

JAL VAYU VIHAR HOUSE OWNERS WELFARE ASSOCIATION
INTERNAL AUDIT REPORT FOR THE PERIOD FROM 1-10-2019 TO 31-3-2020

- 1) On 11-10-2019 Rs 20000/- and 10-03-2020 Rs.20000/- total Rs.40000/- has been paid to Sai water meters, HMT Hills, Hyderabad toward the purchase of (20) water metres, payment was made in cash and the expenditure was booked on a single day by splitting the vouchers by RS 2000/- each, to avoid the cheque payment to the party. Further, it is also noticed that the proper tax bills are not obtained; payments are made on quotation/estimation slips without the signature of the concerned seller. It is learnt that the meters are purchased on a warranty for a period of two years. Since, the proper purchase bills are not obtained, the warranty on the purchase of 20 (twenty) metres is also questionable.
- 2) On 4-12-2019 Rs 30000/-
2-1-2020 Rs 25000/- has been paid to Sri Bhaskar, Advocate towards legal expenses for filing three contempt petitions. There is no approval from the AGM for appointment of advocate for the cases in addition to our regular legal advocate and the total amount payable for three cases may be furnished to the internal audit. TDS was not made on the legal expense as per the IT rules.
- 3) On 06-02-2020 Rs 20000/-
06-02-2020 Rs. 20000/-
18-02-2020 Rs. 20000/-
Above amounts were paid by cash to Sri. Keshavulu mestri towards erections of gates, the AGM approval for the expenditure may be produced.
- 4) On 4-2-2020 Rs 30000/- has been paid to Sri. Ramesh garbage lifter towards servicing charges for the month of January 2020. It is, noticed that the amount of was enhanced from Rs 25500/- to Rs 30000/- . The reason for enhancement is mentioned in the BOM minutes stating that "As per directions from GHMC Officials" on 22-01-2020 but there is no written communication from GHMC to this effect. The agreement between garbage lifter and the Association was not renewed, which may please renewed immediately.
Since, the payment made to Sri. Ramesh exceeded RS 1,00,000/- during the financial year, the Income tax (TDS) is to be deducted @1% under section 194C of IT ACT on the total payments made during the financial year 2019-2020. Hence, T.D.S may be recovered from Sri Ramesh garbage lifter immediately for the year 2019-2020.

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5) As per the JVVHOWA by laws chapter VI clause 7(b)

"All payments in excess of RS 2500/- shall be made only by cheque signed by treasurer and president/Secretary". By violating the above clause, the following amounts are paid in cash to different parties during the period.

Sl/No	Date	Amount	Name
1	01-10-2019	Rs. 4000.00	Paid to Ramchander
2	01-10-2019	Rs. 7000.00	Paid to Krishna (Sand)
3	01-10-2019	Rs. 3333.00	Paid to Chnna(Labour)
4	02-10-2019	Rs.3300.00	Paid to Pantaiaig(Security)
5	06-10-2019	Rs. 5500.00	Paid to Chandra mouli (Dadara Ennam)
6	06-10-2019	Rs. 3000.00	Paid to Ramesh(Dasara Ennam)
7	11-10-2019	Rs. 7320.00	Paid to Vasu Raju
8	17-10-2019	Rs. 2600.00	Paid to Chemical (Fogging)
9	03-11-2019	Rs. 3500.00	Paid to Sudhakar (Motor repair)
10	05-11-2019	Rs. 3540.00	Paid to M. Venkateswarlu
11	06-11-2019	Rs. 3300.00	Paid to Pantaiah
12	10-11-2019	Rs. 3000.00	Paid to Nageswara Rao
13	10-11-2019	Rs. 2888.00	Paid to Home center
14	10-11-2019	RS. 3730.00	Paid to N.Venkat
15	22-11-2019	Rs. 3240.00	Paid to Sri Sai Hanuman Xerox
16	26-11-2019	Rs. 3300.00	Paid to Indian Post
17	27-11-2019	Rs. 3200.00	Paid to Sri Ayyapa Traders
18	04-12-2019	Rs. 3300.00	Paid to Yohan
19	06-12-2019	Rs. 3200.00	Paid to Sri. Ayyappa traders
20	10-12-2019	Rs. 2885.00	Paid to Sowbhagya Marketing
21	14-12-2019	Rs. 2600.00	Paid to Srinu
22	14-12-2019	Rs. 4900.00	Paid to Hanuman Xerox
23	18-12-2019	Rs. 3400.00	Paid to Indian Post
24	01-01-2020	Rs. 5000.00	Paid to Vishwa
25	01-01-2020	Rs. 3000.00	Paid to Balaji Mahadev
26	01-01-2020	Rs. 3490.00	Paid to rince Handy craft
27	01-01-2020	Rs. 3400.00	Paint to Rana Electricals
28	03-01-2020	Rs. 3300.00	Paid to Pantaiah
29	04-01-2020	Rs. 5700.00	Paid to Best Bye
30	11-01-2020	Rs. 6500.00	Paid to Gp Capt Ms Moorthy
31	28-01-2020	Rs. 2750.00	Paid to Kanaka Durga tiffins
32	02-02-2020	Rs. 3300.00	Paid to Pantaiah
33	13-02-2020	Rs. 4100.00	Paid to Kisan Engineering
34	15-02-2020	Rs. 6220.00	Paid to Srinivasa
35	23-02-2020	Rs. 3000.00	Paid to Krishna
36	03-03-2020	Rs. 3300.00	Paid to Yohan
37	06-03-2020	Rs. 3000.00	Paid to Krishna
38	12-03-2020	Rs. 3000.00	Paid to Chitti babu
39	31-03-2020	Rs. 5000.00	Paid to Yohan

Venkat
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P. Srinivas
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Chittibabu
14/6/2020

6) The following lease agreements made with different Lessees are due for renewal as on date.

1. World Mind Education The Finishing School: Sri. Jayasimha Ravindra S/o RV. Narasaiah. Agreement 1-4-2019 to 29-2-2020 (Rent due of Rs.132000/-)
2. Tennis Court: Narasimha s/o Sri. K. Subbaiah agreement 1-1-2018 to 31-08-2019
3. Laundry Shop No 9: K. Srinivasa Rao s/o K. Vigneswara Rao Agreement 1-1-2019 to 30-11-2019
4. Shop No 2: M. Raghu Ram Prasad s/o M. Nagendra Prasad:- The shop No.2 is allotted on lease, purpose of business was not mentioned in the Agreement.

Please renew the agreements immediately to avoid future legal complications.

7) Sundry Advances: - The amounts paid during 2016-2017 and 2017-2018 are still outstanding in the book of accounts under the Head of "Sundry Advances" as on date:-

1. 1-3-2017 Rs. 20000/- Paid to Sri. Srinivasa Reddy
2. 7-5-2017 Rs. 3000/- Paid towards purchase of Fertilizers

Total: Rs. 23000/-


Immediate action is required to recover the amounts.


8. It is also noticed the rental receipts are due to from the following parties as on date:-

- | | |
|---|---------------|
| 1. Shop No.9 K.Srinivasa Rao: | Rs 9,700/- |
| 2. Tabala Rasa Play school: | Rs 2,40,400/- |
| 3. K. Narasimha – (Tennis court): | Rs 4,100/- |
| 4. 'ABCUS' room – (Old security room): | Rs 1,250/- |
| 5. World Mind Education the Finishing school: | Rs 1,36,100/- |
| 6. Bean Inter Net Charges: | Rs. 99,000/- |

The BOM may take necessary action to recover the dues immediately.

9. We have mentioned in our earlier report regarding the Recording of BOM Minutes, please type the minutes in a clear manner for future reference and also persons names with portfolio attended the meeting on the top of the page with signatures at the bottom with names.


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(T. Venkateshwara Rao)


12/6/2020
(URK. Prasad)