

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,
The Principal
Ness Wadia College of Commerce (Senior Section)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Ness Wadia College of Commerce (Senior Section)** ("the Institute"), which comprise the Balance Sheet as at March 31, 2022, and the Income and Expenditure Account for the year then ended and schedules to the financial statements.

In our opinion and to the best of our information and according to the explanations given to us except for the effect of matters described in the basis for qualified opinion section of our audit report, aforesaid financial statements give a true and fair view of the state of affairs of the Institute as at March 31, 2022 and its excess of income over expenditure for the year ended on that date.

Basis for Qualified Opinion

Our comments in this respect have been reported in the Annexure A to the audit report.

We conducted our audit in accordance with the Standards on Auditing (SAs / standards). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matter

- We draw attention to Schedule "N" to the financial statements regarding the uncertainty relating to the impact of Covid 19 pandemic situation on the future operations of the Institute. The Institute's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and the condition related to COVID-19 pandemic situation on certain account balances, to the extent ascertainable, has been given in Schedule "N".

However definitive assessment of the impact is highly dependent upon circumstances as they evolve in the subsequent period

Our opinion is not modified in respect of this matter.



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Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Institute's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Institute in accordance with section 32 of The Maharashtra Public Trust Act, 1950 ("the Act"). This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Institute and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

The Management is also responsible for overseeing the Institute's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.




- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.: 104607W/W100166


Anil A. Kulkarni

Partner
Membership No.: 047576
UDIN: **22047576BAFYEG2992**
Place: Pune
Date: **September 30, 2022**



Annexure A to the Auditor's report

Ness Wadia College of Commerce (Senior Section)

Comments for the year ending March 31, 2022

1. During the previous year, the physically identifiable assets were listed through the service of the third-party vendor. The Institute is still under the process of reconciling the physically identified assets with the book's records. In the absence of the necessary reconciliation the impact thereof on the financial statements could not be ascertained. As informed to us, the Institute is in the process of formulating a standard policy for physical verification of assets.
2. It was observed that the Dead Stock Register (DSR - Fixed assets register) is maintained department-wise manually. This register has only details of additions per year. The balances of fixed assets reflected as per books of account could not be verified with the DSR in the absence of necessary information (such as accumulated gross block, depreciation - for the year and accumulated) in the DSR.
3. The Reserve Fund Liability appearing in the books of accounts amounts to INR 15,17,897. There has been no movement in this balance since financial year 2016-17. In the absence of necessary information, we could not check and verify such balance.
4. In the absence of necessary information, we could not check and verify the old scholarship balance accounted in the books as payable amounting to INR 26,51,470.



KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT

To,
The Principal
Ness Wadia College of Commerce (Senior Section)

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Ness Wadia College of Commerce (Senior Section)** ("the Institute"), which comprise the Balance Sheet as at March 31, 2021, and the Income and Expenditure Account for the year then ended and schedules to the financial statements.

In our opinion and to the best of our information and according to the explanations given to us except for the effect of matters described in the basis for qualified opinion section of our audit report, aforesaid financial statements give a true and fair view of the state of affairs of the Institute as at March 31, 2021 and its excess of income over expenditure for the year ended on that date.

Basis for Qualified Opinion

Our comments in this respect have been reported in the Annexure A to the audit report.

We conducted our audit in accordance with the Standards on Auditing (SAs / standards). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Emphasis of matters

- We draw attention to Schedule "N" to the financial statements regarding the uncertainty relating to the impact of Covid 19 pandemic situation on the future operations of the Institute. The Institute's assessment of the financial impact due to the lockdown and other restrictions imposed by the Government and the condition related to COVID-19 pandemic situation on certain account balances, to the extent ascertainable, has been given in Schedule "N".

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- Due to current pandemic situation in the country leading to lockdown and restrictions on travel and other restrictions, we have performed certain audit procedures by working remotely, wherever necessary, with the use of various technology tools. Accordingly, for the purpose of verification we have relied on and reviewed digitized/scanned copies of the documents, records, vouchers, and the other papers produced for our verification by the Institute.

Our opinion is not modified in respect of these matters.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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In preparing the financial statements, the Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

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Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit



evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.
- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.: 104607W/W100166



Anil A. Kulkarni
Partner

Membership No.: 047576
UDIN: 22047576AAAAAN1339

Place: Pune

Date: December 31, 2021



Annexure A to the Auditor's report

Ness Wadia College of Commerce (Senior Section)

Comments for the year ending March 31, 2021

1. During the previous year, the physically identifiable assets were listed using the service of the third-party vendor. The Institute is still in the process of reconciling the physically identified assets with the book records. The impact thereof on the financial statements could not be ascertained in the absence of necessary information. As informed to us, the Institute is in the process of formulating a standard policy for physical verification of assets.
2. It was observed that the Dead Stock Register (DSR - Fixed assets register) is maintained department-wise manually. This register has only details of additions per year. The balances of fixed assets reflected as per books of account could not be verified with the DSR in the absence of necessary information (such as accumulated gross block, depreciation – for the year and accumulated) in the DSR.
3. The Reserve Fund Liability appearing in the books of accounts amounts to INR 15,17,897. There has been no movement in this balance since financial year 2016-17. In the absence of necessary information, we could not check and verify such balance.
4. In the absence of necessary information, we could not check and verify the old scholarship balance accounted in the books as payable amounting to INR 26,51,470.



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The Principal
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Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the financial statements of **Ness Wadia College of Commerce (Senior Section)** ("the Institute"), which comprise the Balance Sheet as at March 31, 2019, and the Income and Expenditure Account for the year then ended and schedules to the financial statements.

In our opinion and to the best of our information and according to the explanations given to us except for the effect of matters described in the basis for qualified opinion section of our audit report, aforesaid financial statements give a true and fair view of the state of affairs of the Institute as at March 31, 2019 and its excess of income over expenditure for the year ended on that date.

Basis for Qualified Opinion

Our comments in this respect have been reported in the Annexure A to the audit report.

We conducted our audit in accordance with the Standards on Auditing (SAs / standards). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Institute in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India ("the ICAI") together with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other matter

We draw attention to the fact that the information reported for the previous year ended March 31, 2018 in the financial statements has not been audited by us. It has been audited by another firm of professionals who have issued a modified opinion and we have relied on that opinion without verification.



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In preparing the financial statements, the Management is responsible for assessing the Institute's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management either intends to liquidate the Institute or to cease operations, or has no realistic alternative but to do so.

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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.



- Conclude on the appropriateness of the Management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Institute's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Institute to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **Kalyaniwalla & Mistry LLP**
Chartered Accountants
Firm Registration No.: 104607W/W100166



Anil A. Kulkarni
Partner
Membership No.: 047576
UDIN: 19047576AAAAHM9513



Place: Pune
Date: October 26, 2019

Annexure A to the Auditor's report

Ness Wadia College of Commerce (Senior Section)

Comments for the year ending March 31, 2019

1. As informed to us, the method of accounting & maintaining the books of account from Cash System to Mercantile System has been changed with effect from April 1, 2016. On this basis, revenue and the related assets are to be recognized when earned rather than when received and expenses are recognized when the obligation is incurred rather than when paid.

It was observed that certain amounts received and expenses paid in the current year, were actually pertaining to earlier accounting periods. These were not shown as receivable or payable in the earlier financial statements. Additionally, the completeness of the entries for accrual of receivables, recognition of income and booking of expenses, accrual of payables could not be ensured in the absence of necessary information and supporting documents. The impact of such entries could not be quantified.

As a result, in such cases the mercantile system of accounting has not been followed properly.

2. During the year the physical verification of assets has not been conducted. It was observed that there is no formal, written, documented policy for physical verification of assets. In the absence of such verification, the physical existence of such assets could not be ensured.
3. It was observed that the Dead Stock Register (DSR - Fixed assets register) is maintained department-wise manually. This register has only details of additions per year. The balances of fixed assets reflected as per books of account could not be verified with the DSR in the absence of necessary information (such as accumulated gross block, depreciation – for the year and accumulated) in the DSR.
4. The cash balance of INR 32,867 is as represented by the Management



5. The explanations to the following accounts were not provided:

Particulars	Amount in INR
Wrong Debit and wrong Credit in Bank of Baroda a/c no. 00007	41,265 (Cr)
BCUD Minor Research Project – Grant	220,620 (Cr)
UGC Library Books & Equipment's – Grant	76,620 (Cr)
UGC Grant-Library book & Equipment 11 th Plan – Grant	645,137 (Cr)
UGC COHSSIP – Grant Receivable	71,500 (Dr)
UGC Minor research Project – Grant Receivable	268,367 (Dr)

In the absence of any further information and the necessary supporting documentation the correctness of the balances of the above mentioned accounts could not be ensured. The impact of these balances on any other accounts in the books also could not be ascertained in absence of any information and records relating to these accounts.

6. The trial balances of the unit has been audited by verifying the transactions only on test check basis and to the extent the information and explanation made available to us and the supporting documents provided to us.
7. The compliance to the previous year's (ended March 31, 2018) statutory auditors report and Internal Audit Report for Q4 for the FY 2018-2019 has not been furnished to us.
8. Previous year's numbers in the financial statements have been re-grouped or reclassified only to the extent of available information, explanations and supporting documents provided to us.

