

1, NATHIBAI THACKERSEY ROAD, CHURCHGATE, MUMBAI-400020
ANNEXURE

TERMS OF REFERENCE & SCOPE OF STATUTORY AUDIT

The statutory audit of financial statements of SNDTWU (stands along and consolidated with institutions) shall be conducted in accordance with scope of statutory audit as laid down in Maharashtra University Act, 1994 and the statutory auditor is expected to express independent audit opinion. The Financial Audit will be conducted in accordance with Standards of Auditing (SA) issued by Institute of Chartered Accountants of India and the Statutory Auditor is required to conduct a general assessment of internal controls according to established internal control standards.

2.1 The Statutory Auditor is also required to issue Management Letter that includes Audit Observations but not with the legal force of an audit opinion. The management letter should be attached to the audit report and should cover the following topics/issues:

2.2 A general review of a project's progress and timelines in relation to progress milestones and planned completion date, both of which should be stated in the project document or Annual work Plan (AWP). This is not intended to address whether there has been compliance with specific covenant relating to specific performance criteria or outputs. However, general compliance with broad covenant such as implementing the project with economy and efficiency might be commented upon but not with the legal force of an audit opinion.

2.3 An assessment of internal control system with equal emphasis on: (i) the effectiveness of the system in providing management with useful and timely information for the proper management of SNDTWU and its Institutions; and (ii) the general effectiveness of the internal control system in protecting the assets and resources of SNDTWU and its Institutions.

2.4 A description of any specific internal control weaknesses noted in the financial management of the project and the audit procedures followed to address or compensate for the weaknesses.

Recommendations to resolve/eliminate the internal control weaknesses noted should be included.

2.5 The management letter should also include the following:

- . Effective audit observations/recommendations where necessary
- . The categorization of audit observations by risk severity: High, Medium, or Low.
- . The classification of possible causes of the audit observations.
- . Management comments/response to audit observations and recommendations, as applicable.

2.6 ***It is further stated that, the appointment order is issued for period of one year.***