internal financial controls, its effectiveness and adequacy. We conducted our audit in accordance with **Standards on Internal Audit (SIA) issued by The Institute of Chartered Accountants of India**. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the internal financial controls are functioning effectively and are adequate looking to the size and quantum of transactions carried out by the University in particular financial process. Our scope also included examining financial transactions from the view point of regulatory compliance under various tax statutes of the Government of India and Government of Gujarat.
5. An audit involves performing procedures to obtain audit evidence about the effectiveness and adequacy of internal controls. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the University's size in order to design audit procedures that are appropriate in the circumstances.
6. Our scope of work specifically included following areas of University's functioning
 - a) System of Fees Receipt from students for regular courses and reconciliation of fee receipt with books of accounts.





- b) Review of Student Scholarship for FY 2019-20
- c) Review of Payroll Expenses
- d) Verification of payments made to Visiting Faculty Members
- e) Expense Authorization and payment process with respect to Purchases and Expenditure booked
- f) IT Procurement Audit.
- g) Review of the internal controls with respect to inward and issue of books/periodicals/CDs in the Library.
- h) Review of Statutory Compliance:
 - GST
 - Tax Deducted at Source
 - Employees Provident Fund
 - Professional tax
- i) Verification of Bank Reconciliation Statements.
- j) Verification of Cash Book.
- k) Overall study and suggestions for system improvements in all the above areas

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

8. In our opinion, and to the best of our information and according to the explanations given to us,

(a) Internal Financial Controls in the areas covered in our scope of work were well defined and were functioning consistently and effectively and were adequate during the period of audit.

❖ **University needs to resolve instances over/under payments of fee as compared to approved fee structure**

(b) Proper and adequate supporting documents were maintained by the University in support of each financial transaction.

❖ **University is suggested to have a relook at "Capital V. Revenue bifurcation" of expenses for expenditure amounting to Rs.1.51 Lacs, which is treated as Revenue Expenditure.**

(c) Applicable laws in respect of GST, TDS, Employee Provident Fund and Professional Tax were materially complied with.

❖ **University is advised reverse adjustment of output tax liability of CEPT University against input tax credit pertaining to CRDC amounting to Rs. 1.30 Lacs.**





(d) University Management is advised to implement the process improvement suggestions communicated by us through a separate communication.

Date: 20th June,2020
Place: Ahmedabad

For Mehta Sheth & Associates
Chartered Accountants
Firm Registration No: 106238W

Salil Sheth

CA. Salil Sheth

Partner

Membership No.110500

UDIN: 20110500AAAAEO3335



Dated : 22nd June 2020

To

M/S MEHTA SHETH & ASSOCIATES

CHARTERED ACCOUNTANTS

Sub : Reply To Internal Audit Reports for 2019-20 (Q1, Q2)

FY 19-20 (Q1) Opinion Point 8 (a) :

University is suggested to have a relook at "Capital V. Revenue bifurcation" of expenses for expenditure amounting to Rs.8.30 Lacs, which is treated as Revenue Expenditure.

FY 19-20 (Q2) Opinion Point 8 (b) :

University is suggested to have a relook at "Capital V. Revenue bifurcation" of expenses for expenditure amounting to Rs.1.51 Lacs, which is treated as Revenue Expenditure.

Auditee's Reply To Above :

These Two cases are Decorative Items , placed at places where there are maximum "Footfalls" and are subject to "Risk of Accidental Damages".

Being decorative pieces of Art , exact life cannot be ascertained, neither they are in anyway related to Adiministrative , Academic operations.

Hence they are not Capitalised.

FY 19-20 (Q2) Opinion Point 8 (c) :

University is advised reverse adjustment of output tax liability of CEPT University against input tax credit pertaining to CRDC amounting to Rs. 1.30 Lacs.

Auditee's Reply To Above :

We are waiting for detail GST Audit, if it is ascertained as "Payable" we will pay the same.

Thanks & Regards



Kaushik Paul

Chief Finance Officer

