

Yashwantrao Chavan Maharashtra Open University
Dnyangangotri, Govardhan, Nashik 422 222



Annual Accounts & Internal Audit Report
For
Financial Year 2020-21

C.R. Sagdeo & Co.
Chartered Accountants

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INTERNAL AUDIT REPORT

To,

Board of Management,

Yashwantrao Chavan Maharashtra Open University,

Nashik - 422 222.

Audit Period – 1st April, 2020 to 31st March, 2021

A) The specific areas covered in our report include following:

1. Audit and scrutiny of accounts books, files, bank reconciliation statements, stock register, (Consumable and non-consumable) asset register, salary register, GPF register, fixed deposits, computer entries, and all the financial transactions, certification of annual books of accounts up to balance sheets.
2. Ensuring arithmetical and statutory accuracy of accounts and its presentation is as per format for autonomous bodies. Ensuring that Reconciliation/modifications, if required, are being carried out during monthly/ quarterly audit period.
3. Review of preparation and finalization of annual accounts and all financial statements including Utilization Certification (UC), Statement of Expenditure (SOE), Income & Expenditure Account, Receipt and payment Account & Balance sheet etc. As per related schedules & all type of certification required from time to time for submission to Government of Maharashtra and other concerned departments.
4. Ensuring Income Tax return filing as per Income Tax Act, 1961. Review of compliance of TDS, filing of E-TDS returns, Challans to Income Tax Dept. as per norms of Income Tax Dept. Monitoring the financial status from the point of view of Income Tax liability.
5. Review of appeals pending before relevant authorities. Reply given to the queries of service Tax, Professional Tax, Income Tax, Statutory Auditor & other authorities.
6. Other areas covered;
 - a) Review of accounting systems and related internal control, checks and balances.
 - b) Examining economy, efficiency and effectiveness of operational units including financial controls of the YCMOU.
 - c) Reviewing the safety of assets and suggesting proper safety measures to be taken by the university.
 - d) Suggesting formats of efficiency via appraisal of performance & productivity of the staff.
 - e) Ensuring the application of **Cannons of Financial Propriety**.
 - f) Suggesting formats of system audit i.e. assessment about the efficiency and accuracy of the system/ procedures of purchases, sales, production costing, personal expenses and overdraft, etc.
 - g) Review of accounting procedure/ methods adopted and giving suggestions for simplification and updating of the system.
 - h) Examining & suggesting the effectiveness of the cost accounting system, tendering system, institution of proper Management Information System (MIS) and cost control system.
 - i) Ensuring proper maintenance of necessary books of accounts.



- j) Verification of utilization funds in respect of working capital expenses of all regional centers of the YCMOU.
- k) Providing guidance to achieve targets in accordance with the budgetary levels.

B) Management's Responsibility for the internal control systems & Financial statements:

The operation of the systems, procedures and controls are the responsibility of the university's management. Our responsibility is to express an opinion on the weaknesses in the internal controls, risk management and governance (entity level controls) framework, highlighting any exceptions and cases of noncompliance and suggest or recommend improvements in the design and operations of the controls based on the internal audit in the light of scope assigned to us as listed above.

C) Methodology of the internal audit and procedures performed:

The internal audit was planned and performed to obtain reasonable assurance whether the systems, processes and controls operate efficiently and effectively and financial information is free of material misstatement. The internal audit was designed to address the specific areas referred to in our letter of appointment bearing **NO. YCMOU/Finance/2021/30 Dated 31/07/2021** and using generally accepted auditing procedures in India.

D) An internal audit includes:

- a) Examining evidences to support the amounts and disclosures made in financial statement;
- b) Assessing the strength, design and operating effectiveness of internal controls at process level and identifying areas of control weakness, business risks and vulnerability in the system and procedures adopted by the entity.
- c) Assessing the accounting principles and estimates used in the preparation of the financial statements.
- d) Evaluating the overall entity-wide risk management and governance framework.

E) Contents of the Internal Audit Report:

Annexure 1: Audit Opinion, Specific Audit Observations

Annexure 2: Detailed Audit Observations on Books of Accounts, Transactions and Internal Controls deployed by the University.

Annexure 3: Detailed Audit Observations on Regional Centers of the University

Annexure 4: Pending Audit Compliances from FY 2009-10 to FY 2019-20

For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W

CA. Sanjeevan Tambulwadikar
Partner
M. No.: 140333
UDIN-21140333AAAAFK8723



Place: Nashik
Date: 20.10.2021

Annexure 1 to Internal Audit Report

A. Audit Opinion

We have audited the accompanying financial statements of Yashwantrao Chavan Maharashtra Open University, Nashik (here in after referred to as the University or YCMOU for brevity) which comprise the Balance Sheet as at 31st March 2021, Receipts & Payments Account and the Income & Expenditure Account for the year then ended, and a summary of significant accounting policies and other explanatory information. Management of the University Act, 1989. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In our opinion and to the best of our information and according to the explanations given to us and read together with our detailed Audit Observations given in Annexure 1, 2,3& 4 and schedules enclosed to these annexures,which are integral part of this internal audit report, the financial statements of the Yashwantrao Chavan Maharashtra Open University, Nashik for the year ended 31st March 2021 are prepared, in all material respects, in accordance with The Yashwantrao Chavan Maharashtra Open University Act, 1989-

- a) In the case of the Balance sheet, of the state of affairs of the University as at 31st March 2021
- b) In the case of Income and Expenditure account, of the Surplus for the year ended on that date.
- c) In the case of Receipts and Payments Account, of the annual Receipts, Payments and Balances for the year ended on that date.

Subject to the relevant information available for past years not being confirmatory in nature hinders its ability to convey reliable and comparable information for current year. It also affects the predictive capacity of current year's relevant information. The true & fair view of Financial Statements depends on its ability to give information which has characteristics of understandability, reliability, relevance, comparability. Some information provided in financial statements do not qualify the test for relevance, reliability, comparability.

B. Specific Audit Observations

1. The Open University maintains its accounting package on cash basis whereby the transactions are recorded on the movement of funds. However, the financial statements are prepared on accrual basis. The accounting package itself is not completely integrated for the preparation of Receipts and Payments Account, Balance Sheet and the statement of Income and Expenditure. It is also observed that, University is not following various applicable Accounting Standards issued by the Institute of Chartered Accountants of India. The University has maintained a unified Cash book so as to ascertain, Opening Balance, daily Payments, Contra Entries and daily Closing Balances but the balances differ due to non-maintenance of

the same in past financial years. University has also not maintained proper Classified General Ledgers to readily derive Trial Balance at the yearend for various items of financial statements such as income, expenditure, assets and liabilities. University has not charged depreciation on its various fixed assets resulting into overstatement of balances of fixed assets and over statement of surplus to that extent.

2. Bank Balances

- a) It is observed from the books that the Bank balances are remaining unreconciled from past many years. The reconciliation is being prepared by the University from the year 2015-16, but due to huge and voluminous unreconciled balances of the previous years, the bank balance reported in the Balance Sheet is incorrect. In our opinion, the University should with the due approval of the Board of Management, adjust the unreconciled balances against General Reserve. For further years from FY 2015-16, the University has started reconciliation of bank balances.
- b) As per our observation it is seen that the records for previous years before FY 2015-16 have not been maintained properly so as to help in reconciliation of past balances pending since many years. Also, the details of the bank balances in the books of accounts of the past years are not available. The books will show the correct position of the university considering the bank balances only on either reconciliation of these previous years' balances or adjusting of the same against the reserves.
- c) University has not carried bank reconciliation up to 31/03/2015, reconciliation of only current account in Central Bank of India (A/c. No-1323004456) has been carried from the year 2015-16 onwards. The reconciliation of other bank accounts and of current account of Central Bank of India up to 31/03/2015 is pending.

Sr. No.	Bank Name – Account No.	Closing balance as per Bank Statement Rs.	Closing Balance as per cash Book/Annual Accounts Rs.	Difference which needs to be reconciled in Rs.
1	Central Bank CD – 1323004456	7,85,64,591	(81,32,12,305)	(89,17,76,896)
2	Central Bank – 1323009034	Nil	15,062/-	(15,062)
3	Central Bank – 1323009147	7,581/-	9,624/-	(2,043)
4	Central Bank – 3171111817	19,71,801/-	-	19,16,514
5	Central Bank – 3102457289	5,02,659/-	-	3,91,533
6	Central Bank – 3181477144	78,97,235/-	-	76,77,423
7	Central Bank –	4,026/-	-	3,903

	1323009261			
8	Central Bank – 3188538952	7,164/-	-	6,584
9	Central Bank – 1323004999	1,076/-	-	1,043
10	Central Bank of India- A/c 1323003587	Nil	9,806	(9,806)
11	Central Bank of India- A/c 1323010914	11,97,518/-	Nil	11,97,518
12	Bank of Maharashtra A/c 2012570045	Statement not available	5,958	(5,958)

3. The records are not properly maintained in case of agriculture produce of Krishi Vidnyan Kendra (KVK). The details of agriculture produce made, damages of the same and the actual sale are not reconciled. The KVK has details of actual production made and then provided to the sales committee, but further details of sale and damage before sale are not maintained properly. Certified copies of the same by the Head of the Department should be maintained and the reconciliation of the same to be prepared on a regular basis.

4. The balances of Fixed Deposits and other investments as maintained by the University do not match with the balances brought forward from previous years before 2015-16. There is a difference of Rs.1,05,78,257/- in the fixed Deposit Balances as per software maintained by the University and Balance Sheet. Balances of various fixed deposits physically held by the University are not matching with book balances of the same. This is due to the fact that, University is not recognizing interest income and until any fixed deposit is actually credited to its bank account on its maturity or premature withdrawal. In other cases, interest is getting reinvested and physical balance of the fixed deposit increases without corresponding change in book balance of that fixed deposit. As informed to us, the University has initiated a special drive to completely reconcile its investments with books of accounts and with certificate balances as per bank but below differences are still pending-

Sr. No.	Bank Name	Balance as per Software of University	Balance as per Certificate	Difference for Reconciliation
1	Bank of India	27,99,88,000	28,36,86,001	(36,98,001)
2	Punjab National Bank	410,17,95,000	-	410,17,95,000
3	Stock Holding Corporation of India Limited	290,11,83,000	2,90,11,83,000	-

4	MKCL	18,50,000	-	18,50,000
5	Syndicate Bank	41,94,44,000	-	41,94,44,000
6	Oriental Bank of Commerce	8,01,75,000	-	8,01,75,000
7	Canara Bank	76,97,97,000	37,81,27,206	39,16,69,794
8	I.D.B.I.	107,55,52,140	-	107,55,52,140
9	Bank of Baroda	89,78,58,000	13,93,00,000	75,85,58,000
		1052,76,42,140	370,22,96,207	682,53,45,933

5. As per the software maintained by the university the balance of shares held in MKCL is Rs. 18,50,000/- but as per Balance Sheet the same is Rs. 11,00,000/-. Also, no balance confirmation certificate was available for our verification to check the correct amount of shares held. In the absence of sufficient information, we are unable to comment of the same.
6. Savings accounts are maintained at every Regional Center of the University and amount is transferred to these accounts for day to day and examination expenditure. The same is recorded in the books of accounts of the University as advance given and receivable under current assets in the Balance Sheet of the University. The pending balances in these bank accounts as on the end of the year should be reconciled with the advances given and adjusted to the Regional Center. In our opinion the University should incorporate these Bank accounts in the main Balance Sheet and record transfer entries as contra entries from one bank account to another. As on 31st March 2021 below are the balances in the Bank account maintained at Regional Centers.

Regional Center	Bank Details	Balance as on 31 st March 2021
Amravati	Central Bank of India – 3442260103	11,41,427
Aurangabad	Central Bank of India – 1414230289	14,74,305
Mumbai	Central Bank of India-1019532722	15,53,426
Nagpur	Central Bank of India – 3497609865	21,33,022
Nashik	Central Bank of India – 3630220961	10,73,840
Pune	Central Bank of India – 1014338436	30,07,366
Kolhapur	Central Bank of India – 1869141855	41,52,122
Nanded	Central Bank of India – 3422056511	29,15,198
		1,74,50,706

As per books of accounts, advances receivable from Regional Center is Rs. 19,28,90,814/- and balance in Bank accounts of Regional Center is Rs.1,74,50,706/- Difference of Rs.17,54,40,108/- has not been reconciled which has resulted into understatement of expenditure by such amount. In our opinion, all the old balances to be reconciled and remaining unreconciled balances to be adjusted against the General Reserve with the due approval of the Board of Management.



7. There is a balance against the head suspense receipt of Rs. 83,35,86,437/- under deposits & other liabilities of which an amount of Rs. 33,95,45,818/- pertains to FY 2019-20. As per the explanation provided to us, the said receipts are pertaining to fees received from students but the details of same are not available on record. This has resulted understatement of Fees and profit by the said amount in the current year.
8. During the year an amount of Rs. 15,61,565/- has been recovered as penalty from vendors, the same is liable to GST and tax at 18% was to be recovered and paid to Govt. Account for the same. This has resulted in non-compliance under GST and GST at 18% amounting to Rs. 2,81,082/- along with applicable should be paid to Government Account.
9. As per our observation it is seen that the staff employed at the Regional Centers is most of time at the Head Office in Nashik for meeting, document submission or any other purpose. This results in non-completion of the work like reconciliation, settlement of advances, etc. at the regional centers. The university has installed a software and also the document submission work should be done on stipulated days of the month and the Regional Center staff should be at the center at which they are deputed. In our opinion the University should use the installed technology and other methods to reduce this and complete the work at regional centers within stipulated time.
10. During the year Fixed Deposits amounting Rs. 34,63,85,881/- have been matured during the year but the same has not been recorded in the books. Also, the interest pertaining to such deposits has not been recorded in the books. The investments have been overstated by such amount and the bank balance has been understated by such amount.
11. It has been observed that the entries are being recorded late in the books of accounts during the year. During the audit, we have observed that 638 number of entries amounting to Rs. 2,63,23,705/- have of prior period have been recorded during the current year. This has resulted in incorrect presentation of balances and expenditure as on the date of Balance Sheet.
12. Contravention with provisions of The YCMOU Act, 1989
 - a) University has leased out its buildings to various external agencies such as Bank, Post Office without getting prior approval of State Government. (Section 5 (xviii)). The University has informed the State Government in the previous year but no acceptance or any communication has been received by the University till date.



C.R. Sagdeo & Co.
Chartered Accountants

- b) Annual Accounts of the University, after duly approved by its Board of Management, are never audited by a statutory auditor appointed by State Government as stipulated 27 (2) of the Act.
- c) University has reimbursed interest on housing loan, diwali gifts to its employees without prior approval of State Government as stipulated in Section 29 (1) (ii) of the Act. The University has informed the State Government in the previous year but no acceptance or any communication has been received by the University till date.

For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W

CA. Sanjeevan T. Ambulwadikar
Partner
M. No.: 140333
UDIN- 21140333AAAAFK8723



Place: Nashik
Date: 20th October 2021

Annexure 2 Internal Audit Report

Detailed Audit Observations on Books of Accounts, Transactions & Internal Controls by the University

A. Observations on Internal Controls and Administrative Matters

1. State-Auditor General Office has done audit of University up to FY 2008-09 and the University has submitted first compliance report on the same on 08/09/2012. Status on acceptance or rejection of this compliance is not available for verification.
2. Finance Officer of the University is a single signatory for all the cheques of the University. This is a major lacuna from the internal control point of view.
3. In the current year the University has maintained a timely internal audit system in place. In our opinion, the University should have proper software system for finance & accounts activity so that all the transactions can be taken care of as per the Common Account Code adopted and accurate final Annual Financial Statements can be derived from the same on timely basis. The university has useful software internally developed for the accounts purpose, but it is not being fully utilized. The same should be utilized to its full capacity which will help in generating reports and financial statements on timely basis.

B. Fixed Assets Rs. 1,01,08,30,297/-

1. University has not maintained proper Fixed Assets Register to record all of its fixed assets so as to ascertain present quantity, location and physical condition of such assets.
2. Physical verification of various fixed assets has been conducted for the head office in July 2015 and done for the regional centers in the year 2017-18 by the University. Only physical variation has been conducted but the valuation of the verified assets has not been ascertained. It has been observed that the valuation process is being undertaken by the University and the same is under progress. It is recommended to get the same done before the end of next financial year and effect of the same to be considered in books of accounts.
3. Estate Register maintained does not match with the books of accounts. Necessary reconciliation should be done for the same and the difference to be identified and reconciled.
4. University has not charged depreciation on its fixed assets.
5. Balance carried over from previous year of Capital Work in Progress is of Rs. 22,61,87,350/- and the same should be capitalized to final head of respective fixed

assets based on Work Completion Certificate from concerned departments/agencies. In this list we have observed that there are some projects such as Construction of 5 District Centers in tribal areas which are abandoned by the University. Management should review such costs and may decide to charge these amounts to income & expenditure account instead on carrying them indefinitely.

6. The fixed assets comprise of Books & Periodicals of Rs. 5,48,15,682/- carried from previous years but no specific details of the same are available. The said amount should be charged to Income & Expenditure account. The general life of such assets is not more than one year and the same should be written off under expenditure. The assets are overstated to such extent and the expenditure is understated to such extent.

C. Investments Rs. 10,51,70,63,883/-

1. Balance Confirmation Certificates as on 31/03/2021 for all investments were not available for verification. As mentioned in Annexure I to our Audit Report under point 4 of Specific audit observations, there are differences in balance as per books of accounts and balance as per balance certificate.
2. The balances of Fixed Deposits and other investments as maintained by the University do not match with the balances brought forward from previous years before 2015-16. There is as difference of Rs. 1,05,78,257/- in the fixed Deposit Balances as per software maintained by the University and Balance Sheet.
3. During the year Fixed Deposits amounting Rs. 34,63,85,881/- have been matured during the year but the same has not been recorded in the books. Also, the interest pertaining to such deposits has not been recorded in the books. The investments have been overstated by such amount.

D. Advances Rs. 32,99,49,275/-

1. University has got accumulated balance under the head Advances and, it is showing decreasing trend as compared to last year, but it needs more focused attention of the Management so as to adjust the expenditure done out of it and / or recovery of the same from concerned parties. It is also observed that, periodic reconciliation with its regional centers for advances given, adjusted and balance outstanding is not being done. In the financial year 2020-21, the University has reconciled a large number of balances with regional centers but it has been observed that still, many advances' entries and amounts are pending to be reconciled.
2. In the current year the system has been implemented to recover the excess balances and then close the advances in case of employees and regional centers but in case of advances pertaining to previous years while adjusting advances paid against



expenses, we observed that, concerned person is not depositing balance amount in full from the unspent advance within stipulated time limit and University has not recovered applicable interest on late deposition of the unspent balance of advances on case to case basis.

3. University has granted advances to its employees but individual list maintained does not match with balance as per Balance Sheet. As at end of the year under audit, credit balance of Rs. 2,36,09,477/- is reflected in the Balance Sheet but no reconciliation of this balance with the available list of advances balance was prepared. In the absence of information, we are unable to comment of the same.

This amount includes festival advance outstanding as on 31st March 2021 of Rs. 7,37,500/- as per the list maintained by the University, but no bifurcation of the same is available in the books of accounts. The said balances pertain to the past years of which no details are available, the university should consider that the said balances if not recoverable to be adjusted against the reserves with correct reconciliation.

4. University has granted loans to its employees but individual list of employees maintained does not match with balance as per Balance Sheet. As at end of the year under audit, debit balance of Rs. 9,92,589/- is reflected in the balance sheet and as per list provided is Rs. 4,37,539/-, no reconciliation of this difference of Rs. 5,55,050/- was prepared. The said balances pertain to the past years of which no details are available, the university should consider that the said balances if not recoverable to be adjusted against the reserves with correct reconciliation. In the absence of information, we are unable to comment of the same.

E. Accounts Receivables Rs. 6,16,87,698/-

1. Opening balance of Differences in banks & other balances of Rs. 2,07,23,033/- shown in Accounts receivables has not been reconciled till date. No details of the same were provided for our verification, hence we are unable to comment of the same.
2. Balance of Other Receivables/ Deposits, etc. is Rs. 8,53,615/-, party-wise list of the same and other details not available for verification. In absence of such details, we are unable to comment on the quality of such current assets.
3. An amount of Rs. 1,21,050/- pertaining to revolving fund KVK is maintained under this head but no details of the same are available for our verification. It has been explained to us that this balance is maintained by the KVK department but no details of the same was provided to us.



F. Cash & Bank Balances Rs. (-81,32,12,305/-)

1. University has not exercised proper control on opening, operating, accounting and reconciliation of various bank accounts. Summarized position of Bank accounts & our respective audit remarks is as under;

Sr. No.	Bank Name	Account No.	Balance as on 31/03/21 Rs.	Debits in Bank Rs.	Credits in Bank Rs.	Audit Remarks
1	Central Bank CD FOYCMOU	1323004 456	7,85,64,591	-	-	Reconciliation Started from 2015-16 but pending for the previous years
2	Central Bank (Canteen)	3171111 817	19,71,801/-	-	-	FO YCMOU-Yash /Canteen A/c - Not accounted in books
3	Central Bank	3102457 289	5,02,659	-	-	FO YCMOU-Emp Welfare Scheme- Not accounted in books
4	Central Bank of India	3181477 144	78,97,235	-	-	Fee Collection Account-Not accounted in books of accounts
5	Central Bank	1323009 147	7,581	-	-	Statement not available only Balance Certificate is available.
6	Central Bank	1323009 261	4,026	-	-	Statement not available only Balance Certificate is available.
7	Central Bank Fees	3188538 952	7,164	-	-	Fee Collection A/c Statement not available



						only Balance Certificate is available.
8	Bank of Maharashtra GPF	6009209 4405	Nil	-	-	Bank a/c not accounted in books of accounts
9	Central Bank	3321313 600	Nil	-	-	Statement not available and not recorded in books of accounts
10	Central Bank Vehicle	1323004 988	Nil	-	-	Statement not available and not recorded in books of accounts
11	Central Bank Computer	3321315 358	Nil	-	-	Statement not available and not recorded in books of accounts
12	Central Bank Computer	1323003 633	Nil	-	-	Statement not available and not recorded in books of accounts
13	State Bank of India	3486872 8587	Nil	-	-	Not recorded in books of accounts
14	State Bank of India	3491677 9674	4,429	-	-	Not recorded in books of accounts
15	AXIS Bank	9160200 3822500 2	Nil	-	-	Statement not available and not recorded in books of accounts
16	AXIS Bank	9110100 6041475 7	Nil	-	-	Not recorded in books of accounts



17	AXIS Bank	9602003 8477407	13,66,375	-	-	Statement not available and not recorded in books of accounts
18	AXIS Bank	9170200 6277534 9	36,27,201	-	-	Statement not available and not recorded in books of accounts
19	Central Bank of India	1323010 914	11,97,518	-	-	Statement not available and not recorded in books of accounts
20	Kotak Mahindra Bank	0694201 0000069	Nil			Not recorded in books of accounts

- a) Out of above 20 accounts, only 6 accounts are incorporated into its annual accounts.
- b) University has not incorporated total closing balance of Rs. 1,65,78,408/- lying in unaccounted and unreconciled bank accounts into its books of accounts as stated above. It has also been observed that the University maintains an account with ICICI Bank for collection of Earnest Money Deposit and with HDFC Bank but the said statements of the same was not available on record. Also, the said bank accounts has not been recorded in the books of accounts. To that extent, these accounts remain unaudited as on 31/03/2021. The balances in these current accounts were remaining to be invested gainfully and University has lost interest on the same. This balance pertains to the bank accounts of which statements are available. Management should fix the responsibility for this loss of interest and take necessary action.
- c) It is observed from the books that the Bank balances are remaining unreconciled from past many years. The reconciliation is being prepared by the University from the year 2015-16, but due to huge and voluminous unreconciled balances of the previous years, the bank balance reported in the Balance Sheet is incorrect. In our opinion, the University should with the due approval of the Board of Management, adjust the unreconciled balances against General Reserve.
- d) As per our observation it is seen that the records for previous years have not been maintained properly so as to help in reconciliation of past balances pending since many years. Also, the details of the bank balances in the books of accounts of the past years are not available. The books will show the correct position of the



university considering the bank balances only of either reconciliation of these previous years' balances or adjusting of the same against the reserves.

G. Inventories Rs. 6,65,90,569/-

1. University has closing stock of Rs. 6,61,04,957/- of publications printed by it and of purchased books and stock of paper of Rs. 4,85,612/- as carried forward from previous year. The details of stock as on 31st March 2021 was not provided to us for verification. As informed by the Stores section, physical stock of books/ publications was not taken as on 31st March, 2021. The last physical verification of the inventory was conducted in the year 2015-16, it is recommended that the physical verification to be conducted before 31st March 2022 and same to be reconciled with the books of accounts.

H. General & Other Funds Rs. 9,93,09,13,511/-

1. University has created various funds and made investments for the same. But we observed that, accounting entries are not passed in books of accounts to record movement in fund balances due to addition, transfer of surplus/deficit, with interest reinvestment of corresponding fixed deposits etc. This is resulting into mismatch of liabilities and supporting assets for such funds. Total of General & other fund balances is Rs. 9,93,09,13,511/- and total of all investments is Rs. 1051,70,63,883/- resulting into unsupported fund liability of Rs. 58,61,50,372/- as per books of accounts.
2. University has maintained certain funds for meeting employee retirement obligations such as Gratuity Fund, Post Retirement Benefit Fund, Pension Contribution Fund and kept necessary investments for the same. But in our opinion, such Post Retirement benefits liability should be calculated scientifically and funds & investments should be maintained accordingly.

Also, as informed and as per the latest GR of government, the liabilities of Gratuity, post-retirement benefits and of pension are to be borne by the State Government for all the employees of the University. Hence, there is no need for the University to make provision in form of funds for such expenditure. Hence, the same to be transferred to General Reserve with the approval of the Board of Management.

I. Depreciation Fund Rs. 20,84,63,957/-

1. University has created an ad-hoc Depreciation Fund and making investments for the same on yearly basis. We have observed that, this balance is carried forward from last year as it is. In our opinion, University should charge actual depreciation of fixed assets and Depreciation Fund should be increased for such actual depreciation and also for interest earned on investments made for depreciation fund.



J. Unutilized Grants Rs. 5,86,21,482/-

1. Balance under this head includes grants received from DEC, ICAR, NSS, UGC and remained unspent/capitalized at end of the year under audit. University has submitted audited utilization certificates for the same to respective funding agencies but balances according to these certificates and balances as per accounts for such grants do not match. These balances are pending from past many years and are unreconciled. In case of grants received in the current year, the certificates provided are reconciling with the Grants received in the current year. A proper reconciliation of the pending balances to be conducted by the University.
2. Under the head Other Grants Received, University has got balance of Rs. 35,81,133/- received from various Government and other organization/institutions but details of these grants such as terms & conditions, nature and utilization thereof is not available for verification. In our opinion, University should take necessary action to reconcile such grants to either transfer the same to respective revenue / capital heads based on actual utilization or refund such grants to respective funding agencies.
3. It has been observed that the Grants received for various activities by the Kisan Vidyan Kendra (KVK) are not being spent and the balances are pending as on date of Balance Sheet. Grants of Rs. 1,50,64,413/- received from ICAR are pending to be utilized as on the date of Balance Sheet.

K. Deposits & Other Liabilities Rs. 96,01,70,142/-

1. Balance under this head Other liabilities includes amounts payable such as Deposits received, Provision for Gratuity, Leave Salary, Pension and 5th Pay Arrears, unknown credits in bank account etc. Individual party – wise list for such liabilities/provisions was not made available for verification and most of the balances are as it is from past financial years. The University should calculate the provision for pension, gratuity and leave encashment and make provision for the same in books of accounts every year.
2. TDS Payable shown at Rs. 1,02,62,145/- as at the year-end has Rs. 98,15,639/- carried forwarded from previous year. But details or payment challans for the same were not available for our verification.
3. An amount of Rs. 3,18,662/- pertaining to Labour Welfare Fund and Rs. 4,68,341/- pertaining to Insurance Deducted out of salary of the employees has not been paid to respective Govt. Account by the University.
4. There is a balance against the head suspense receipt of Rs. 83,35,86,437/- under deposits & other liabilities of which an amount of Rs. 33,95,45,818/- pertains to FY

2019-20. As per the explanation provided to us, the said receipts are pertaining to fees received from students but the details of same are not available on record. This has resulted understatement of Fees and profit by the said amount in the current year.

L. Income & Other Revenue Receipts

1. Accounting system of the University in case of revenue booking is based on receipt basis, but as the university does not follow the same method of accounting for all its transactions. It is observed that the University does not have any mechanism to reconcile the income receivable and income actually received by it.
2. The entries for cash deposit in to bank account, bank charges and entries of the bank accounts other than Current Account of Central Bank of India have not been made in the books of accounts.
3. University has issued Utilization Certificates to various funding agencies. But we observed that, such Utilization Certificates are not in agreement with books of accounts maintained by the University for the past many years. The certificates provided in the current year are in agreement with the Grant received and expended during the year but the balances in the books of accounts and certificates issued in the previous years do not match with one another.
4. The University has not recorded interest income of unaccounted bank statements as the said bank account has not been incorporated in books of accounts from past many years. The amount of the same cannot be ascertained due to non-availability of all bank statements. The bank accounts not available and not recorded in the books is mentioned above in point L. Cash & Bank Balances.
5. The fees received from students have not been bifurcated correctly between the heads of income of Course fee and examination fee. The majority of fees are booked under course fees; this has resulted in incorrect presentation of the heads of income.
6. During the year Fixed Deposits amounting Rs. 34,63,85,881/- have been matured during the year but the same has not been recorded in the books. Also, the interest pertaining to such deposits has not been recorded in the books. The interest income has been understated to such extent.

M. Expenditure

1. University has paid to its regular employees as "Reimbursement of Interest on Housing Loan" (Account Code I1204) in contravention to the provisions of YCMOU Act, 1989. In the absence of exact details, we are unable to comment upon the exact amount paid as reimbursement.



2. Various specific audit objections, which were not complied with, highlighting examples of various audit observations given above are given in Schedule A to H enclosed herewith.

N. Income Tax

1. The University has received notice from Income Tax Department for various financial years as below –

Financial Year	Demand Raised (Rs.)
2016-17	58,24,65,907

An appeal has been filed against this demand by the University.

2. As per the Income Tax order passed the University is liable to pay Income Tax against the surplus earned during the year but no provision for Income Tax Payable for the FY 2020-21 has been made in the books of accounts.

For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W

CA. Sanjeevan Tambulwadikar
Partner
M. No.: 140333
UDIN- 21140333AAAAFK8723



Place: Nashik
Date: 20th October 2021

Annexure 3 - Internal Audit Report
Detailed Audit Observations on Regional Centers of the University

During the current year, the regional centers were not visited by us due to the Covid-19 pandemic, the observations provided by us below are from our previous visits to the Regional Centers and on the basis of the audit done by us in the Head Office located at Nashik. The Audit areas to be conducted on visit to the Regional Centers will be done in the future visit for the conduct of audit.

A. Amravati Regional Center

1. Bank account is operated by single signatory.
2. Regional center does not record the cash withdrawn from Bank and paid to exam centers. As such there is no control over cash withdrawn from bank and on balance cash available with Regional Center.
3. Regional center has made excess expenditure out of exam advances and imprest cash received from HO.
4. Stock register is not maintained properly. It is maintained date wise instead of item wise.
5. Lack of separation of duties i.e. there is no specific person for particular work such as maker checker concept was not followed by the organization.
6. As informed to us, receipts of money deposited into university account of head office are not issued by finance department to Regional Center.
7. Some of the fixed assets are not numbered or marked. Physical verification of assets has never been conducted at the regional center.
8. Vehicle log book is not maintained properly. Quantity of diesel purchased is not mentioned in log book. Monthly summary in log book is not prepared.
9. Regional center earns interest on bank savings account. Regional center should refund all interest to University bank account.
10. Stock Register of receipt books is maintained but not signed by Regional Director and Assistant Registrar.
11. No proper internal control system exists to keep record of stock of books. There is no specified place to store the books. Stock taking of books is not carried out by authorities within reasonable intervals.
12. The summary of receipts and expenditure to be sent to the Head Office is not being sent in due time by the Regional Center.
13. Bank reconciliation is unmatched from the month of February. Reconciliation for further months was not provided till date of report.

B. Aurangabad Regional center

1. Bank account is operated by single signatory.



2. Cash book is not written properly and Voucher number is not mentioned in cash book. Also, collection register is not maintained properly. Cash should be physically verified and certified by Regional Center director at regular frequency.
3. Fixed asset register is not maintained properly. Some of the fixed assets are not numbered or marked. Physical verification of assets has never been conducted at the regional center.
4. Payments are made to Study Centers by cash and bearer cheques. In our opinion payment should be made by account payee cheque only.
5. The regional center is maintaining current and savings account with Central Bank of India. It has closed the current account but the savings account is still in operation. Interest on this savings account is received by the Regional Center and booking of such income is not being verified by HO.
6. Dead Stock Register does not show opening balance hence fixed assets cannot be verified.
7. Monthly imprest cash balance is not maintained at the Regional Center. The center uses money received as examination advance for daily expenditure. It is informed that the Regional Center has receivable amount of Rs.16,00,000/- from Head Office in previous year which was expensed for day to day expenditure by Regional Center. But the confirmation of such receipt is not available with the regional center.
8. Separate TAN number has been obtained for Regional Center, but only a few payments for TDS are made by the Regional Center against this TAN number. Copies of E-TDS returns filed are not available for verification. Also, the TDS deducted and paid against this TAN number is not reflected in the books of accounts of the University.

C. Kolhapur Regional Center

1. Bank account is operated by single signatory.
2. Regional center does not record the cash withdrawn from Bank and paid to exam centers. As such there is no control over cash withdrawn from bank and on balance cash available with Regional Center.
3. As informed to us, receipts of money deposited into university account are not issued by finance department to Regional Center.
4. Fixed Assets Register is not kept up to date. Some of the fixed assets are not numbered or marked.
5. Regional Center earns interest on bank savings account. Regional center should refund all interest to University bank account.
6. Stock Register of receipts books, prospectus, register of books, advance register should be signed by Regional Director and assistant Registrar at regular intervals.
7. Advance Register not maintained for advances paid to Exam Centers.



8. Regional Center is situated in the building of Shivaji University, Kolhapur but Regional Center has not entered into any agreement with Shivaji University.
9. Following are few cheques which are issued but not cleared. These cheques are also not appearing in the reconciliation statement-

D. Mumbai Regional Center

1. Bank account is operated by single signatory.
2. Regional Center does not maintain books of accounts in accounting software. Hence software generated bank book is not available for verification. A register is maintained and all transactions are maintained in that register.
3. Fixed Assets Register is not maintained.
4. Stock register of Books stating the details of stock available in the regional center is not maintained.
5. A car owned by the University is being kept unused from the past 3 years. The same should be sold and written off from the books of accounts.
6. Bank reconciliation has not been prepared for the year.

E. Nagpur Regional Center

1. Bank account is operated by single signatory.
2. Regional center does not record the cash withdrawn from Bank and paid to exam centers. As such there is no control over cash withdrawn from bank and on balance cash available with Regional Center.
3. Stock register is not maintained properly. It is maintained date wise instead of item wise. It is not signed by regional director.
4. As informed to us, receipts of money deposited into university account are not issued by finance department to Regional Center. For example, in case of sale of prospectus, amount is collected by Regional Center and deposited into University account but no receipts from University are on record.
5. Fixed Asset register is not signed by regional director. It is not updated in respect of disposal of tables, chairs, etc.
6. Vehicle log book is not maintained properly. Quantity of diesel purchased is not mentioned in log book. Monthly summary in log book is not prepared.
7. Regional Center is functioning in the building of Nagpur University free of cost. Regional center has not entered into any agreement with Nagpur University.
8. Regional center has deducted tax from payment by using TAN number of University Head Office but it has not informed to finance department of university and in effect, these entries were not reported in TDS Return of the University.
9. Security deposit/ Earnest Money Deposit register is not maintained.
10. The Regional office provides advance to its employees to perform certain work for conduct of exam over different exam centers. The status of such advance is not updated till employees return balance amount or settle the advance which takes



almost 6-7 months. Thus, the funds of the university are being utilized for a long period without settlement in books of accounts.

11. During the year the Regional office is paying Rs 3,895/- as monthly rent for certain land & Building to Nagpur Municipal Corporation for new office but the Regional Centre has not been shifted to such new place. This un-necessary expenditure should be avoided and the shifting to be done immediately.
12. There is amount receivables from different study/ exam centers related to sale of prospectus outstanding from last 5-7 years. In the absence in complete details were cannot comment upon the same.

F. Nanded Regional Center

1. Bank account is operated by single signatory.
2. Regional center does not record the cash withdrawn from Bank and paid to exam centers. As such there is no control over cash withdrawn from bank and on balance cash available with Regional Center.
3. Stock register is not maintained properly. It is maintained date wise instead of item wise. It is not signed by regional director.
4. As informed to us, receipts of money deposited into university account are not issued by finance department to Regional Center. For example, in case of sale of prospectus, amount is collected by Regional Center and after that amount is deposited into University account but receipts from University are not on record.
5. Fixed Asset register is not signed by regional director. It is not updated in respect of disposal of tables, chairs, etc.
6. Vehicle log book is not maintained properly. Quantity of diesel purchased is not mentioned in log book. Monthly summary in log book is not prepared.
7. Advance register is not maintained. List of outstanding advances are not made available for verification.
8. Regional center has deducted tax from payment by using TAN number of University Head Office but it has not informed to finance department of university and in effect, these entries were not reported in TDS Return of the University.
9. Security deposit/ Earnest Money Deposit register is not maintained
10. No proper internal control system exists to keep record of stock of books. There is not specified place to store the books. Stock taking of books is not carried out by authorities within reasonable intervals.
11. Some of the fixed assets are not numbered or marked. Regional Center has not charged depreciation on its Fixed Assets.
12. Bulk Cash transactions are observed at the Regional Center. The same should be done with cheque or RTGS/ NEFT. Bulk withdrawal of cash is not permitted by Head Office.
13. An unauthorized advance of Rs.1,61,86,700/- has been given to Mr. Gulhanefor expenses of Exam Center. This has resulted into noncompliance of rule 57 & 58



of Bombay Finance Rule 1958 as reported in the internal inquiry report of the University. Also, this advance has not been reconciled with the University books of accounts till date. The same should be done on priority basis.

G. Nashik Regional Center

1. Regional Center is granting advances to various Exam Centers as per student per center. Proper register has been kept by Regional Center but all such advances are paid in cash after withdrawing the same from its bank by way of a self cheque. In our opinion account payee cheques should be issued for all transactions and cash transactions should be avoided.
2. Regional Center is not recording the cash withdrawn from Bank and paid to exam centers. As such there is no control over cash withdrawn from bank and on the balance of cash available with Regional Center.
3. A receipt for settlement of Exam advances does not bear any details of cash/cheque etc. University should issue proper receipt containing all details of cash, cheque and DD etc.
4. Regional center earns interest on Bank Savings Accounts the same should be transferred to University main account periodically.
5. In case of sale of prospectus, proper record should be kept by Regional Center giving all details of receipts and issues. Correspondingly cash receipts should be updated properly.

H. Pune Regional Center

1. Regional Center has not maintained bank book properly. Only receipt and payments entries are recorded but balancing is not done. Regional Center has not prepared Bank Reconciliation Statement due to non-availability of bank balance as per cash book.
2. Bank account is operated by single signatory.
3. Regional center earns interest on Bank Savings Accounts the same should be transferred to University main account periodically.
4. Log book and history book are not maintained properly. Entries of fuel filled in vehicle are recorded in history book instead of log book. Also, monthly summary is not maintained in log book. When vehicle travels to Nashik for any conference/ meeting called by the University the fuel filled is not recorded in log book/ history book of Regional Center. These entries should be duly recorded in log book.
5. Regional Center is granting advances to various Exam Centers as per student per center. No register is maintained for recording any advances given to Exam Centers. Hence status of advances outstanding/ recouped is not available with Regional Center.
6. Collection Register is not maintained at Regional center for recording of collection of cash/DDs and its deposition to University.



C.R. Sagdeo & co.
Chartered Accountants

7. Regional center has made payment on lump sum basis irrespective of days worked to daily wage workers employed. But neither professional tax was deducted from their payment (wherever applicable) nor deposited to government.
8. Regional Center has taken premises of Pune Municipal Corporation at ground floor of Shahir Annabhau Sathe Prashalagruha, Pune on rent. Rent agreement is not executed for the premises occupied.

For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W

CA. Sanjeevan Tambulwadikar
Partner
M. No.: 140333
UDIN- 21140333AAAAFK8723



Place: Nashik
Date: 20th October 2021

Annexure 4 - Internal Audit Report

Pending Audit Compliances from FY 2009-10 to FY 2018-19

Below stated are the serious Audit Paras pending from previous Audit Report for the years 2009-10 to 2018-19 which have not been complied as on date. List of the same is as below-

1. As reported by the previous Auditor the University has not recognized interest income of Rs. 18,13,23,381/- in FY 2014-15 received on fixed deposits with banks in its books of accounts resulting into understatement of its receipts and surplus to that extent. This interest was neither recorded in the books in the current year nor details of such interest were made available for our verification.
2. As reported by previous Auditor, University has received Rs. 11,34,150/- vide Receipt No. 87424 dated 13/05/2014 and credited the same to STDR Released Account (A/C Code 3017). On further enquiry it was found that, amount pertains to FD of Rs. 11,36,000/- kept with / State Bank of India, Abhona Branch on 12/06/2009 vide FDR Nol. 648892 with maturity date of 08/03/2012 and value of Rs. 14,02,740/- When University authorities made correspondence with SBI for refund of maturity proceeds, SBI repaid the mere principal amount after deducting administrative charges of Rs. 1,850/- stating that the amount was not invested in FD and it was lying in a Current Account. University has lost interest of Rs. 2,76,590/- in this transaction and the matter should be followed up rigorously with the higher authorities of SBI to recover the due Interest on this fixed deposit. The University has sent letter to the branches and regional office of the Bank for recovery of the interest but more stringent measures to recover this amount should be undertaken by the University.
3. Despite of highlighting this point, University has not taken any action in respect of total 2121 stale demand drafts pertaining to period 2010 to 2013 involving amount of Rs. 26,61,811/- held by it. Management needs to take immediate action for getting these Demand Drafts revalidated and fix the responsibility of concerned staff for loss of interest/ or other related financial loss to the University.
4. University has not filed its annual income tax return as per provisions of the Income Tax Act, 1961 for AY 2014-15.
5. As reported by previous auditor an amount of Rs. 168,85,88,247/- is credited to the account head "STDR Released" (A/c Code 3017) but item-wise details of the same are not available for verification and balance of Investments as shown in the balance sheet is net off this credit amount. No details of this amount were made available for our verification; the balance includes interest as well as principal amount of investment.

This has resulted into understatement of interest income and investments as on the balance sheet date. In the absence of information, we are unable to comment on the same.

6. Opening balance of Differences in banks & other balances of Rs. 2,07,23,033/- shown in Accounts receivables has not been reconciled till date. No details of the same were provided for our verification, hence we are unable to comment of the same.
7. Opening Balance of Other Receivables/ Deposits/ TDS etc. is Rs. 9,81,138/-, party-wise list of the same and other details not available for verification. In absence of such details we are unable to comment on the quality of such current assets.
8. There is an opening balance Rs.70,60,000/- under the "FO-YCMOU" and Rs.3,56,19,610/- under the "Unknown Credit from Central Bank of India a/c". No details of these amounts were made available for verification. This amount seems to be of transfer of fees and / or maturity proceeds of fixed deposits from various other bank accounts held by the University. In our opinion, University should locate sources of these receipts and account for the same under appropriate heads.
9. We have observed that, University has got balance under the head "Re-deposited Cheques/DDs etc." of Rs. 1,80,45,370/- as at the year end. University should properly reconcile bank accounts and take necessary action to reverse the original credit entries already taken in the bank book.
10. University has incurred more expenditure than the sanctioned & received grant from UGC – DEB for FY 2016-17. Total grant received was Rs. 1,75,00,000/- and expenditure reported as per Utilization Certificate is Rs. 6,90,37,452/- resulting into excess expenditure of Rs. 5,15,37,452/-.
11. University should take necessary steps to file appropriate correction TDS returns to settle TDS default notices received by it. There is demand of Rs. 16,55,610/- for the years 2007-08 to 2014-15 for which rectification has to be done.
12. University has made advance payment to Bharat Electronics Limited amounting to Rs.1,06,73,403.00 (V No4663/2.5.10) on the basis of proforma invoice for 26 SIT units. We observed that details of material received, sanction order of higher authority, settlement of advance are not available for verification. We were informed that advance has been paid from amount collected from various institutions. Finance department was unable to provide details of such receipts in the books of account.
No vouchers or supporting documents were available for our verification. No explanation was provided regarding the same.



Also, the physical location and actual installation of such SIT units was not seen in the university. As per our observation it is seen that no units had been installed in the university.

13. An MoU was made by the University with Ichalkaranji Sahakari Bank for collection of DDs of students fees and technological support for the same. As per MoU with Ichalkaranji Sahakari Bank, Bank should have opened a Savings Bank Account for deposition of DDs collected but a Current Account is opened (CD 292).
As per balance confirmation certificate given by the bank for above CD account, huge balance lying with it which stood at Rs.5,29,29,629/-. No details of this amount transferred to University's main bank account were available for verification. Also, reconciliation of the DDs received and encashed was available with the University.
14. During the year 2011-12 an amount of Rs. 8,72,19,009/- has been refunded to students as refund of fees paid. But, the list of students to whom the fees have been refunded has not been made available to us for verification. The approval of board of management was not taken before making the payment. Also, the payment has been made to regional centers but no record was available with the regional centers of acknowledgement from students for receipt of refund of fees. As on date no details are available with the university regarding the refund of fees. A detailed reconciliation of this amount should be provided to us stating the list of students as per regional centre, study centre and colleges which is matching with the said amount along with details of fees refunded.
As no details are available it is seen that the said fees have not been actually refunded to the students.
15. During the year 2012-13 a settlement of dispute had been made with Ashoka Construction at Rs. 2,90,00,000/- outside the court. An amount of Rs. 35,66,736/- has been paid in excess as this amount was deposited in court during the proceeding of the same. Also, as per the District court Arbitration Petition No. 73/2007 and 90/2007 dated 25th April 2012 the court fee was to be refunded to the University.

No explanation has been provided to us for the amount of excess payment made to Ashoka Construction. The excess amount paid of Rs. 35,66,723/- in court has not been received by the University as on date. Also, it is seen that no efforts were made to recover this amount. The University has also not made any efforts to recover the court fee paid in the arbitration as mentioned in the Court Order.
16. University has not submitted compliance /action taken report on Internal Audit Reports since FY 2008-09 to State Government.
17. Physical register for the period before 2010-11 was not available for verification. From the available details it is seen that there is a difference of Rs. 2111.11 lakhs as per

physical register and books of accounts of assets maintained for furniture, computer and other equipment. Also, the register is not up to date and has records only for physical quantity of assets from the year 2009-10. No records of date of purchase of assets, asset value, etc. are available with the university. In our opinion it is recommended to the university to get the assets valued from a certified valuer and make adjustment to the book balances accordingly.

18. This balance has been carried forward from previous year. Major amount includes Staff Pension Contribution paid Rs. 4,00,00,000/- to State Government. The said amount is paid to State Government and further the State Government has paid Rs. 4.22 crores to GPF Department as pension of the employees. The amount is in nature of expenditure to the university and should be charged to Income & Expenditure Account.

For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W



CA. Sanjeevan Tambulwadikar
Partner
M. No.: 140333
UDIN-21140333AAAAFK8723

Place: Nashik
Date: 20th October 2021

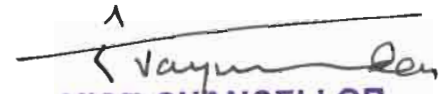
Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.

BALANCE SHEET AS ON 31ST MARCH, 2021

Sr. No.	Particulars	Schedule No.	Current Year 31/03/2021	Current Year 31/03/2020
I)	SOURCES OF FUNDS			
a)	General Fund & Other Funds	1	9,93,09,13,511	9,25,01,20,680
b)	Depreciation Fund	2	20,84,63,957	20,84,63,957
c)	Grants- Un-utilised	3	5,86,21,482	4,92,06,780
d)	Deposits & Other Liability	4	96,01,70,142	46,84,63,419
	Total		11,15,81,69,092	9,97,62,54,836
II)	APPLICATION OF FUNDS			
a)	Gross Block	5	1,01,08,30,297	1,00,12,33,196
	Less: Depreciation		-	-
	Net Block		1,01,08,30,297	1,00,12,33,196
b)	Investments	6		
	Earmarked Fund Investment		1,33,32,02,065	1,11,68,38,065
	Endowment Fund Investment		9,95,94,136	7,32,47,136
	General Fund/ Other Investments		9,08,42,67,682	8,16,28,02,682
c)	Advances	7	32,99,49,275	42,67,23,562
d)	Accounts Receivables	8	6,16,87,698	6,16,87,698
e)	Cash & Bank Balances	9	-82,79,52,630	-93,30,40,150
f)	Inventories	10	6,65,90,569	6,67,62,647
	Total		11,15,81,69,092	9,97,62,54,836


Accounts Officer
ACCOUNTS OFFICER
Y.C.M.OPEN UNIVERSITY
NASHIK


Finance Officer
Yashwantrao Chavan Maharashtra
Open University, Nashik


VICE CHANCELLOR
YASHWANTRAO CHAVAN MAHARASHTRA
OPEN UNIVERSITY, NASHIK-422 222
Vice Chancellor

As per our Internal Audit Report of even Date
For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W



CA. Sanjeevan V. Tambulwadikar
Partner
M. No.: 140333

Place: Nashik
Date: 20.10.2021

Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Sr. No.	Particulars	Schedule No.	Current Year 31/03/2021	Current Year 31/03/2020
A)	INCOME			
I)	ACADEMIC & OTHER			
1	Fees Received from student	11	1,04,80,66,650	1,26,08,61,562
2	Grants Utilised/ Received	11	2,77,04,474	40,74,366
3	Income from Publication Sales	11	6,82,274	8,53,031
4	KVK Receipts	11	9,61,008	37,02,390
5	Miscellaneous Receipts	11	12,59,36,222	54,57,56,011
6	Study Centre Receipts	11	72,29,000	71,76,895
II)	INTEREST ON INVESTMENT			
1	Interest on Deposits with Banks		38,88,31,733	41,86,84,345
2	Dividend on Shares		1,48,000	5,55,000
III)	STOCK OF BOOKS/PAPER			
1	Closing Stock Books/paper	10	6,65,90,569	6,67,62,647
		Total (A)	1,66,61,49,930	2,30,84,26,247


ACCOUNTS OFFICER
Y.C.M. OPEN UNIVERSITY
NASHIK


Finance Officer
Yashwantrao Chavan Maharashtra
Open University, Nashik


VICE CHANCELLOR
YASHWANTRAO CHAVAN MAHARASHTRA
OPEN UNIVERSITY, NASHIK-422 222

As per our Internal Audit Report of even Date
For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108999 W



CA. Sanjeevan W. Tarbulwadikar
Partner
M. No. 140333

Place: Nashik
Date: 20.10.2021

Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.

INCOME & EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2021

Sr. No.	Particulars	Schedule No.	Current Year 31/03/2021	Current Year 31/03/2020
B)	EXPENDITURE			
I)	EXPENDITURE			
1	Academic Expenditure	12	16,73,93,295	23,43,48,917
2	Common Services & General Charges	12	25,67,978	81,04,279
3	Establishment Expenses	12	25,93,30,537	77,94,74,945
4	Examination Expenditure	12	13,29,55,410	25,51,00,065
5	KVK Expenditure	12	66,70,866	98,00,312
6	Salary & Allowances	12	34,98,48,444	32,67,54,189
II)	DEPRECIATION & AMORTIZATION		-	-
III)	STOCK OF MATERIAL			
1	Opening Stock Books/paper	10	6,65,90,569	5,21,77,866
		Total (B)	98,53,57,099	1,66,57,60,573
	NET SURPLUS FOR THE YEAR	(A-B)	68,07,92,831	64,26,65,674
	Appropriation to Funds/ Reserves			
1	University Research & Development Fund			
2	University Fund A/c (Development)			
3	Contingency Fund A/c			
4	Surplus transferred to General Fund		68,07,92,831	64,26,65,674
		Total	1,66,61,49,930	2,30,84,26,247


ACCOUNTS OFFICER
Accounts Officer
Y.C.M. OPEN UNIVERSITY
NASHIK


Finance Officer
Yashwantrao Chavan Maharashtra
Open University, Nashik


VICE CHANCELLOR
YASHWANTRAO CHAVAN MAHARASHTRA
OPEN UNIVERSITY, NASHIK-422 222
Vice Chancellor

As per our Internal Audit Report of even Date
For C.R. Sagdeo & Co.
Chartered Accountants
FRN 108959 W




CA. Sanjeevan V. Tambulwadikar
Partner
M. No.: 140333

Place: Nashik
Date: 20.10.2021

**Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.**

Schedule 11: Income

Sr. No.	Particulars	Current Year 31/03/2021	Current Year 31/03/2021
A)	Fess Received from Students		
1	Course Fees	1,03,93,73,393	
2	Examination & Marksheet Fee	35,86,819	
3	Convocation Fees	59,400	
4	Migration Fees	39,54,258	
5	NSS YCMOU Fees	15,000	
6	Dyangangotri Receipts & Subscriptions.	400	
7	Other Fees	10,77,380	
	Total		1,04,80,66,650
B)	Grants Utilised		
1	ICAR Grants Utilised	1,63,88,544	
2	Vishwakosh Mandal Grant Utilized	90,000	
3	DEC Grants Utilised	1,05,13,436	
4	Other Grants Utilised	7,12,494	
	Total		2,77,04,474
C)	Income from Publication Sales		
1	Sale of Tender forms	6,38,500	
2	Loss of Books Recovery	4,594	
3	Sale of Books	16,630	
4	Sale Of Employment Application Form	22,550	
	Total		6,82,274
D)	KVK Receipts		
1	Sale of Fruits	1,87,906	
2	Sale of Nursery Plants/Grafts	1,06,485	
3	Sale of Flowers	21,428	
4	Sale of Lab Product	4,80,390	
5	Training & Hall Rent Charges	84,000	
6	Receipts from Others (ATMA, Training Fees Govt)	72,185	
7	Lab Testing	8,614	
	Total		9,61,008



**Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.**

E)	Miscellaneous Receipts		
1	Cheque /RTGS Returned	11,47,36,412	
2	Misc Receipts	12,42,007	
3	Salary Recovered	30,95,974	
4	Penalty to Venders	15,61,565	
5	Rent - Post, Bank and Other	1,06,362	
6	Guest House Charges	6,39,385	
7	Use of Vehicles	16,146	
8	Sale of Scrap	19,57,034	
9	Pension Contribution Received	25,42,457	
10	Gold sale	38,880	
	Total		12,59,36,222
F)	Study Center Receipts		
1	Study centre Processing Fees	72,29,000	
	Total		72,29,000
	Grand Total		1,21,05,79,628


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OPEN UNIVERSITY, NASHIK-422 222



Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.

Schedule 12: Expenditure

Sr. No.	Particulars	Current Year 31/03/2021	Current Year 31/03/2021
A)	Academic Expenditure		
1	Production of Text Books	13,03,30,742	
2	Purchase of Books & Journals	1,43,508	
3	Seminar & Workshop	8,89,343	
4	Student Support Services	3,00,26,256	
5	Development of Course Material & QAM	1,73,325	
6	Refund of Fees	11,68,405	
7	Delivery of Study Material	22,23,374	
8	Study Centre Management	17,62,410	
9	Subscription of Data base	2,61,554	
10	Others	4,14,378	
	Total		16,73,93,295
B)	Commom Services & general Charges		
1	Indradhanusha Proreta & Expenses	6,25,485	
2	Ashwamedh Proreta & Expenses	10,92,841	
3	NSS Expenses (YCMOU Unit)	7,74,932	
4	Loksanwad / Ex. Lecture Series	12,275	
5	Innovation & Incubation	16,556	
6	Expenses for Adhyasan Activities	45,889	
	Total		25,67,978



**Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.**

C) Establishment Expenses			
1	Office Expenses / Printing & Stationery	9,08,153	
2	Hospitality Charges	7,37,484	
3	Contingencies	13,29,445	
4	Legal Expenses & Professional Charges	45,37,741	
5	Postage	8,21,714	
6	Advertisement	26,24,123	
7	Audit Fees	4,39,420	
8	Telephone Expenses	20,66,353	
9	Insurance Premium	3,07,854	
10	Petrol & Repair of Vehicles	25,92,730	
11	Rent, Rates & Taxes	22,16,188	
12	Ceremony & Functions	3,72,483	
13	Maintanance of Equipments	14,91,733	
14	Maintenance of Buildings	5,78,363	
15	Electricity Charges	67,27,266	
16	Institutional Membership Fee	3,09,287	
17	TA/DA Expenses for Committee Members	9,18,180	
18	Water Charges	72,064	
19	Others	1,58,85,798	
20	Cheque Cancellation	11,43,79,301	
21	Income Tax Paid	4,500	
22	Bank Charges	10,357	
23	Donation -CM /PM Relief Fund	10,00,00,000	
	Total		25,93,30,537

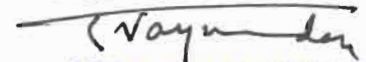


**Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.**

D)	Examination Expenditure		
1	Conduct of Exam /CAP/Remuneration	12,61,29,417	
2	Convocation Expenses	8,19,741	
3	Other Printings for Examination	15,58,662	
4	Paper Setting & Question Banking	32,29,142	
5	TA/DA to Exam Work	800	
6	Technology Support	20,523	
7	Expenses for Presentation & Viva-Voce	11,69,628	
8	Pre & Post Exam Meeting Expenses	21,242	
9	Contingency Exp. for Examination	6,255	
	Total		13,29,55,410
E)	KVK Expenditure		
1	Campus Garden Maint/ Landscape Devel & Maint	28,96,772	
2	Campus / Farm Development	2,70,700	
3	Inputs / Ferti. / Pesticides / Soil	53,612	
4	Farm Maintenance	30,81,471	
5	Contingencies / Tools & comp Service charges/Equipment	3,48,393	
6	Other Misc Expenses (Stationary, Poultry, Dog, Field etc.,	14,968	
7	ATMA Training Fees (Govt.)	4,950	
	Total		66,70,866
F)	Salary & Allowances		
1	Expenditure on Overtime	45,191	
2	Employees Welfare	1,22,79,275	
3	Services & Hire Charges	3,22,61,259	
4	Reimb. of Medical Expenses to Staff	20,45,584	
5	Leave Encashment	26,75,443	
6	Salary	27,09,26,690	
7	Leave Travel Concession	93,673	
8	Ph.D., BBA, ITI, EPP, Stipend	86,21,539	
9	Wages	49,19,043	
10	Staff Training & Development	43,439	
11	Pension Contribution to Government	1,59,37,308	
	Total		34,98,48,444
	Grant Total		91,87,66,530


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OPEN UNIVERSITY, NASHIK-422 222



Yashwantrao Chavan Maharashtra Open University, Nashik
Dnyangangotri, Gowardhan, Nashik-422222.

Schedule No. 5: Fixed Assets

Sr. No.	Particulars	Gross Block as on 1st April 2020	Additions During the year	Adjustments/ Transfer During the year	Gross Block as on 31st March 2021
A)	Land				
1	Land	4,37,54,813	-	-	4,37,54,813
2	Farm Development	2,46,507	-	-	2,46,507
3	Leasehold Land at Pune	1,87,94,270	-	-	1,87,94,270
B)	Work in Progress				
1	Buildings - Studio	7,50,373.00	-	-	7,50,373
2	Buildings - Examination	2,40,000.00	-	-	2,40,000
3	Buildings - Faculty House	1,25,35,354.00	-	-	1,25,35,354
4	Buildings - Lab Building	18,99,519.00	-	-	18,99,519
5	Buildings - Library	10,94,62,997.00	-	-	10,94,62,997
6	Buildings - Library Building (DEC)	2,90,69,077.00	-	-	2,90,69,077
7	Buildings - RC Nanded	1,01,63,779.00	-	-	1,01,63,779
8	Buildings - RC Amravati	3,00,131.00	-	-	3,00,131
9	Construction of Compound Wall	50,54,250.00	-	-	50,54,250
10	Construction of Disease Unit	3,43,074.00	-	-	3,43,074
11	Construction of Green House	3,59,420.00	-	-	3,59,420
12	Construction of New Wall	24,78,568.00	-	-	24,78,568
13	Construction of Ware House	50,00,000.00	-	-	50,00,000
14	Internal Roads	87,39,495.00	-	-	87,39,495
15	Studio Building - Expenditure	67,963.00	-	-	67,963
16	Vermi/ Labour Shed	9,41,364.00	-	-	9,41,364
17	Construction of Studio Building	1,90,73,068.00	-	-	1,90,73,068
18	Construction RC at Aurangabad	1,25,43,800.00	-	-	1,25,43,800
19	Construction of Open Theatre	19,00,000.00	-	-	19,00,000
20	Construction of 5 District Centers	82,349.00	-	-	82,349
21	Construction RC at Pune	35,75,500.00	-	-	35,75,500
22	Construction of Exam Building	16,07,269.00	-	-	16,07,269
C)	Buildings				
1	Buildings	39,57,89,709	42,65,456	-	40,00,55,165
2	Green House Shed	16,45,141	-	-	16,45,141
3	Shed Net- Packing	2,73,536	-	-	2,73,536
D)	Furniture				
1	Furniture & Equipments/ Vehicles	6,42,79,194	56,61,838	2,00,000	6,97,41,032
E)	Equipments				
1	Audio/ Video Equipments	3,80,96,557	-	-	3,80,96,557
2	Demon Unit	90,055	-	-	90,055
3	Soil & Water testing Laboratory	10,45,931	-	-	10,45,931
4	DEC- R & D Equipments	4,43,15,962	-	-	4,43,15,962
5	Spares & Accessories	39,88,002	-	-	39,88,002
6	Farm Equipments	1,67,467	-	-	1,67,467
7	Other Equipments	29,42,166	3,45,229	-	32,87,395
F)	Vehicles				
1	New Vehicles	1,49,17,062	-	2,85,572	1,46,31,490
G)	Books & Journals				
1	Books & Journals	3,09,87,887	-	-	3,09,87,887
2	DEC - Books & Publication	2,38,27,795	-	-	2,38,27,795
H)	Computers				
1	DEC Computer & Modernisation	3,47,39,175	-	-	3,47,39,175
2	Computer & Printers	5,51,44,617	5,36,592	7,26,442	5,49,54,767
	Total	1,00,12,33,196	1,08,09,115	12,12,014	1,01,08,30,297

ACCOUNTS OFFICER
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Yashwantrao Chavan Maharashtra Open University, Nashik

Schedule 13. Significant Accounting Policies and Notes on Accounts

General

The financial Statement are prepared in three parts i.e. i) Receipts and Payments Account, ii) Income and Expenditure account and iii) Balance sheet.

A) Significant Accounting Policies:

The Significant Accounting Policies adopted in the preparation of Annual Accounts of the Institute are as follows:

1. Accounting convention:

The Annual Accounts are prepared under the historic cost convention and ongoing concern concept, unless otherwise stated, and on receipt method of Accounting so far as fees and interest are concerned, and on accrual basis so for as other matters are concerned.

2. Revenue Recognition:

- i. The University, by way of its own nature/character, generates internal income. The major sources are various fees realized from students, Interest earned on investments, KVK income and other miscellaneous income. Fee from students and sale of Admission forms are accounted for on Cash Basis.
- ii. Interest on investments and Interest on Savings Bank Account are accounted on Cash Basis.
- iii. Interest on interest bearing advances to staff for house building, vehicles and computers are accounted for on cash basis as the same are recovered from salary of the employees on monthly basis.

3. Fixed Assets & Depreciation:

- i. Fixed assets including land are disclosed at gross historical cost. The cost includes inward freight, customs duty, installation charges and other directly attributable expenses related to their acquisition, installation and commissioning.
- ii. The university has not charged depreciation on various fixed assets held by it.
- iii. Profit/ loss on sale of fixed assets is not considered, but the amount is deducted from gross block.
- iv. Amount received as Government Grant towards cost of acquisition of fixed assets is credited to Capital Reserve/ funds.
- v. Capital Work-in-progress:
Deposit works are accounted for as Capital Work-in-Progress on the basis of statements received from University Works Department (UWD)/other departments. These are valued at cost on FIFO method. Running bills of contractors are also accounted for as Capital Work-in-Progress till completion. No depreciation is charged on Capital Work-in-Progress.



4. Investments

Investments represent amount held in the form of fixed deposit with banks and shares held with MKCL. No investments are made by the University in tradable securities. The investments are valued at cost.

5. Inventories:

Inventories of publications, books are valued at cost.

6. Impairment of Assets

The carrying amounts of assets are not received on each balance sheet date and if there is any indication of impairment based on internal or external factors, the same are not adjusted in the books of accounts.

7. Provisions:

Provisions are not recognized at the end of the year. Only provision for Leave Salary has been recognized during the year.

8. Reserves & Surplus:

Excess of Income over Expenditures or vice-versa of the University is treated as addition to / reduction from Reserves and Surplus.

9. Earmarked / Endowment Funds:

With the approval of Boards of Management, the University has created the following long-term funds as earmarked for specific purpose:

- a) Designated donations
- b) Medical emergency funds
- c) Funds for promotional activities
- d) R&D savings
- e) Other general funds.

These funds are utilized as per the recommendations of Management Committee of Endowment Fund from time to time duly approved by Board of Management. The balance is invested separately in fixed deposits with the banks and other financial institutions.

10. Incometax:

- a) The University has received notice from Income Tax Department for various financial years as below –

Financial Year	Demand Raised (Rs.)
2016-17	58,24,65,907

- b) No Provision has been made for Income Tax Payable in the books of accounts.

B) Notes to Accounts

(Forming Part of Balance Sheet as at 31st March 2021)

1. Contingent Liabilities



The university is not recognizing the amount of contingent liability except for the following cases against the University.

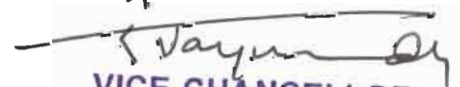
(Rs. in Lakhs)

Sr. No.	Particulars	31.03.2021	31.03.2020
1.	Claims against the University not acknowledged as debts- Mrs. Anuradha Deshmukh, Post Retirement Dues & Leave Encashment, WRIT Petition filed in High Court, Mumbai	16.16 lakhs	16.16 lakhs
2.	Claims against the University not acknowledged as debts- Mr. Bhujang Shinde, Labour Court, Nanded	3.40 lakhs	-
2.	Estimated amount of contracts remaining to be executed on capital account not provided for	Nil	Nil
3.	Counter guarantees given to the bankers for guarantee issued by them on behalf of the University	Nil	Nil
4.	Income Tax Order passed against the University for-		
	FY 2010-11	-	2,615.32 lakhs
	FY 2011-12	-	7,35.14 lakhs
	FY 2012-13	-	3,680.24 lakhs
	FY 2013-14	-	4,303.07 lakhs
	FY 2016-17	5,824.66lakhs	5,824.66 lakhs
5.	TDS dues outstanding as per Traces	16.86 lakhs	16.61 lakhs

- The disclosures required under various applicable ICAI Accounting Standards are not followed by the University.
- The University has not obtained Balance Confirmation letters from the Depositors and other liabilities and advances. However, University Authorities have scrutinized the balances and certified that all balances are good and recoverable/ payable. The balances outstanding are subject to confirmation and reconciliation.
- There are no losses on account of flood, fire or other casualty.
- Previous year's figures have been regrouped / rearranged whenever required to make them comparable with the current financial year's figure.
- Schedules 1 to 13 and Receipts and Payments Accounts form an integral part of accounts.


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