



M.K.UMARASAMY

COLLEGE OF ENGINEERING

NAAC Accredited Autonomous Institution

Approved by AICTE & Affiliated to Anna University
ISO 9001:2015 & ISO 14001:2015 Certified Institution

Thalavapalayam, Karur - 639 113.



POLICY ON INTERNAL AND EXTERNAL AUDITS MECHANISMS

The institution practices a healthy financial management through internal and external audit. Individual departments give their requirement list (Material, equipments, etc) to the purchase department after approval by the Head of the Institution. The same is forwarded by the purchase section to various vendors inviting quotations. These quotations are brought to the notice of the principal with comparative statement made. The principal along with heads of the department decides the best competitive price. The Board of Management is the final decision making body for budgetary approval, through the finance committee. All the purchases are subject to budgetary approval under various heads as per standard procedure.

The Internal Audit is done by the Audit Team of the Institution and the report of the audited accounts is submitted to the Board of Management for approval. The External Audit is carried out annually by the statutory auditor. The final audited report is submitted to the Income Tax department as required. It is also uploaded in the website of the Institution.

Funds, Accounts, Audits and Annual Report

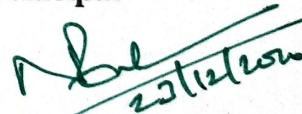
- i. The books of accounts of the Institution shall be maintained, managed and operated in the name of the Institution and shall be kept in such form as may be laid down by the Board of Management and conform to the rules, if any, prescribed in this regard by the Commission.
- ii. Funds shall not be diverted at any time from the accounts of the Institution to any other accounts.
- iii. The Institution shall get its books of accounts audited, annually and at such other frequency as shall be prescribed by the Commission, separately published and uploaded on the website of the Institution, and if such institution is funded by Central or State Government or through its agencies fully or partially, then the accounts of such Institution shall be open for examination by the Controller and Auditor General of India; accounts of Institution shall also, where required, be open for inspection by the Commission.

- iv. The annual financial statements and accounts shall be audited by a qualified professional, being a Member or Fellow of the Institute of Chartered Accountants of India, to be appointed by the Institution. Provided that, the Commission may, on receipt of information in regard to financial impropriety or embezzlement or illegal diversion of funds from the accounts of the Institution, or of fees being collected against the provision of the regulations, issue a notice directing the Institution to show cause as to why an inspection, including a forensic audit, not be ordered in respect of the complaint, and after providing a reasonable opportunity to the respondent institution, the Commission may on being satisfied that there were sufficient grounds to proceed further, cause an inspection by a team of the Commission and also direct a forensic audit to be undertaken by a qualified Member or Fellow of the Institute of Chartered Accountants of India, the report of and the inspection team and the forensic audit report taken together shall form the basis for the Commission to take further action, as it may be Deemed fit, under these Regulations.
- v. Annual Reports and the Audit Reports shall be submitted by the Institution to the Commission within nine months of the closure of the accounting year.


Finance Officer



Principal


PRINCIPAL,
M. Kumarasamy College of Engineering,
THALAVAPALAYAM,
KARUR - 639 113