

INTERNAL AUDIT REPORT

For the Accounting Year 2014-2015

Section 1: Internal Audit of the Accounts:

Vouching:

We have carried out internal audit of the books of accounts for the year 2014-2015, and the deficiencies found during the course of audit have been reported and rectified on the spot.

Receipt Book:

We have verified all the receipts for the year 2014-15 and discrepancies found have been reported and rectified on the spot.

Cash Book / Ledger:

- 1) We have verified the cash book and ledger for the year and there were no major discrepancies in the books of accounts. However any discrepancy found have been reported and rectified.
- 2) The amount received from the beneficiaries of EWS towards the monthly instalments has been recorded on receipt basis.
- 3) The Impact Fees received is shown as Liability in Books of Accounts until the Vadodara Municipal Corporation approves the Constructions; then it will be booked as Income.

Revenue Leakages:

1) NON- RECEIPT OF SALES CONSIDERATION FOR PLOT NUMBER 59 (PADRA - TP-2)

VUDA had invited tenders through advertisements in newspaper on 30-07-2013 for Auction of plots in TP 1 & TP 2. The single bidder M/S Tavakkalbhai Ahmedbhai Malik bided for Plot No 59 (Padra TP-2). The said Plot admeasured 1745 sq. mtr., and rate per sq. mtr. finalized was Rs. 20,600/- which resulted into final sales Consideration Receivable of Rs. 3,59,47,000/- (Three Crore Fifty Nine Lakh Forty Seven Thousand Only) from M/S Tavakkalbhai Ahmedbhai Malik.

Under the said bidding following payment terms had to be fulfilled by the bidder:

- 10% of the Total Consideration within 10 Days of the Auction
- 40% of the Total Consideration within 90 Days of the Auction
- 50% of the Total Consideration within 180 Days of the Auction which can be summarized as under (Considering The Date of Agreement as Date of Auction):



1ST INSTALLMENT RECEIVABLE ON OR BEFORE 18/01/2014				2,840,530
DATE OF ACTUAL RECEIPT	AMOUNT RECEIVED	AMOUNT OUTSTANDING	DELAY IN DAYS	INTEREST AMOUNT
03/09/2013	500,000	-	-	-
05/02/2014	2,840,530	-	26	25,008
TOTAL	3,340,530	-	26	25,008
2ND INSTALLMENT RECEIVABLE ON OR BEFORE 08/04/2014				11,362,120
DATE OF ACTUAL RECEIPT	AMOUNT RECEIVED	AMOUNT OUTSTANDING	DELAY IN DAYS	INTEREST AMOUNT
03/05/2014	5,000,000	5,862,120	113	527,638
14/06/2014	5,000,000	862,120	42	101,182
24/06/2014	862,120	-	10	3,543
TOTAL	10,862,120	6,724,240	165	632,363
3RD INSTALLMENT RECEIVABLE ON OR BEFORE 08/07/2014				14,202,650
DATE OF ACTUAL RECEIPT	AMOUNT RECEIVED	AMOUNT OUTSTANDING	DELAY IN DAYS	INTEREST AMOUNT
01/08/2014	2,000,000	12,202,650	203	1,184,851
02/08/2014	2,000,000	10,202,650	1	5,015
04/08/2014	2,000,000	8,202,650	2	8,386
07/08/2014	2,000,000	6,202,650	3	10,113
13/08/2014	2,000,000	4,202,650	6	15,294
30/08/2014	2,000,000	2,202,650	17	29,361
07/10/2014	2,202,650	-	38	34,398
TOTAL	14,202,650	12,202,650	270	1,287,417

Hence the Total Amount Recoverable as interest is Rs. 19,44,789/- (NINETEEN LAKH FORTY FOUR THOUSAND SEVEN HUNDRED EIGHTY NINE ONLY)

The advance cheques that were to be received by the Authority prior to the date of agreement were not received by the Authority and the Sale Deed was executed on 21-10-2014 without recovery of outstanding Interest.

Section 2: Annual Accounts:

The Annual Accounts for the year are enclosed herewith. The Deposits received from Contractors & others shown in the Balance Sheet have been carry-forwarded since last several years; we therefore, are of the opinion that, the Accounts Office may take appropriate decision in that respect.

Section 3: Budget:

On the basis of the Annual Accounts for the year 2014-2015, the Budget for the year 2015-16 has been discussed with the Accounts Officer, and prepared accordingly.

Section 4: Writing of Books of Accounts under Double Entry Accounting System:

The Accounts for the year 2014-2015 have been written under Double Entry Accounting System.



Section 5: Notes on Accounts:

This report is to be read along with *Notes on Accounts* attached with the annual accounts, for the year
2014-2015.

For K.K. Parikh & Co.
Chartered Accountants



(Kishor Parikh)
Proprietor
Baroda: 15/07/2015
FIRN No. 107752W