



**योजना तथा वास्तुकला विद्यालय, विजयवाड़ा**  
**School of Planning and Architecture, Vijayawada**  
An Institute of National Importance, Ministry of Education Gov. of India

F.No.02/SPAV/5005/23024/

Date: 11-08-2023.

18

To  
The Assistant Audit Officer / CEA  
O/o. Principal Director of Audit (Central)  
Hyderabad

Sir,

Sub: Replies on Draft SAR Report 1st Stage on the Accounts of SPAV for the year ended 31.03.2023.

Ref: Email Dt. 08-08-2023 of O/o. PDA(C), Hyd.

Inviting reference to the subject matter, it is directed to submit the attached para wise replies to the 1st Stage Draft SAR Report for kind perusal.

Yours sincerely

(K. V. Uma Maheswara Rao)  
Registrar

Encl.: as above.

Copy to : 1) PS to Director for information of the Director  
2) Office File

# SCHOOL OF PLANNING AND ARCHITECTURE : VIJAYAWADA

## ACTION TAKEN REPORT ON THE COMMENTS INCLUDED IN AUDIT REPORT FOR THE YEAR 2022-23

Sl. No.	Audit Observation	Reply to the Observation / Rectification made																																				
1.3	<p><b>Grant-in-aid:</b> During the year, Institute received Grant-in-Aid of ₹23.63 crore And utilized a sum of ₹21.48 crores as on 31st March 2023.</p>	<p>Opening Balance, GIA Received, Expenditure made, Closing Balance as on 31.03.2023 is furnished hereunder:</p> <table border="1" style="margin-left: auto; margin-right: auto; text-align: center;"> <thead> <tr> <th colspan="5">Amount Rs. In Lakhs</th> </tr> <tr> <th></th> <th>Opening Balance</th> <th>GIA Received</th> <th>Exp. made</th> <th>Closing Balance</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>2</td> <td>3</td> <td>4</td> <td>5 = 2+3-4</td> </tr> <tr> <td>OH - 31 : General</td> <td>200.63</td> <td>1,000.00</td> <td>1,024.41</td> <td>176.21</td> </tr> <tr> <td>OH - 36 : Salaries</td> <td>55.47</td> <td>685.00</td> <td>1,137.70</td> <td>102.77</td> </tr> <tr> <td>OH - 35 : Capital</td> <td>312.10</td> <td>678.00</td> <td>463.70</td> <td>526.41</td> </tr> <tr> <td><b>TOTAL</b></td> <td><b>568.20</b></td> <td><b>2,363.00</b></td> <td><b>2,625.81</b></td> <td><b>805.39</b></td> </tr> </tbody> </table> <p>#As per the SAR 2021-22 audit observation, the grants-in-aid received from inception i.e., 2008-09 to 2021-22 are reconciled; the unutilized grants-in-aid balance at the beginning of the year is taken accordingly. Copies of the Statements submitted to Audit team. In this regard, it is requested to review the balances of grants-in-aid received and expenditure made and issue the audit certificate accordingly.</p>	Amount Rs. In Lakhs						Opening Balance	GIA Received	Exp. made	Closing Balance	1	2	3	4	5 = 2+3-4	OH - 31 : General	200.63	1,000.00	1,024.41	176.21	OH - 36 : Salaries	55.47	685.00	1,137.70	102.77	OH - 35 : Capital	312.10	678.00	463.70	526.41	<b>TOTAL</b>	<b>568.20</b>	<b>2,363.00</b>	<b>2,625.81</b>	<b>805.39</b>	
Amount Rs. In Lakhs																																						
	Opening Balance	GIA Received	Exp. made	Closing Balance																																		
1	2	3	4	5 = 2+3-4																																		
OH - 31 : General	200.63	1,000.00	1,024.41	176.21																																		
OH - 36 : Salaries	55.47	685.00	1,137.70	102.77																																		
OH - 35 : Capital	312.10	678.00	463.70	526.41																																		
<b>TOTAL</b>	<b>568.20</b>	<b>2,363.00</b>	<b>2,625.81</b>	<b>805.39</b>																																		
A	<p><b>Balance Sheet</b></p> <p><b>Sources of Funds - ₹ 194.14 crore</b>  <b>Reference Number : OBS-837331</b></p> <p><b>Schedule 3 Current Liabilities &amp; Provisions - ₹ 28.08 crore</b></p> <p>This includes an amount of ₹.3.29 crore being Non-refundable fee received from the students. The same was exhibited under Schedule 3 Current Liabilities instead of treating it as Income of the Institute. The details are as follows:</p> <table border="1" style="margin-left: auto; margin-right: auto; text-align: center;"> <thead> <tr> <th>Institute's Fee Head</th> <th>Closing Balance</th> </tr> </thead> <tbody> <tr> <td>School Development Fee</td> <td>98,57,500</td> </tr> <tr> <td>Hostel Seat Rent/Fee</td> <td>1,33,94,200</td> </tr> <tr> <td>Co-Curricular Activities Fee</td> <td>94,46,074</td> </tr> <tr> <td>SPA Stores Association Fee</td> <td>2,35,000</td> </tr> <tr> <td><b>Total</b></td> <td><b>3,29,32,774</b></td> </tr> </tbody> </table> <p>This resulted in Overstatement of Current Liabilities and Understatement of Capital Fund to an extent of ₹.3.29 crore.</p>	Institute's Fee Head	Closing Balance	School Development Fee	98,57,500	Hostel Seat Rent/Fee	1,33,94,200	Co-Curricular Activities Fee	94,46,074	SPA Stores Association Fee	2,35,000	<b>Total</b>	<b>3,29,32,774</b>	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Institute's Fee Head</th> <th>Closing Balance</th> <th>Current Year 2022-23</th> <th>Remarks</th> </tr> </thead> <tbody> <tr> <td>School Development Fee</td> <td>98,57,500</td> <td>45,67,500</td> <td>Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.</td> </tr> <tr> <td>Hostel Seat Rent/Fee</td> <td>1,33,94,200</td> <td>85,18,000</td> <td>Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.</td> </tr> <tr> <td>Co-Curricular Activities Fee</td> <td>94,46,074</td> <td>31,72,516</td> <td>Expenditure to be made for specific purposes of students activities like Annual Fest, National Association of Students of Architecture, National Organization of Students of Planning and other events relating to students etc.,</td> </tr> <tr> <td>SPA Stores Association Fee</td> <td>2,35,000</td> <td>0.00</td> <td>Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken in financial year of 2023-24.</td> </tr> <tr> <td><b>Total</b></td> <td><b>3,29,32,774</b></td> <td><b>1,62,58,016</b></td> <td></td> </tr> </tbody> </table>	Institute's Fee Head	Closing Balance	Current Year 2022-23	Remarks	School Development Fee	98,57,500	45,67,500	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.	Hostel Seat Rent/Fee	1,33,94,200	85,18,000	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.	Co-Curricular Activities Fee	94,46,074	31,72,516	Expenditure to be made for specific purposes of students activities like Annual Fest, National Association of Students of Architecture, National Organization of Students of Planning and other events relating to students etc.,	SPA Stores Association Fee	2,35,000	0.00	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken in financial year of 2023-24.	<b>Total</b>	<b>3,29,32,774</b>	<b>1,62,58,016</b>	
Institute's Fee Head	Closing Balance																																					
School Development Fee	98,57,500																																					
Hostel Seat Rent/Fee	1,33,94,200																																					
Co-Curricular Activities Fee	94,46,074																																					
SPA Stores Association Fee	2,35,000																																					
<b>Total</b>	<b>3,29,32,774</b>																																					
Institute's Fee Head	Closing Balance	Current Year 2022-23	Remarks																																			
School Development Fee	98,57,500	45,67,500	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.																																			
Hostel Seat Rent/Fee	1,33,94,200	85,18,000	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken and incorporated in financial year of 2023-24.																																			
Co-Curricular Activities Fee	94,46,074	31,72,516	Expenditure to be made for specific purposes of students activities like Annual Fest, National Association of Students of Architecture, National Organization of Students of Planning and other events relating to students etc.,																																			
SPA Stores Association Fee	2,35,000	0.00	Non availability specific guidelines the amount shown in current liabilities; guidelines will be framed and appropriate action will be taken in financial year of 2023-24.																																			
<b>Total</b>	<b>3,29,32,774</b>	<b>1,62,58,016</b>																																				
(B)	<p>Out of ₹.3.29 crore an amount of ₹.1,62,58,016 pertains to the Current Year's income of the Institute which should be shown under Schedule-9 Academic Receipts.</p> <p>This resulted in Understatement of Income to an extent of ₹.1,62 crore.</p>																																					

# SCHOOL OF PLANNING AND ARCHITECTURE : VIJAYAWADA

## ACTION TAKEN REPORT ON THE COMMENTS INCLUDED IN AUDIT REPORT FOR THE YEAR 2022-23

A.2	<p>Application of Funds ₹.194.14 crore Reference Number: OBS-784234 Schedule 5 Investments from Earmarked/Endowment Funds</p>	<p>It is to inform that the amount of Rs.1,47,67,000/- was shown in the Schedule -7 in term deposits and interest earned shown in Schedule – 11 Other Investments. However, audit observation noted for future compliance.</p>																																				
A.2.1	<p>This does not include an amount of ₹.1,47,67,000 being investment made out of Earmarked/Endowment Funds. An amount of ₹.1,47,67,000 was shown investment made under Schedule-2 Designated Earmarked/Endowment Funds. The same was exhibited under Schedule 7 – Current Assets instead of Schedule – 5 Investments from Earmarked/Endowment Funds. This resulted in Understatement of Schedule – 5 and Overstatement of Current Assets by ₹.1,47,67,000.</p>	<p>The audit observation on depreciation on electrical installations and plant and machinery is calculated @ 10% instead of 15% is noted for future compliance.</p>																																				
A.2.2	<p>Schedule 4 Fixed Assets - ₹.114.49 Reference Number : OBS-834925</p> <p>This includes an amount of ₹.4.42 lakh being short computation of depreciation on Plant &amp; Machinery and Electric Installations. The depreciation of Plant &amp; Machinery and Electric Installations was charged at the rate of 10% instead of 15%.</p> <p>This resulted in short computation of depreciation to an extent of ₹.4,42,760 as detailed below:</p>	<p>The audit observation on depreciation on electrical installations and plant and machinery is calculated @ 10% instead of 15% is noted for future compliance.</p>																																				
B.	<p><b>Income &amp; Expenditure</b> Income - ₹.31.04 crore Reference Number : OBS-837267 Schedule 9 Academic Receipts – Other fees - ₹.24.29 lakh</p>	<p>It is to inform that the Institute has collected the fee under the head Internet Fee from the students to provide uninterrupted internet services, in addition, to the NKN Services provided by BSNL as per the guidelines of MoE, GoI, in other academic receipts, taken another connection from Rail Tel Corporation of India Limited.</p> <p>The Expenditure met for NKN services provided by BSNL as per the guidelines of MoE, GoI from the Grants-in-aid (OH-31) amounting to Rs.4,69,811/- and</p>																																				
B.1	<p>An amount of ₹.10,76,250 was received towards School Internet Fee and an amount of ₹.11,05,719 was incurred towards Internet charges. The income was set off against the expenditure incurred and a debit balance of ₹.29,469 only was exhibited under Other fees – Internet charges.</p> <p>This resulted in Understatement of Income by ₹.10,76,250 and Understatement of Expenditure to an extent of ₹.11,05,719.</p>	<p>The audit observation on depreciation on electrical installations and plant and machinery is calculated @ 10% instead of 15% is noted for future compliance.</p>																																				
B.1.1	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Class of fixed asset</th> <th>Depreciation rate</th> <th>Opening balance 30.09.2022</th> <th>Additions before 30.09.2022</th> <th>Additions after 30.09.2022</th> <th>Total depreciation to be claimed</th> <th>Depreciation claimed</th> <th>Short computation of depreciation</th> <th>Written down value of assets</th> </tr> </thead> <tbody> <tr> <td>Electric Installations</td> <td>15%</td> <td>61,42,559</td> <td>2,94,896</td> <td>3,03,327</td> <td>9,88,368</td> <td>6,58,870</td> <td>3,29,498</td> <td>57,52,414</td> </tr> <tr> <td>Plant and machinery</td> <td>15%</td> <td>15,94,578</td> <td>0</td> <td>13,34,060</td> <td>3,39,241</td> <td>2,25,979</td> <td>1,13,262</td> <td>25,89,397</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td></td> <td></td> <td></td> <td><b>13,27,609</b></td> <td><b>8,84,849</b></td> <td><b>4,42,760</b></td> <td></td> </tr> </tbody> </table>	Class of fixed asset	Depreciation rate	Opening balance 30.09.2022	Additions before 30.09.2022	Additions after 30.09.2022	Total depreciation to be claimed	Depreciation claimed	Short computation of depreciation	Written down value of assets	Electric Installations	15%	61,42,559	2,94,896	3,03,327	9,88,368	6,58,870	3,29,498	57,52,414	Plant and machinery	15%	15,94,578	0	13,34,060	3,39,241	2,25,979	1,13,262	25,89,397	<b>Total</b>					<b>13,27,609</b>	<b>8,84,849</b>	<b>4,42,760</b>		<p>The audit observation on depreciation on electrical installations and plant and machinery is calculated @ 10% instead of 15% is noted for future compliance.</p>
Class of fixed asset	Depreciation rate	Opening balance 30.09.2022	Additions before 30.09.2022	Additions after 30.09.2022	Total depreciation to be claimed	Depreciation claimed	Short computation of depreciation	Written down value of assets																														
Electric Installations	15%	61,42,559	2,94,896	3,03,327	9,88,368	6,58,870	3,29,498	57,52,414																														
Plant and machinery	15%	15,94,578	0	13,34,060	3,39,241	2,25,979	1,13,262	25,89,397																														
<b>Total</b>					<b>13,27,609</b>	<b>8,84,849</b>	<b>4,42,760</b>																															

# SCHOOL OF PLANNING AND ARCHITECTURE : VIJAYAWADA

## ACTION TAKEN REPORT ON THE COMMENTS INCLUDED IN AUDIT REPORT FOR THE YEAR 2022-23

		<p>additional connection taken, from Rail Tel Corporation of India Limited, for uninterrupted internet services provided expenditure routed through Schedule 17 Administrative Expenses : Communication : NKN Domain / Internet Charges : School Fee Internet charges amounting to Rs.11,05,719/-.</p> <p>However, the audit observation noted for future compliance.</p>
<p><b>B.1.2</b></p>	<p><b>Schedule 12 Interest Earned - ₹.15.81 Lakh</b> <b>Reference Number : OBS – 837498</b></p> <p>This does not include an amount of ₹.3,432 being interest earned on Savings Bank account. The same was not disclosed under Schedule – 12 – Interest Earned” but was exhibited under Current Liabilities. An amount of ₹.3,432 towards Savings Bank Interest was not disclosed in Schedule 12 – Interest Earned. However, the same disclosed under Schedule – 3 Current Liabilities and Provisions.</p> <p>This resulted in understatement of Schedule – 12 – interest earned by an amount of ₹.3,432 and overstatement of Current Liabilities to the same extent.</p>	<p>The audit observation on Interest earned Rs.3,432/- on Hostel and Mess Fee A/c. and Inyan Sports and Cultural is noted for future compliance.</p>
<p><b>B.1.3.</b></p>	<p><b>Schedule 11 Income from Investments - ₹.3.29 crore</b></p> <p>An amount of ₹.1.47 crore was invested in term deposit from Earmarked/Endowment Funds. The interest earned in the year was ₹.11,15,955 which was accounted for under Schedule – 11 Income from investment “ Other Investment” Instead of “ Earmarked/Endowment Funds”</p> <p>This resulted in Understatement of Schedule – 2 – income from investments and Overstatement of Schedule – 11 Income from Investments to an extent of ₹.11,15,955.</p>	<p>Total interest including accrued interest shown in Schdule-11 under other investments. The audit observation on the same is noted for future compliance.</p>
<p><b>C.</b></p>	<p><b>General</b></p>	
<p><b>C.1</b></p>	<p><b>Reference Number : OBS-839346</b> <b>General observations on Annual Accounts of the Institute</b></p>	
<p><b>A.</b></p>	<p>The Institute has provided an amount of ₹.1,99,36,071 towards Retirement and Terminal Benefits. However, the break – up for the same, was not made under Schedule- 15A.</p>	<p>The provision for retirement benefits were shown in schedule 15 and schedule 3 : Current Liabilities and Provisions : Provisions : accumulated leave encashment and provision for gratuity and the same is also mentioned in the notes on accounts. However, the audit observation noted for future compliance.</p>
<p><b>B.</b></p>	<p>The Institute has taken corrective action in respect of all comments of previous SAR i.e., on the Annual Accounts for the year 2021-22, except Audit findings numbering A.1.2(ii), Management Letter Para No. V.</p>	<p>The audit observation noted for future compliance.</p>
<p><b>C.2</b></p>	<p><b>Receipts and Payment Account not prepared on cash basis</b></p>	<p>The Receipt and Payments account was prepared on the basis of total credits and debits. The same was mentioned in the Schedule-24 notes on accounts. However, the audit observation noted for future compliance.</p>