

बिड दस्तावेज़ / Bid Document

बिड विवरण / Bid Details	
बिड बंद होने की तारीख/समय / Bid End Date/Time	08-04-2026 12:00:00
बिड खुलने की तारीख/समय / Bid Opening Date/Time	08-04-2026 12:30:00
बिड पेशकश वैधता (बंद होने की तारीख से) / Bid Offer Validity (From End Date)	75 (Days)
मंत्रालय/राज्य का नाम / Ministry/State Name	Ministry Of Chemicals And Fertilizers
विभाग का नाम / Department Name	Department Of Fertilizers
संगठन का नाम / Organisation Name	Rashtriya Chemicals And Fertilizers Limited (rcf)
कार्यालय का नाम / Office Name	Rcf Tr Hod Mes
वस्तु श्रेणी / Item Category	Financial Audit Services - Pre-qualification and Appointment as Internal Auditors for Non- technical function in RCF Group A; CA Firm
अनुबंध अवधि / Contract Period	3 Year(s)
एमएसएमई के लिए अनुभव के वर्षों और टर्नओवर से छूट प्रदान की गई है / MSE Relaxation for Years of Experience and Turnover	No
स्टार्टअप के लिए अनुभव के वर्षों और टर्नओवर से छूट प्रदान की गई है / Startup Relaxation for Years of Experience and Turnover	No
विक्रेता से मांगे गए दस्तावेज़ / Document required from seller	Experience Criteria, Additional Doc 1 (Requested in ATC), Additional Doc 2 (Requested in ATC), Additional Doc 3 (Requested in ATC), Additional Doc 4 (Requested in ATC) *In case any bidder is seeking exemption from Experience / Turnover Criteria, the supporting documents to prove his eligibility for exemption must be uploaded for evaluation by the buyer
क्या आप निविदाकारों द्वारा अपलोड किए गए दस्तावेज़ों को निविदा में भाग लेने वाले सभी निविदाकारों को दिखाना चाहते हैं? संदर्भ मेन् है / Do you want to show documents uploaded by bidders to all bidders participated in bid?	No
बिड लगाने की समय सीमा स्वतः नहीं बढ़ाने के लिए आवश्यक बिड की संख्या / Minimum number of bids required to disable automatic bid extension	6

बिड विवरण/Bid Details	
दिनों की संख्या, जिनके लिए बिड लगाने की समय-सीमा बढ़ाई जाएगी। / Number of days for which Bid would be auto-extended	7
ऑटो एक्सटेंशन अधिकतम कितनी बार किया जाना है। / Number of Auto Extension count	1
बिड से रिवर्स नीलामी सक्रिय किया/Bid to RA enabled	No
बिड का प्रकार/Type of Bid	Two Packet Bid
तकनीकी मूल्यांकन के दौरान तकनीकी स्पष्टीकरण हेतु अनुमत समय /Time allowed for Technical Clarifications during technical evaluation	7 Days
मूल्यांकन पद्धति/Evaluation Method	Total value wise evaluation
मध्यस्थता खंड/Arbitration Clause	No
सुलह खंड/Mediation Clause	No

ईएमडी विवरण/EMD Detail

आवश्यकता/Required	No
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ईपीबीजी विवरण /ePBG Detail

आवश्यकता/Required	No
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बोली विभाजन लागू नहीं किया गया/ Bid splitting not applied.

एमआईआई अनुपालन/MII Compliance

एमआईआई अनुपालन/MII Compliance	Yes
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एमएसई खरीद वरीयता/MSE Purchase Preference

एमएसई खरीद वरीयता/MSE Purchase Preference	Yes
सूक्ष्म और लघु उद्यम मूल उपकरण निर्माताओं को खरीद में प्राथमिकता, यदि उनका मूल्य $L1+X\%$ तक की सीमा में हो / Purchase Preference to MSE OEMs available upto price within $L1+X\%$	15

1. Purchase preference to Micro and Small Enterprises (MSEs): Purchase preference will be given to MSEs as defined in Public Procurement Policy for Micro and Small Enterprises (MSEs) Order, 2012 dated 23.03.2012 issued by Ministry of Micro, Small and Medium Enterprises and its subsequent Orders/Notifications issued by concerned

Ministry. If the bidder wants to avail the Purchase preference for services, the bidder must be the Service provider of the offered Service. Relevant documentary evidence in this regard shall be uploaded along with the bid in respect of the offered service. If L-1 is not an MSE and MSE Service Provider (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band as defined in the relevant policy, then 100% order quantity will be awarded to such MSE bidder subject to acceptance of L1 bid price. The buyers are advised to refer to the [OM No.1 4 2021 PPD dated 18.05.2023](#) for compliance of Concurrent application of Public Procurement Policy for Micro and Small Enterprises Order, 2012 and Public Procurement (Preference to Make in India) Order, 2017. Benefits of MSE will be allowed only if the credentials of the service provider are validated on-line in GeM profile as well as validated and approved by the Buyer after evaluation of submitted documents.

2. If L-1 is not an MSE and MSE Service Provider (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band as defined in the relevant policy, then 100% order quantity will be awarded to such MSE bidder subject to acceptance of L1 bid price.

3. Estimated Bid Value indicated above is being declared solely for the purpose of guidance on EMD amount and for determining the Eligibility Criteria related to Turn Over, Past Performance and Project / Past Experience etc. This has no relevance or bearing on the price to be quoted by the bidders and is also not going to have any impact on bid participation. Also this is not going to be used as a criteria in determining reasonableness of quoted prices which would be determined by the buyer based on its own assessment of reasonableness and based on competitive prices received in Bid / RA process.

अतिरिक्त योग्यता /आवश्यक डेटा/Additional Qualification/Data Required

Pre Bid Detail(s)

मूल्य भिन्नता खंड दस्तावेज़/Pre-Bid Date and Time	प्री-बिड स्थान/Pre-Bid Venue
25-03-2026 11:00:00	Office of DGM (Internal Audit), RCF Trombay Unit, Mahul Road, Chembur.

Financial Audit Services - Pre-qualification And Appointment As Internal Auditors For Non- Technical Function In RCF Group A; CA Firm (1)

तकनीकी विशिष्टियाँ /Technical Specifications

विवरण/ Specification	मूल्य/ Values
कोर / Core	
Scope of Work	Pre-qualification and Appointment as Internal Auditors for Non- technical function in RCF Group A
Type of Financial Audit Partner	CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	As per NIT
Type of Industries/Functions	As per NIT
Frequency of Progress Report	As per NIT
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	As per NIT
State	NA
District	NA
एडऑन /Addon(s)	
Post Financial Audit Support	NA

क्रेता द्वारा निर्धारित न्यूनतम मूल्य/Minimum Floor Price defined by Buyer

क्रेता द्वारा निर्धारित न्यूनतम मूल्य/Minimum Floor Price defined by Buyer	No
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अतिरिक्त विशिष्टि दस्तावेज़ /Additional Specification Documents**परेषिती/रिपोर्टिंग अधिकारी /Consignees/Reporting Officer and Quantity**

क्र.सं./S.No.	परेषिती/रिपोर्टिंग अधिकारी /Consignee Reporting/Officer	पता/Address	Quantity	अतिरिक्त आवश्यकता /Additional Requirement
1	Venkatesh Krishnamurthy	400074,RCF Ltd. , Mahul road chembur	Project / Lumpsum Based	N/A

क्रेता द्वारा जोड़ी गई बिड की विशेष शर्तें/Buyer Added Bid Specific Terms and Conditions**1. Buyer Added Bid Specific ATC**

Buyer uploaded ATC document [Click here to view the file.](#)

अस्वीकरण/Disclaimer

The additional terms and conditions have been incorporated by the Buyer after approval of the Competent Authority in Buyer Organization, whereby Buyer organization is solely responsible for the impact of these clauses on the bidding process, its outcome, and consequences thereof including any eccentricity / restriction arising in the bidding process due to these ATCs and due to modification of technical specifications and / or terms and conditions governing the bid. If any clause(s) is / are incorporated by the Buyer regarding following, the bid and resultant contracts shall be treated as null and void and such bids may be cancelled by GeM at any stage of bidding process without any notice:-

1. Definition of Class I and Class II suppliers in the bid not in line with the extant Order / Office Memorandum issued by DPIIT in this regard.
2. Seeking EMD submission from bidder(s), including via Additional Terms & Conditions, in contravention to exemption provided to such sellers under GeM GTC.
3. Publishing Custom / BOQ bids for items for which regular GeM categories are available without any Category item bunched with it.
4. Creating BoQ bid for single item.
5. Mentioning specific Brand or Make or Model or Manufacturer or Dealer name.
6. Mandating submission of documents in physical form as a pre-requisite to qualify bidders.
7. Floating / creation of work contracts as Custom Bids in Services.
8. Seeking sample with bid or approval of samples during bid evaluation process. (However, in bids for [attached categories](#), trials are allowed as per approved procurement policy of the buyer nodal Ministries)
9. Mandating foreign / international certifications even in case of existence of Indian Standards without specifying equivalent Indian Certification / standards.
10. Seeking experience from specific organization / department / institute only or from foreign / export

experience.

11. Creating bid for items from irrelevant categories.
12. Incorporating any clause against the MSME policy and Preference to Make in India Policy.
13. Reference of conditions published on any external site or reference to external documents/clauses.
14. Asking for any Tender fee / Bid Participation fee / Auction fee in case of Bids / Forward Auction, as the case may be.
15. Any ATC clause in contravention with GeM GTC Clause 4 (xiii)(h) will be invalid. In case of multiple L1 bidders against a service bid, the buyer shall place the Contract by selection of a bidder amongst the L-1 bidders through a Random Algorithm executed by GeM system.
16. Buyer added ATC Clauses which are in contravention of clauses defined by buyer in system generated bid template as indicated above in the Bid Details section, EMD Detail, ePBG Detail and MII and MSE Purchase Preference sections of the bid, unless otherwise allowed by GeM GTC.
17. In a category based bid, adding additional items, through buyer added additional scope of work/ additional terms and conditions/or any other document. If buyer needs more items along with the main item, the same must be added through bunching category based items or by bunching custom catalogs or bunching a BoQ with the main category based item, the same must not be done through ATC or Scope of Work.

Further, if any seller has any objection/grievance against these additional clauses or otherwise on any aspect of this bid, they can raise their representation against the same by using the Representation window provided in the bid details field in Seller dashboard after logging in as a seller within 4 days of bid publication on GeM. Buyer is duty bound to reply to all such representations and would not be allowed to open bids if he fails to reply to such representations.

All GeM Sellers/Service Providers shall ensure full compliance with all applicable labour laws, including the provisions, rules, schemes and guidelines under the four Labour Codes i.e. the Code on Wages, 2019; the Industrial Relations Code, 2020; the Occupational Safety, Health and Working Conditions Code, 2020; and the Code on Social Security, 2020 as and when notified and brought into force by the Government of India.

For all provisions of the Labour Codes that are pending operationalisation through rules, schemes or notifications, the corresponding provisions of the pre-existing labour enactments (such as The Minimum Wages Act, 1948, The Payment of Wages Act, 1936, The Payment of Bonus Act, 1965, The Equal Remuneration Act, 1976, The Payment of Gratuity Act, 1972, etc. and relevant State Rules) shall continue to remain applicable.

The Seller/ Service Providers shall, therefore, be responsible for ensuring compliance under:

- **All notified and enforceable provisions of the new Labour Codes as mentioned hereinabove; and**
- **All operative provisions of the erstwhile Labour Laws until their complete substitution.**

All obligations relating to wages, social security, safety, working conditions, industrial relations etc. and any other statutory requirements shall be strictly met by the Seller/ Service Provider. Any non-compliance shall constitute a breach of the contract and shall entitle the Buyer to take appropriate action in accordance with the contract and applicable law.

This Bid is governed by the [सामान्य नियम और शर्तें/General Terms and Conditions](#), conditions stipulated in Bid and [Service Level Agreement](#) specific to this Service as provided in the Marketplace. However in case if any condition specified in सामान्य नियम और शर्तें/General Terms and Conditions is contradicted by the conditions stipulated in Service Level Agreement, then it will over ride the conditions in the General Terms and Conditions.

जेम की सामान्य शर्तों के खंड 26 के संदर्भ में भारत के साथ भूमि सीमा साझा करने वाले देश के बिडर से खरीद पर प्रतिबंध के संबंध में भारत के साथ भूमि सीमा साझा करने वाले देश का कोई भी बिडर इस निविदा में बिड देने के लिए तभी पात्र होगा जब वह बिड देने वाला सक्षम प्राधिकारी के पास पंजीकृत हो। बिड में भाग लेते समय बिडर को इसका अनुपालन करना होगा और कोई भी गलत घोषणा किए जाने व इसका अनुपालन न करने पर अनुबंध को तत्काल समाप्त करने और कानून के अनुसार आगे की कानूनी कार्यवाई का आधार होगा।/In terms

of GeM GTC clause 26 regarding Restrictions on procurement from a bidder of a country which shares a land border with India, any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. While participating in bid, Bidder has to undertake compliance of this and any false declaration and non-compliance of this would be a ground for immediate termination of the contract and further legal action in accordance with the laws.

---धन्यवाद/Thank You---



RASHTRIYA CHEMICALS AND FERTILIZERS LIMITED
(A Government of India Undertaking)
Administrative Building, IA Dept, Room no. 25, Chembur,
Mumbai 400 074. Maharashtra, INDIA
Phone: 022 2552 2259 / 2065

NOTICE INVITING TENDER FOR- Pre-qualification and Appointment as Internal Auditors for Non- technical function in RCF

Group A: {Corporate Head Office (including review of Annual Accounts), Trombay Unit and Thal unit.}

TENDER NO. : RCF/INTERNAL AUDIT /2026-29/GROUP A

Website for bid Submission: <https://gem.gov.in>

KINDLY NOTE THAT ONLY OFFER THROUGH GeM WILL BE CONSIDERED AGAINST THIS TENDER

No verbal and / or telephonic queries and clarifications will be entertained by the RCF. All queries and clarifications are to be addressed to following E-mail id.

Contacts:

- 1) GeM Helpline Number: 1800-419-3436
- 2) Mrs.Rajani Singhal (Tel:+91 22 2552 2065), E-Mail: : rssinghal@rcfltd.com
- 3) V Krishnamurthy (Tel:+91 22 2552 2259), E-Mail: vkmurthy@rcfltd.com
- 4) For further details log on to www.rcfltd.com & <https://gem.gov.in>

NOTE - ANY CHANGE IN NIT / EXTENSION IN DUE DATE WILL APPEAR IN WEB SITE www.rcfltd.com / <https://gem.gov.in> IN FUTURE.

“PLEASE NOTE THAT SUBJECT JOB HAS BEEN SPLIT IN TWO GROUPS AND BOTH GROUPS HAVE DIFFERENT TENDER ID (GeM Bid Number GEM/2026/B/7367912- GROUP A; AND GEM/2026/B/7368029- GROUP B), ACCORDINGLY BIDDER SHALL SUBMIT THEIR OFFER SEPARATELY FOR EACH GROUP IN THEIR RESPECTIVE TENDER ID'S.

BIDDERS SHALL ENSURE THAT ALL DOCUMENTS RELATED TO PRE-QUALIFICATION (TECHNICAL OR COMMERCIAL) ARE SUBMITTED AT THE FIRST INSTANCE ALONG WITH THE ORIGINAL BIDS”.

RCF RESERVES THE RIGHT TO REJECT OUTRIGHT ANY BID NOT COMPLYING WITH THIS INSTRUCTION, AND MAY NOT DO ANY FURTHER CORRESPONDENCE TO SEEK CLARIFICATIONS/DOCUMENTS RELATED TO PRE-QUALIFICATION/CREDENTIALS & ELIGIBILITY CRITERIA.

In case of any doubts / details, Bidder can visit the administration building, contact the above concerned persons, discuss and understand the job before submitting quotation.

INSTRUCTIONS FOR BIDDERS

This is a Notice Inviting Tender (NIT) as per the terms & conditions stated hereinafter:

RCF Profile:

- 1.1 RCF was incorporated on 6th March, 1978 consequent to reorganization of Fertilizer Corporation of India. RCF has two manufacturing units at Trombay, Mumbai and at Thal Dist. Raigad in Maharashtra and marketing offices all over India. The Registered office is situated at Priyadarshini, Sion, Mumbai.
- 1.2 RCF is a leading producer and marketer of nitrogenous fertilizers, Complex fertilizers and industrial products in India. Ujjwala Urea (46% N) is the flagship brand of the company. The Company also manufactures and markets Complex (NPK) fertilizers under the brand name Suphala, Bio-fertilizers and a wide range of industrial products like Nitric Acid, Sulphuric Acid, Ammonia, Ammonium Nitrate Melt, Ammonium Bi-carbonate, Methylamines, DMAC, etc. The Company has produced 26.68 lakh MT of fertilizers (20.64 lakh MT of Urea and 6.04 lakh MT of Suphala 15:15:15) during the year 2024-25
- 1.3 RCF is a listed company with an authorized share capital of Rs.800 crore and paid up capital of Rs.551.69 crore. The shares of the company are listed at Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).
- 1.4 RCF operates under the administrative control of the Ministry of Chemicals & Fertilizers, Department of Fertilizers, Government of India.
- 1.5 **Financial Performance of the Company for Last 3 years:**

(In Rs. Crore)

Parameters	2022-2023	2023-24*	2024-2025*
Turnover	21869.93	17598.80	17549.10
Profit Before Tax	1273.98	303.63	327.50
Profit After Tax	967.15	227.74	241.63

* REVISED/RESTATED

- 1.6 Further details regarding the operational and financial performance of the company including Annual Reports of the Company is available on company's website www.rcfltd.com
- 1.7 **Financial Accounting & Reporting Systems at RCF:**

RCF maintains Books of Accounts as required under the applicable regulations and statutes. The Company's books of accounts are maintained in SAP ERP systems and RCF has implemented various SAP modules i.e. FI/CO, MM, PP, PM, SD, HR/Payroll etc. The accounts of the Company are prepared Business area wise, with each business area representing areas of operation like Trombay and Thal representing manufacturing units, Marketing divisions and Corporate Office based on which the accounting and operations are recorded and controlled. The company prepares Interim and Annual financial results as per the Companies Act 2013 and the listing Agreements with the Stock Exchanges.

1.8 Present scenario of Internal Audit

The Company has a well-defined Internal Control System that is adequate and commensurate with the size and nature of its business which has been outsourced for financial audit by CA and ICMA firms which conduct internal audit of various operational and financial matters on an on-going basis.

As required by the Companies Act, 2013, the Audit Committee has formulated the Scope, Functioning, Periodicity and Methodology for conducting the Internal Audit.

For the year 2026-27, Tentative Audit Plan of 120 non-technical audits as summarized below. The detailed Tentative Audit Plan is attached at **Annexure I**

Name of the Audit Area/Group	Number of Audits
a. Corporate Head office, Trombay and Thal Unit:	
Corporate Head Office	12
Trombay Unit	51
Thal Unit	38
Sub- Total(a)	101
b. Corporate marketing, IPD and Marketing Area Offices:-	
Corporate Marketing	12
Industrial Product Division(IPD)	7
Marketing Area Offices(In West, South North and East Regions)	15
Sub- Total(b)	34
Total(a +b)	135

Reporting to Audit Committee:

- The significant observations along with suggestions made in the audits performed, replies received from the auditees and Internal Audit department's further comments are put up to the Audit Committee for their review and further directives, if any, on a quarterly basis. The directives received from the Audit Committee are communicated to the concerned departments for compliance.
- The Action Taken Reports by the concerned section in respect of directives are also put up to the Audit Committee. The performance of the Audit department as regards to the audits conducted during the previous quarter is also reviewed by the Audit Committee.
- Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF.
- Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on the framework of Internal Controls and Internal Financial Control over Financial Reporting (ICFR).

2 Tender:

- 2.1 Bids are invited in two bids system (Technical and Financial/Price bids) by Rashtriya Chemicals and Fertilizers Limited from the firms of Chartered Accountants/ Cost Accountants for Pre-qualification and Appointment as Internal Auditors for the period **from 01.04.2026 to 31.03.2029** for audit of the following groups:

Group A - Corporate Head Office (including review of Annual Accounts), Trombay Unit and Thal unit

Group B - Corporate Marketing office IPD and Marketing Area Offices

The list of region wise Marketing Area offices is enclosed at **Annexure II**

- 2.2 **AWARD OF CONTRACT:** Contract shall be awarded to the vendor/parties who will be techno-commercially qualified as per pre-qualification criteria of each group, on overall lowest tender basis of each group as per note given below for bidders. **For each group a different auditor/bidder will be appointed hence bidder will be awarded contract for only one group.**

The bidder shall thoroughly go through the scope of work, visit the site if required to properly understand the various jobs involved before submitting the quotation.

- **Bidder shall quote separately for each group as per mode of quotation.**
- **Group A: {Corporate Head Office (including review of Annual Accounts), Trombay Unit and Thal unit.}**
Price bid of Group A will be opened first. If required, negotiations will be conducted with the L1 Bidder & Group A will be finalized. Work order shall be placed on overall lowest bidder of Group A.
- **Group B: (Corporate Marketing office IPD and Marketing Area Offices.)**
At the time of opening of price bid of Group B, Price bid of L1 bidder of Group A will not be opened & their offer will not be considered for evaluation of Group B. If required negotiations will be conducted with the L1 Bidder and Group B will be finalized. Work order shall be placed for Group B on overall lowest bidder of that group.
- **As stated earlier for each group a different auditor/bidder will be appointed. In other words, a bidder will be awarded contract only for one group.**

The bidder shall thoroughly go through the scope of work, visit the site if required to properly understand the various jobs involved before submitting the quotation.

MSEs: Preference for MSEs:

Purchase preference to Micro and Small Enterprises (MSEs): Purchase preference clause shall be applicable to MSEs bidders.

- i. **For Non Divisible tender:** This Tender is Non Divisible tender, hence if it is observed that the L1 bidder is a Non- MSE bidder and that there is a MSE bidder (Who is not L1) who has

quoted within a price band of L1 + 15%, The Complete job shall be awarded to such an MSE who is within the price band of L1 + 15%, Subject to such MSE bringing down their price to match the L1 price. The preference for order shall be given according to their ranking after Price bid opening.

- ii. In case There are more than one MSE bidder within the L1 + 15 %, The L1 price shall be offered to that MSE, who has quoted lowest among the MSE bidders and in case they decline to match their price to L1, it shall be offered to the subsequent MSE bidder (if any) in L1 + 15% band.
- iii. In case MSE bidder has not quoted within L1 + 15 % band such an offer would not be made for matching of Price and the original L1 bidder shall be awarded the complete job.

In support of the bidder being a MSE the Udyam Registration certificate shall be submitted, in absence of which the Purchase Preference for above shall not be considered.

Tenders shall be provided free of cost and tender documents are downloadable from the websites of RCF (<http://www.rcfltd.com>) and the GEM Portal or can be obtained from the Office of Dy General Manager (IA).

2 ELIGIBILITY CRITERIA FOR PRE-QUALIFICATION:

Whereas the proprietary concerns of Chartered Accountant /Cost Accountant need not apply, the pre-qualification criteria for the firms are given below:

A. MANDATORY:

- 3.1 The firm (Partnership / LLP) should be in practice for the past minimum 10 years i.e. existence of the firm should be minimum 10-year-old as on the date of submission of Tender. (Supported by date of Incorporation certificate issued by Institute of Chartered Accountants of India / Institute of Cost Accountants of India).
- 3.2 The firm should have at least 5 full time Chartered Accountants or Cost Accountants having minimum 10 years of experience, (inclusive of two full time partners / directors) as on the date of submission of Tender. (Supported by Copy of Membership Certificate along-with CISA / DISA certificate Annexure E1 & E2. Resume of the personnel / LinkedIn profile (URL) Link).
- 3.3 The firm should have at least 10 semi-qualified assistants having minimum 5 years of experience (inter CA/ inter ICMA) as on the date of submission of Tender (supported by institute documents). (Supported by Institute documents Annexure E3. Resume of the personnel / LinkedIn profile (URL) Link)
- 3.4 The firm should have at least 20 Audit staff/article assistants as on the date of submission of Tender. (Supported by Institute documents Annexure E3)
- 3.5 The firm should have experience in conducting Statutory Audit or Internal Audit for at least 20 companies during last 7 financial years (Registered under Companies Act, Co-operative Act) as on the date of submission of Tender. (Statutory means Audit conducted by Firm of Chartered Accountants under Section 139 of Companies Act 2013 or by Firm of Cost Accountants under Section 148 of Companies Act 2013 and Internal Audit means audit as per Section 138 of the Companies Act 2013). (Supported by Work Order or Letter of Engagement alongwith Letter of Completion Annexure E4)

- 3.6 Out of the 20 Companies as mentioned at clause 3.5 above, for getting eligible for the groups mentioned in NIT i.e. **Group A**, the firm should have experience in at least 4 (four) manufacturing companies / co-operative organizations having Annual Turnover of at least ₹ 7,600 Crore each during last 7 years and out of these 4 manufacturing companies, at least 2 should be listed companies.
Group B, the firm should have experience in at least 4 (four) companies / Co-operative organizations having Annual Turnover of at least ₹ 7,600 Crore each during last 7 years and out of these 4 companies, at least 2 should be listed companies. (Supported by Work Order or Letter of Engagement alongwith Letter of Completion Annexure E5 For Turnover Balance Sheet and Statement Profit & Loss)
- 3.7 For getting eligible for the groups mentioned in NIT i.e. **Group A** and **Group B**, the firm should have experience in conducting audit in SAP ERP system (MM, SD & FICO module) in at least 4 (four) manufacturing companies/ organizations / Co-operative Organizations having Annual Turnover of at least ₹ 7,600 Crore each during last 7 years (to be supported by documents by the firm). (Supported by Work Order or Letter of Engagement alongwith Letter of Completion. The letter should specify that the audit was done under SAP ERP system (MM, SD & FICO module). For Turnover Balance Sheet and Statement of Profit & Loss Annexure E7).
- 3.8 Experience of Statutory / Internal Audit assignment in CPSEs / State PSEs of at least two PSU's having annual turnover of ₹ 7,600 Crore each during last 7 financial years. (Supported by Work Order or Letter of Engagement alongwith Letter of Completion. For Turnover Balance Sheet and Statement Profit & Loss Annexure E8)
- 3.9 The firm must have conducted Statutory /Internal Audit of at least four Companies / Organizations / Co-operative organizations having net worth of ₹ 1,850 Crore or more during last 7 financial years. (Supported by Work Order or Letter of Engagement alongwith Letter of Completion. For Turnover Balance Sheet and Statement Profit & Loss Annexure E9)
- 3.10 The firm should have at least one partner with DISA (Diploma in System audits) /CISA (Certified Information Systems Auditor) qualification as on the date of submission of Tender. (CISA / DISA certificate supported by Institute documents. Partner details from Firm / Company Card. Annexure E1)
- 3.11 For the Group A & Group B it is mandatory for firm to have offices / Branches / Divisions in Maharashtra. (Supported by Copy of branch incorporation issued by Institute of Chartered Accountants / Cost Accountants. Annexure E10)
- 3.12 Cooling Period: For the Group A and B it is mandatory that
(a) the Firm should have not rendered Internal Audit Services for a period of immediately preceding of past three financial years i.e. period starting from F.Y. 2023-24 to 2025-26 to RCF.
(b) The firm should not have carried out statutory / cost audit of RCF for FY 2024-25.
- 3.13 Bidder should have carried out Statutory Audit or Cost Audit of a listed Company with a turnover of Rs. 500 crore at least in 1 listed Company during last 7 financial years. (Supported by Turnover Balance Sheet and Statement of Profit & Loss. Annexure E11)

4. Proposed Audit Plan for the year 2026-27, scope of work, extent and periodicity of checking, reporting formats etc. are mentioned in **Annexure-D** enclosed. It may be noted that the scope as given under this Annexure is only indicative and not exhaustive. The Audit Plan for the year 2027-28 and 2028-29 will be finalized with some replacement/ addition/deletion etc. The number of Audit reports can vary by +/- 10%. The firm may be asked to look into any other activity as may come to the notice during the course of audit and/or render any advice/opinion in the area of audit.
5. **Time schedule:** The Internal Audit has to be conducted as per Audit Plan of RCF (**Placed at Annexure D**) in the following 12 phases:

Phase I	April 2026 to June 2026
Phase II	July 2026 to September 2026
Phase III	October 2026 to December 2026
Phase IV	January 2027 to March 2027
Phase V	April 2027 to June 2027
Phase VI	July 2027 to September 2027
Phase VII	October 2027 to December 2027
Phase VIII	January 2028 to March 2028
Phase IX	April 2028 to June 2028
Phase X	July 2028 to September 2028
Phase XI	October 2028 to December 2028
Phase XII	January 2029 to March 2029

The Audit Reports are required to be submitted as per following schedule:

Time Schedule for Phase Audit Reports			
Period of Audit	Draft Audit Report submission by Auditors	Reply by RCF Offices	Final Report along with draft significant observations to be submitted by auditors
April 2026 to June 2026	On or before 7th day of each month.	Within 15 days from date of draft report.	Within 7 days of date of draft report.
July 2026 to September 2026	--do--	--do--	--do--
October 2026 to December 2026	--do--	--do--	--do--
January 2027 to March 2027	--do--	--do--	--do--
April 2027 to June 2027	--do--	--do--	--do--
July 2027 to September 2027	--do--	--do--	--do--
October 2027 to December 2027	--do--	--do--	--do--
January 2028 to March 2028	--do--	--do--	--do--
April 2028 to June 2028	--do--	--do--	--do--

July 2028 to September 2028	--do--	--do--	--do--
October 2028 to December 2028	--do--	--do--	--do--
January 2029 to March 2029	--do--	--do--	--do--

- a. The above reports are to be submitted to RCF Head of Internal Audit Department for issue to concerned Auditee department.
 - b. The replies to the reports will be received by RCF Head of internal Audit department and forwarded to the concerned Internal Audit firm.
 - c. All the working papers during course of audit will be the property of the Company (RCF) and handed over to Head of Internal Audit (RCF) on submission of final audit report.
 - d. Firm will deploy sufficient staff to carry out Audit within schedule period.
6. The selected firms would have to deploy sufficient number of Chartered Accountant/ Cost Accountant, semi-qualified persons and article assistants for reasonable duration of time for conducting and completion of each Audit report. The audit should be supervised by qualified CA/CMA and assisted by semi qualified CA/CMA or CA/CMA trainees/articles assistants. The senior partner of the firm will be required to attend quarterly Audit Committee meetings (generally held at Mumbai) to brief the significant matters covered under Audit reports issued.

The indicative chart of expected deployment of minimum staff / man-days for conducting Internal Audit is given below:

Sr. no	Units/ Offices	Minimum number of staff	Minimum number of man-days
A	<u>Corporate Head office, Trombay and Thal Unit:</u>		
1	Corporate Head Office	i) One Chartered/Cost Accountant ii) One semi-qualified person iii) Two audit assistants	20 man-days in each phase (as per schedule, mentioned at Para 6).
2	Trombay Unit	i) One Chartered/Cost Accountant ii) One semi-qualified person iii) Two audit assistants	65 man-days in each phase (as per schedule, mentioned at Para 6).
3	Thal Unit	i) One Chartered/Cost Accountant ii) One semi-qualified person iii) Two audit assistants	50 man-days in each phase (as per schedule, mentioned at Para 6).
B	<u>Corporate marketing IPD and Marketing Area</u>		

	<u>Offices:-</u>		
1	Corporate Marketing	i) One Chartered/Cost Accountant ii) One semi-qualified person iii) Two audit assistants	18 man-days in each phase (as per schedule, mentioned at Para 6).
2	Marketing Area Offices(In West, South, North and East Regions)	i) One Chartered/Cost Accountant ii) One semi-qualified person iii) Two audit assistants	27 man-days in each phase (as per schedule, mentioned at Para 6).

Senior partner/Partner heading the assignment should visit and discuss audit observations and reports with Head of Internal Audit/Management once in Three Months in addition to his attendance in Audit Committee meetings. Non compliance of the same will result in company withholding the phase wise payments till regularization. If the delay continues for more than two quarters the assignment is liable to be terminated.

The Senior Partner / Partner /Manager (Qualified CA/ICMA) of the firm should also visit the Unit / Area Office during each phase of audit for discussion of significant observations with the Head of Unit / Area Office and Finance Head for required number of days as per the tour approval.

In addition to audit fees, reimbursement of Travelling, Lodging & Boarding expenses are given in the following manner:

Travelling Expenses	Lodging & Boarding
Mode of Transport for travel to Thal Unit would be either Bus or Car/Taxi by road and by Ferry by Sea. Payment shall be made against	For Thal / Delhi Office The lodging and boarding will be provided in RCF Guest House free of charge. For Thal the local conveyance between Guest House and Thal office and factory would be provided.

<p>documentary proof for the journey performed by the team (two) of auditors. However, if Partner visits, he may travel by taxi / own vehicle and reimbursement shall be limited to Government Authorized Vehicle for Inter City Travel.</p>	<p>For various Area Offices</p> <p>Boarding charges will be reimbursed Rs. 400/- per day per audit member and Rs. 600/- for the Partner per day including taxes (maximum 2 audit staff for 5 working days are allowed).</p> <p>The lodging charges will be reimbursed on submission of bill limited to Rs. 2500/- per day plus taxes for audit team (maximum 2 audit staff for 5 working days are allowed).</p> <p>The lodging charges for partner will be reimbursed on submission of bill limited to Rs. 5000/- per day plus taxes as per the tour approval.</p>
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Note: The charges for Travelling Expenses and Lodging & Boarding shall be reimbursed on submission of documentary evidence.

7. **Payment Terms:** The details of minimum total audit reports to be covered during 2026-27 are given at Attachment 1 and 6 for two groups. The minimum number of audit reports to be evenly phased out and covered during each phase will be 23 and 8 reports for the area/groups A and B (as at sr. no.7 above) respectively for the year 2026-27. Similarly, based on Audit Plan for 2027-28 and 2028-29, the minimum number of audit reports are to be evenly phased out during each phase within the respective years. The payment of audit fees would be made in terms of percentage specified below within 30 days from submission of these minimum number of final audit reports, summarized executive reports and significant observations pertaining to that phase along with tax Invoice. The tax invoice will be verified and certified by RCF Internal Audit Department and payment will be released by Corporate Finance Department, subject to deduction of Income–Tax at source as applicable from time to time.

Statutory Taxes etc.: All other taxes or other statutory levies etc. shall be paid extra.

The payment would be released on Phase basis (for both the area/groups), as under:

S. No.	Phase/ Period	% age of Total Fee Payable
1	April 2026 to June 2026	8.33%
2	July 2026 to September 2026	8.33%
3	October 2026 to December 2026	8.33%
4	January 2027 to March 2027	8.33%
5	April 2027 to June 2027	8.33%
6	July 2027 to September 2027	8.33%
7	October 2027 to December 2027	8.33%

8	January 2028 to March 2028	8.33%
9	April 2028 to June 2028	8.33%
10	July 2028 to September 2028	8.33%
11	October 2028 to December 2028	8.33%
12	January 2029 to March 2029	8.33%/Balance

8. **Period of Contract:** The period of contract will be from 01.04.2026 to 31.03.2029.

9. **PENALTY TO VENDOR FOR LATE SUBMISSION OF BILLS**

The bill must be submitted complete in all respects i.e. supporting documents within 30 days from the date of completion of job. In case of delay in submission of bills (complete in all respects) beyond 30 days, vendor shall have to pay penalty at the rate of Rs. 100 per week or part thereof subject to maximum of 5% of invoice value shall be applicable.

a. **Bid Validity:** The bid should be valid for a period of **75 days** from the date of opening of the tender. **Offers with less bid validity shall be rejected outright.**

b. **Statutory Variation Clause:** Any variation in statutory levies/taxes within the contractual delivery period shall be to RCF's account & beyond contractual delivery period, upward variation shall be to Contractor's/bidder's account.

c. RCF Ltd reserves the right to accept or reject any or all tenders in full or in part without assigning any reason.

10. **PART-I : TECHNO-COMMERCIAL BID :**

Packet	1	Duly signed & stamped towards acceptance- Annexure A -General Terms & Conditions, Annexure B- Declaration Sheet, copy of GST Registration Certificate and PAN Card (in the name of the Firm) Annexure C Mode of Quotation (Total Lumpsum Amount including GST)
Packet	2	Duly signed & stamped copy of Annexure – E, E1 to E3 stating Particulars of partners, qualified Chartered Accountants/ Cost Accountants and Article assistants/ Audit staff, along with Membership Certificate copies of partners, qualified Chartered
Packet	3	Duly signed & stamped copy of Annexure E4 (stating company-wise experience of having audited 20 companies), E9, E10 & E11.
Packet	4	Duly signed & stamped copy of Annexure E5 to E7 along with the copy of work orders placed by Manufacturing Companies/organizations/co-operative Organizations and other manufacturing companies on your firm's name.

Packet	5	Duly signed & stamped copy of Annexure E8 along with the copy of work orders placed by firm having experience of Statutory / Internal Audit Assignment in CPSE/State PSEs in preceding 7 years on your firm's name.
Packet	6	Duly signed & stamped copy of incorporation certificate issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India and DISA/CISA certificate
Packet	7	Duly signed & stamped copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India to the firm containing inter-alia, the details of partners as on date of tender.
Packet	8	Duly signed & stamped copy of Annexure F- Undertaking Sheet and Annexure G- LIST OF DOCUMENTS ATTACHED
Packet	9	Duly filled VENDOR UPDATION FORM ANNEXURE H and ANNEXURE-A-I & A-II Instructions To MSME Vendors & TReDS
Packet	10	Signed copy of Annexure-I Tax Compliance Clauses Related to GST, Annexure-J Disciplinary Clauses and Annexure-K "INTEGRITY PACT"

11. Statutory Variation Clause: Any variation in statutory levies/taxes within the contractual delivery period shall be to RCF's account & beyond contractual delivery period, upward variation shall be to Vendor's account.

Note-

1. if after opening of price bids, if the price bid of the techno-commercially acceptable bidder in any of the group is not in the same form as un-priced price bid and contains additional condition or modified terms and conditions, such price bid shall be liable to be considered invalid and offer of that bidder shall not be considered.

In case of any doubts / details, party can visit the Administration Building, contact the person discuss and understand the job at site before submitting quotation.

GENERAL TERMS AND CONDITIONS

1.0 Requirements for Bid to be considered Valid.

- 1.1 In Financial Bids, lump sum fee that is exclusive of Travelling, Boarding and Lodging excluding GST for conducting the assignments are to be quoted.
For assignment for the **Group A: Corporate Head Office, Trombay Unit and Thal unit**, Guest house facilities would be provided at the company's Thal unit. The local conveyance between Guest House and Thal office and factory would be provided free of charge. Other than basic fees no other out of pocket expense will be given.
- 1.2 No cutting or overwriting allowed in Financial Bids. In such cases, bid would not be considered.
- 1.3 While submitting the bid, tenderers are requested to ensure that bids are in compliance with the regulations applicable under various statutes. Any fine, penalty or expenses due to breach arising there on will be borne by the tenderer.
- 1.4 RCF takes no responsibility for delays, loss or non-receipt of tender documents or any letters sent by post/courier either way and also reserve the right to reject any offer in part or full.
- 1.5 The submission of offer shall have no cause of action or claim against RCF for rejection of offer. The bidding firms shall not be entitled to claim any costs, charges and expenses incidental to or incurred in connection with submission of offer or its consideration by RCF, even though RCF may opt to modify/withdraw the Invitation to Tender or does not accept the offer or cancel the tender as a whole.
- 1.6 The successful bidders engaged for Internal Audit work will not be allowed to sub-contract the job awarded to them.
- 1.7 The successful bidders engaged for Internal Audit work will be provided with infrastructure facilities like office space for staff, computers (not laptops) with internet, internal telephones, printer and stationary.

2.0 Bid Evaluation Process & Award of Contract

2.1 Technical Bid Evaluation

PART-I : TECHNO-COMMERCIAL BID of all bidders would be opened/decrypted first.

The bidder firm can apply/quote for one or both the groups, however contract shall be awarded for one group only to a bidder firm.

Bidders shall ensure that all documents related to pre-qualification (technical or commercial) as per Tender Document Clause No. 3 (i.e. Eligibility criteria for pre-qualification) are submitted at the first instance along with the original bids”.

RCF reserves the right to reject outright any bid for not complying with this instruction, and may not do any further correspondence to seek clarifications/documents related to pre-qualification/credentials & eligibility criteria.

Bids would be sought in a Two Bid system and Price Bid of top six qualified bidders for each group will be opened separately and those parties qualifying as per the eligibility criteria as per Section 3 of the bid document would be evaluated. Top 6 Bidders with minimum 70% marks in techno-commercial bid will be prequalified. In the case where 2 bidders or more who have been technically prequalified, obtain equal marks; the bidder with highest marks as per Clause 3.6 would be considered as technically L1 bidder out of six (6) will be selected. In case the marks as per Clause 3.6 are equal then the marks for Clause 3.7 will be considered for further evaluation. Bids of Bidder selected as L1 for **Group A** will not be considered for **Group B**.

The Committee would evaluate the bidder firms for each area separately based on their credentials and the documents submitted against pre-qualification criteria and assign the points / marks out of total points/marks as below:

i) **Evaluation criteria for: Corporate Head Office, Trombay Unit and Thal unit**

Eligibility Criteria for Pre-Qualification A. MANDATORY	Documents Required	Minimum Requirement	Points Marks to be allocated	Maximum Points/ Marks
Clause 3.1 The firm (Partnership / LLP) should be in practice for the past minimum 10 years i.e. existence of the firm should be minimum 10-year-old as on the date of submission of Tender. (Supported by date of Incorporation certificate issued by Institute of Chartered Accountants of India / Institute of Cost Accountants of India).	Incorporation certificate issued by Institute of Chartered Accountants of India / Institute of Cost Accountants of India	10 years	1 Mark per year of existence	15
Clause 3.2 The firm should have <u>at least 5</u> full time Chartered Accountants or Cost Accountants having minimum 10 years of experience, (inclusive of two full time partners / directors) as on the date of	Copy of Membership Certificate along-with CISA / DISA certificate Annexure E1 & E2. Resume of the personnel	5 Numbers	2 Marks for each person	12

submission of Tender.	/ LinkedIn profile (URL) Link.			
Clause 3.3 The firm should have at <u>least 10 semi-qualified assistants having minimum 5 years of experience (inter CA/ inter ICMA)</u> as on the date of submission of Tender (supported by institute documents).	Supported by Institute documents Annexure E3 Resume of the personnel / LinkedIn profile (URL) Link.	10 Numbers	1 Mark for each Semi-Qualified	10
Clause 3.4 The firm should have at least <u>20 Audit staff / article assistants</u> as on the date of submission of Tender.	Supported by Institute documents Annexure E3	20 Numbers	0.1 Mark for each Article Audit Staff	3
Clause 3.5 The firm should have experience in conducting Statutory Audit or Internal Audit for at <u>least 20 companies</u> during last 7 financial years (Registered under Companies Act, Co-operative Act) as on the date of submission of Tender. (Statutory means Audit conducted by Firm of Chartered Accountants under Section 139 of Companies Act 2013 or by Firm of Cost Accountants under Section 148 of Companies Act 2013 and Internal Audit means audit as per Section 138 of the Companies Act 2013).	Work Order or Letter of Engagement along-with Letter of Completion. Annexure E4	20 Companies	0.5 Mark for each Company	15

<p>Clause 3.6 Out of the <u>20 Companies</u> as mentioned at clause 3.5 above, for getting eligible for the groups mentioned in NIT i.e. Group A, the firm should have experience in at least <u>4 (four) manufacturing companies / co-operative Organizations</u> having Annual Turnover of at least <u>₹ 7,600 Crore</u> each during last 7 years and out of these <u>4 manufacturing companies, at least 2 should be listed companies.</u> Group B, the firm should have experience in at least <u>4 (four) companies / Co-operative Organizations</u> having Annual Turnover of at least <u>₹ 7,600 Crore</u> each during last 7 years and out of these <u>4 companies, at least 2 should be listed companies.</u></p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. Annexure E5 For Turnover Balance Sheet & Statement of Profit & loss</p>	<p>4 companies at least 2 to be listed</p> <p>4 companies at least 2 to be listed</p>	<p>1 Mark for each Company</p>	<p>6</p>
<p>Clause 3.7 For getting eligible for the groups mentioned in NIT i.e. Group A and Group B, the firm should have experience in conducting audit in SAP ERP system (MM, SD & FICO module) in at least <u>4 (four) manufacturing companies/ organizations / Co-operative Organizations</u> having Annual Turnover of at</p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. The letter should specify that the audit was done under SAP ERP system (MM, SD & FICO module)</p> <p>For Turnover</p>	<p>4 companies /organization</p>	<p>2 Marks for each Company</p>	<p>10</p>

least ₹ 7,600 Crore each during last 7 years (to be supported by documents by the firm).	Balance Sheet & Statement of Profit & loss Annexure E7			
Clause 3.8 Experience of Statutory / Internal Audit assignment in CPSEs / State PSEs of at least two PSU's having annual turnover of ₹ 7,600 Crore each during last 7 financial years	Work Order or Letter of Engagement along-with Letter of Completion. For Turnover Balance Sheet & Statement of Profit & loss Annexure E8	2 PSU companies	4 Marks for each Unit	10
Clause 3.9 The firm must have conducted Statutory /Internal Audit of at least four Companies / Organizations / Co-operative organizations having net worth of ₹ 1,850 Crore or more during last 7 financial years.	Work Order or Letter of Engagement along-with Letter of Completion. For Turnover Balance Sheet & Statement of Profit & loss Annexure E9	4 companies	2 Marks for each Company	10
Clause 3.10 The firm should have at least one partner with DISA (Diploma in System audits) /CISA (Certified Information Systems Auditor) qualification as on the date of submission of Tender.	Copy of CISA / DISA certificate supported by Institute documents. Partner details from Firm/Company Card Annexure E1	At least one partner	1 Mark for each partner	3
Clause 3.11 For the Group A & Group B it is mandatory for firm to have offices / Branches / Divisions in Maharashtra.	Copy of branch incorporation issued by institute of Chartered Accountants/		1 Mark for each branch	3

	Cost Accountants. Annexure E10			
<p>Clause 3.12 (New Clause) Cooling Period: For the Group A and B it is mandatory that (a) the Firm should have not rendered Internal Audit Services for a period of immediately preceding of past three financial years i.e. period starting from F.Y. 2023-24 to 2025-26 to RCF. (b) The firm should not have carried out statutory / cost audit of RCF for FY 2024-25.</p>				
<p>Clause 3.13 (New Clause) Bidder should have carried out Statutory Audit or Cost Audit of a listed Company with a turnover of Rs. 500 crore at least in 1 listed Company during last 7 financial years.</p>	For Turnover Balance Sheet & Statement of Profit & loss Annexure E11	1 Company	1 Mark for each company	3

ii) **Evaluation criteria for: Corporat Marketing Office, IPD and Marketing Area Offices.**

Eligibility Criteria for Pre-Qualification A. MANDATORY	Documents Required	Minimum Requirement	Points Marks to be allocated	Maximum Points/ Marks
<p>Clause 3.1 The firm (Partnership / LLP) should be in practice for the past minimum 10 years i.e. existence of the firm should be minimum 10-year-old as on the</p>	Incorporation certificate issued by Institute of Chartered Accountants of India / Institute of	10 years	1 Mark per year of existence	15

date of submission of Tender. (Supported by date of Incorporation certificate issued by Institute of Chartered Accountants of India / Institute of Cost Accountants of India).	Cost Accountants of India			
Clause 3.2 The firm should have <u>at least 5</u> full time Chartered Accountants or Cost Accountants having minimum 10 years of experience, (inclusive of two full time partners / directors) as on the date of submission of Tender.	Copy of Membership Certificate along-with CISA / DISA certificate Annexure E1 & E2. Resume of the personnel / LinkedIn profile (URL) Link.	5 Numbers	2 Marks for each person	12
Clause 3.3 The firm should have <u>at least 10 semi-qualified assistants having minimum 5 years of experience</u> (inter CA/ inter ICMA) as on the date of submission of Tender (supported by institute documents).	Supported by Institute documents Annexure E3 Resume of the personnel / LinkedIn profile (URL) Link.	10 Numbers	1 Mark for each Semi-Qualified	10
Clause 3.4 The firm should have <u>at least 20 Audit staff / article assistants</u> as on the date of submission of Tender.	Supported by Institute documents Annexure E3	20 Numbers	0.1 Mark for each Article Audit Staff	3
Clause 3.5 The firm should have experience in conducting Statutory Audit or Internal Audit for <u>at least 20 companies</u> during last 7 financial years (Registered under Companies Act, Co-	Work Order or Letter of Engagement along-with Letter of Completion. Annexure E4	20 Companies	0.5 Mark for each Company	15

<p>operative Act) as on the date of submission of Tender. (Statutory means Audit conducted by Firm of Chartered Accountants under Section 139 of Companies Act 2013 or by Firm of Cost Accountants under Section 148 of Companies Act 2013 and Internal Audit means audit as per Section 138 of the Companies Act 2013).</p>				
<p>Clause 3.6 Out of the <u>20 Companies</u> as mentioned at clause 3.5 above, for getting eligible for the groups mentioned in NIT i.e. Group A, the firm should have experience in at least <u>4 (four) manufacturing companies / co-operative Organizations</u> having Annual Turnover of at least <u>₹ 7,600 Crore</u> each during last 7 years and out of these <u>4 manufacturing companies, at least 2 should be listed companies.</u> Group B, the firm should have experience in at least <u>4 (four) companies / Co-operative Organizations</u> having Annual Turnover of at least <u>₹ 7,600 Crore</u> each during last 7 years and out of these <u>4 companies, at least 2 should be listed companies.</u></p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. Annexure E5 For Turnover Balance Sheet & Statement of Profit & loss</p>	<p>4 companies at least 2 to be listed</p> <p>4 companies at least 2 to be listed</p>	<p>1 Mark for each Company</p>	<p>6</p>

<p>Clause 3.7 For getting eligible for the groups mentioned in NIT i.e. Group A and Group B, the firm should have experience in conducting audit in SAP ERP system (MM, SD & FICO module) in at <u>least 4 (four) manufacturing companies/ organizations / Co-operative Organizations having Annual Turnover of <u>at least ₹ 7,600 Crore each during last 7 years</u> (to be supported by documents by the firm).</u></p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. The letter should specify that the audit was done under SAP ERP system (MM, SD & FICO module)</p> <p>For Turnover Balance Sheet & Statement of Profit & loss Annexure E7</p>	<p>4 companies /organization</p>	<p>2 Marks for each Company</p>	<p>10</p>
<p>Clause 3.8 Experience of Statutory / Internal Audit assignment in CPSEs / State PSEs of at least two PSU's having annual turnover of <u>₹ 7,600 Crore each during last 7 financial years</u></p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. For Turnover Balance Sheet & Statement of Profit & loss Annexure E8</p>	<p>2 PSU companies</p>	<p>4 Marks for each Unit</p>	<p>10</p>
<p>Clause 3.9 The firm must have conducted Statutory /Internal Audit of at least four Companies / Organizations / Co-operative organizations having net worth of ₹ 1,850 Crore or more during last 7 financial years.</p>	<p>Work Order or Letter of Engagement along-with Letter of Completion. For Turnover Balance Sheet & Statement of Profit & loss Annexure E9</p>	<p>4 companies</p>	<p>2 Marks for each Company</p>	<p>10</p>
<p>Clause 3.10 The firm should have at least one partner</p>	<p>Copy of CISA/ DISA certificate</p>	<p>At least one partner</p>	<p>1 Mark for each partner</p>	<p>3</p>

with DISA (Diploma in System audits) /CISA (Certified Information Systems Auditor) qualification as on the date of submission of Tender.	supported by Institute documents. Partner details from Firm/Company Card Annexure E1			
Clause 3.11 For the Group A & Group B it is mandatory for firm to have offices / Branches / Divisions in Maharashtra.	Copy of branch incorporation issued by institute of Chartered Accountants/ Cost Accountants. Annexure E10		1 Mark for each branch	3
Clause 3.12 (New Clause) Cooling Period: For the Group A and B it is mandatory that (a) the Firm should have not rendered Internal Audit Services for a period of immediately preceding of past three financial years i.e. period starting from F.Y. 2023-24 to 2025-26 to RCF. (b) The firm should not have carried out statutory / cost audit of RCF for FY 2024-25.				
Clause 3.13 (New Clause) Bidder should have carried out Statutory Audit or Cost Audit of a listed Company with a turnover of Rs. 500 crore at least in 1 listed Company during last 7 financial years.	For Turnover Balance Sheet & Statement of Profit & loss Annexure E11	1 Company	1 Mark for each company	3

2.2 Financial Bid Evaluation

Uploaded Price bids, for technically qualified bidder firms - If after opening of price bids, if the price bid of the techno - commercially acceptable bidder in any of the group contains additional condition or modified terms and conditions or deviations , such price bid shall be liable to be considered invalid and offer of that bidder shall not be considered

1. After evaluation of technical bids as above, the financial bids of only pre-qualified top six bidder firms of **Group A** would be opened first.
2. After opening the price bid of **Group A**, as decided by RCF, Work order shall be placed on L1 bidder out of the top 6 Bidders of **Group A**. If required negotiations will be conducted with the L1 Bidder of **Group A** and Bidder for **Group A** will be finalized.
3. Price bid of **Group B** will be opened after evaluation of technical bids for Group B. **Price bid of L1 bidder of Group A will not be considered for evaluation for Group B.** Work order shall be placed for **Group B** on overall lowest bidder of that group. If required negotiations will be conducted with the L1 Bidder of **Group B** and Bidder for **Group B** will be finalized

2.3 Award of Assignment / Contract

Contract shall be awarded to the bidder who will be **techno-commercially qualified as per pre-qualification criteria of each Group**, based on the price bid on overall lowest tender basis of each group.

The contract for the **Group A** shall be awarded to the L1 bidder firm as determined at 2.2 above and this firm would not be considered for further process for award of contract for the **Group B**.

After award of contract to above **Group A**, the financial bids of pre-qualified bidder firms of **Group B** would be opened/decrypted. **Price bid of L1 bidder of Group A will not be considered for evaluation for Group B.**

3.0 Other Terms and conditions.

1. The bids should be unconditional. Conditional bids would be rejected.
2. RCF reserves the right to negotiate with the bidders.
3. If some discrepancies are found between the rates given in words and figures. The rate as quoted in words shall be adopted.
4. The acceptance of tender will rest with RCF and RCF reserves itself full right to reject any or all tenders.
5. The tenderer is not entitled to any compensation for the expenses incurred in connection with the preparation and submission of tenders.
6. Currencies for bid and payment shall be in Indian Rupees only.

7. The successful bidder would ensure that the information obtained during the audit in respect of RCF is maintained in strict confidence and secrecy. An undertaking towards maintaining confidentiality is to be provided by the successful bidder.
8. The manpower engaged by the successful bidder / Audit firms for RCF Audit work shall be the employees of the bidder / Audit firms for all intends and purposes. The manpower should be engaged on need basis and should not be engaged for more than 240 days in a year for the subject contract. The Audit firms have to withdraw the manpower deployed by them after expiry/completion/termination of the contract and RCF will not take any responsibility of them.

4.0 Termination of contact

RCF reserves the right to terminate the contract if the progress/performance of the audit firm is found unsatisfactory or any part/whole of the contract terms are not fulfilled. RCF also reserves right to de-list such audit firms and take other appropriate action against them.

If at the time of deployment RCF found that there is no CA, then RCF reserves the right to terminate the contract.

5.0 Action against the successful applicant

Failure to act according to tender conditions, non-fulfilment of any or whole of the contract may entail de-listing of the firm in addition to taking other appropriate action against the Firm.

6.0 Arbitration:

The Arbitration proceedings shall be governed by the Arbitration and Conciliation Act, 1996 or any statutory modification or re-enactment there-of and the rules made there under.

7.0 Jurisdiction

In respect of all tender conditions, the decision of RCF shall be final and binding. The venue of the Arbitration shall be Mumbai & Mumbai courts will have exclusive Jurisdiction.

8.0 Force Majeure:

Neither party shall be liable for any claim on account of any loss, damage or compensation, whatsoever, arising out of any failure to carry out the terms of this contract where such failure is caused due to war; rebellion, mutiny, civil commotion, fire riot, earthquake, drought, floods, crop failure, or Act of God or due to any restraint or regulation of the State or Central Government or a local authority/authorities provided a notice of such occurrence is given to be other party in writing within 10 days from the date of occurrence of the force condition, furnishing therewith a documentary evidence

supporting the invoking of the force majeure clause. On cessation of the force majeure the party invoking force majeure shall inform the other party of the period for which the force majeure condition continued and shall also give documentary evidence thereof to this effect.

9.0 General

Bidder/Tenderer shall mean the firm who submits the tender and enters into contract with RCF and shall include their executors, administrators and successors and permitted assignees.

DECLARATION SHEET

I/we, hereby certify that all the information and data furnished by me/us with regard to this tender specification are true and complete to the best of my/our knowledge. I/we have gone through the Terms, conditions and stipulations in detail and agree to comply with the requirements.

I/we, further certify that I am / we are the duly authorized representative of the under mentioned tenderer.

I/We, further certify that the following close / distant relative(s) of partner/director of our firm are presently working in Rashtriya Chemicals and Fertilizers Limited (RCF):

S.No.	Name	Designation	Department
1.			
2.			
3.			

I/We, further certify that the following Ex-employees of Rashtriya Chemicals and Fertilizers Limited (RCF) are presently working/associated with our firm:

S.No.	Name	Last Designation in RCF
1.		
2.		
3.		

I/We, further certify that no sister concern / Common Partner is bidding separately in this tender in the name of other concern/firm.

I/We also undertake that the terms and conditions of Notice Inviting Tender and Annexure-A of NIT is acceptable to us without reservations and no deviation to NIT has been taken while making the offer.

I/We further agree to abide by the conditions of contract and to carry out all work that would be assigned (as per Annexure D) within the specified time in accordance with instructions referred to in the Notice Inviting Tender.

In case of acceptance of the Bid by Rashtriya Chemicals and Fertilizers Limited, I/We bind myself/ourselves to execute the contract as per the conditions mentioned in the Assignment awarded.

Yours faithfully
For M/s _____
(Signature of Bidder with Seal)

Address: _____

E-Mail-ID : _____

Contact No : _____

BOQ FORMAT Price to be filled on GEM PORTAL (Total Lumpsum Amount including GST) - Group A

Financial Bid for Internal Audit of RCF for 2026-29 (for Three years)

Name of the Firm:.....

Address:.....

E-Mail ID:.....

Contact Numbers:.....

Bidder shall quote total price including all applicable taxes & duties for complete jobs

Bidders are required to quote their Lump sum Audit Fee for the period 01.04.2026 to 31.03.2029 (3 years), including all applicable taxes and duties, in the designated field within the GeM portal only. This price should be quoted after carefully reviewing and understanding the scope of work. Offers with prices quoted/mentioned in the technical bid or elsewhere, such as in scanned documents, will be rejected.

S. No.	Area of Audit (Refer clause no 2.1(i) of Tender Document)	Lump sum Audit Fee for the Period 01.04.2026 to 31.03.2029 (for <u>Three years</u>) including GST
1.	Corporate Head Office (including review of Annual Accounts), Trombay Unit and Thal unit.	<u>Bidder shall quote total Lump sum Audit Fee for the Period 01.04.2026 to 31.03.2029 (for Three years) including all applicable taxes & duties.</u>

Note 1. The quoted bids are valid for entire contract period: FY 2026-27, 2027-28 and 2028-29 and no escalation will be claimed during the contract period.

2. Above fees is in Indian Rupees and exclusive of all i.e. TA, DA, Lodging, Boarding etc.

(Signature of Partner with Membership number and seal of the firm)

For Internal Audit of Corporate Head Office, Trombay Unit and Thal unit.:-

1. **Attachment 1** - Proposed Audit Plan, Quantum & Periodicity for 2025-2026.
2. **Attachment 2** - Overall Indicative Scope.
3. **Attachment 3** - Reporting formats for Monthly Final Audit Reports.
4. **Attachment 4** - Reporting formats for Executive Summary of Audit Reports.
5. **Attachment 5** - Reporting formats for Quarterly Significant Observations Reports.

Attachment-1

Proposed Audit Plan for Corporate Head Office, Trombay Unit and Thal Unit for the year 2026-27 along with reference no. of Scope and Periodicity:

SR.NO.	AREAS TO BE COVERED	NO. OF AUDIT S	Minimum Scope of Audit to be covered as mentioned at Attachment – 2 of NIT
A	CORPORATE		Annexure 1,11, 41 are applicable for each audit report along with Annexure numbers as mentioned below:
1	Treasury-Funding (Short term and Long term) & their utilization, Forex & Hedging Transactions etc. and Investment of Surplus Funds		
i	Interest on Cash Credit/working capital and Long Term Loans		
ii	Review of Payment vouchers		
iii	Credit Monitoring and Appraisal		
iv	Investment of Surplus Funds:	1	9, 36, 56,57
a	The Investment of surplus funds are being made in compliance to DPE guidelines issued from time to time.		
b	Whether any term deposit/FDR has been kept by RCF as a lien/security with third parties including tax departments etc.		
2	Bank Reconciliation including L/C. BG transactions		
i	The bank reconciliation statement is made on a monthly basis. If not made on monthly basis then the matter be reported by Internal Auditor		
ii	The banks are operated by authorized signatories who are presently available at department. For authorized signatories transferred to other department/retired from Company and continuing as signatory such cases be pointed out by the Internal Auditor.	1	8,10,14
iii	Examine Bank receipts /payments, Bank Confirmations, Intra unit bank transfer, Inter unit bank transfer, Bank closing and Conduct spot Cash Verification.report cases where discrepancies found.		

iv	Examine and list out the bank accounts which do not have transaction during the year under audit for taking a view of their closure.		
v	Whether register of BGs are maintained and validity and expiry of the bank guarantees given by RCF are being monitored properly and to report cases where BG have expired, if any.		
3	Audit of GST cell		
i	Compliance, availment and utilization of ITC, refund claims, timely filing of returns, Eway bill compliance etc. Audit of availment of GST input tax Credit (Thal Unit)		
ii	Internal Auditor to also comment and report on the compliances under the GST Act including filling of returns, availing input credits etc	1	12
iii	Reconciliation of Purchase register with 2B downloaded from GST portal. Internal Auditor report such cases which are not in Purchase register but appearing in 2B and obtain reasons from concern department.		
iv	Reconciliation of Purchase register with 2B downloaded from GST portal. Internal Auditor report such cases which are not in 2B but appearing in purchase register and obtain reasons from concern department.		
4	Examine Insurance Policies and its coverage and Claims status, including lining up of insurance Contracts etc. and any delay in settlement of claim obtain reason.	1	36 (11)
5	Audit of Schedule Review		
i	Examine whether no capital expenditure has been booked to revenue expenditure		
ii	In case of pre-paid expenditure at the beginning of the year, the proportionate amount of revenue expenditure have been charged during the financial year	1	17,36
iii	Revenue recognition and revenue has been booked as per the Accounting policy of the company		
iv	Examine that expenditure paid are based on submission of original bills by the parties and payments are not		

	made on the basis of photocopies/duplicate bills		
v	Examine if the payments being made against the work orders (other than work expenses) are paid in compliance to the conditions of the contract/work order		
vi	Examine whether any LD has not recovered from the Contractors.		
vii	Amount payable to various contractors/vendors including retention money, security deposit etc. are to be released as per terms and conditions of the contract without any undue delay. Cases of deviations are to be reported by Internal Auditor. Ageing of the same needs to check		
viii	Examine and report in all cases of contractors/suppliers where the physical work/supply is complete as per work order but final bill has not been raised by them on RCF/ by RCF on the client. List is to be obtained from department and cases of deviations are to be reported upon.		
ix	Examine and report cases of prior period expenditure and prior period income booked in the current year, if any.		
x	Examine and report cases of excessive revenue/expenditure being booked which is not in sync with general trend of revenue/expenditure being booked in the past		
xi	Examine amount payable to MSME contractors/vendors without any undue delay and examine interest provisions if any for such delays. Cases of delayed payment are to be reported by Internal Auditor. Ageing of the same needs to check		

xii	Examine Adjustment of Advance, Refund of advance, Provision for doubtful debts/Advances, Write off/write back of doubtful debts/advances, Provisions no longer required, Inter unit adjustment and general ledger scrutiny		
6	Audit of CSR budget calculation, activities and expenditure. Examine utilization certificates, Impact Assessment Reports	1	43,53
7	Followup of Subsidy claims and Old outstanding more than 3 years with respect to FICC circulars	1	16
8	Audit of Cost Records of all Units. Audit of Cost sheet, Annual Cost Audit Data (ACD) with reference to compliance with Cost Audit Rules & Cost Audit Standards (CAS)	1	52
9	Audit will verify that the Inventory valuation of Finished Goods is being done as per the defined Accounting Policy.	1	19
10	Income Tax TDS, GST TDS and Advance Tax		
i	Checking of Advance Tax, IT (TDS) and GST TDS deduction, deposition and filing of periodical returns appropriately and timely. Internal Audit will also ensure that provisions of Income Tax Act, GST and other Acts as applicable are being complied with.		
ii	The provisions of Income Tax Act and GST Laws w.r. t. TDS deduction are being complied by RCF for payments made to third parties.		
iii	The amount of TDS deducted by client up-to the previous year are fully reflected in the statement of 26AS. Cases of deviations and non-reflection in TDS be reported by Internal Auditor. Statement of 26 AS along with statement of TDS deducted by various clients during the period under audit or in the previous years be enclosed with the Audit report by the Internal Auditor. Internal Auditor is to examine and report such cases which are deducted by client as TDS but not reflected in the 26 AS.	1	36

iv	The TDS (Income Tax) and TDS on GST deducted by RCF are being deposited by the scheduled date of payment as prescribed under IT Act and GST Laws. In case of delay in deposit the TDS, the matter to be reported upon by the Internal Auditor along with Interest paid if any, by RCF.		
v	TDS (Income Tax) being deducted are being deposited in the PAN number of the party so as to correctly reflect in the 26 AS. To test check on sample basis and report the cases, if any.		
vi	Examine whether the prescribed periodic returns of TDS (Income Tax) and TDS on GST is submitted within the prescribed time period as per Income Tax Act and GST Laws.		
vii	Examine and report if any during the audit period, any fine/penalties or interest for delayed payments/filing of returns etc of matters related to Income Tax is imposed on RCF.		
viii	Examine and report the additional demands reflected in "Traces" website of Income Tax and action taken by RCF for each case to be obtained from each TAN wise along with action taken by Company		
11	Others		
i	New Projects and Schemes in Progress, Corporate Governance, Working of Public Relations Department (Mktg.)		
ii	Review of Annual Accounts		
iii	Receivables from Tax Authorities including sales tax, VAT, GST, Income Tax etc		
iv	Examine monthly, quarterly and yearly profitability statements	1	30,36,38,53,54,55
v	Examine investments in joint ventures by examining equity contributions, statutory approvals, agreements, feasibility and financial viability of projects, and monitoring capital costs, time overruns, and overall project progress.		
12	Internal Auditor to report on systems Improvements suggested in the previous year Audits including RCM, SOP and ICFR audit and its implementation	1	1,11,41
	SUB TOTAL (A)	12	
B	TROMBAY UNIT		

	PURCHASE DEPARTMENT (Including contracts placed through GeM)		
1	Audit of Purchase Orders issued for procurement of Bags and other packing material & spot visit to storing place of such material	1	18
2	Bulk Raw material procurement (Indigenous and Imported)	1	18
3	Audit of Proprietary, Import and Nomination Purchase Orders with reference to compliance with Companies Tender Guideline & Delegation of Powers	1	18
4	Audit of Spot, Emergency & Single Tender Basis Purchase Orders with reference to compliance with Companies Tender Guideline & Delegation of Powers	1	18
5	Purchase Orders above Rs. 18 Lakh including domestic & Imported purchases (excluding Bags & other Packing Material and Bulk Raw material)	1	18
6	Purchase Orders for Rs. 3 Lakh to Rs.18 Lakh including domestic & Imported purchases (except Bags & other Packing Material)	1	18
	TRANSPORT & CLEARANCE DEPARTMENT (Including contracts placed through GeM)		
7	Audit of appointment of surveyor at Load port & Disport.	1	21
8	Audit of Despatch/Demurrage Money Calculation, Claims & receipts there of	1	21
9	Transport & Clearance contract other than CHA, Bulk Raw Material movement	1	21
10	Contracts for CHA for Sea & Air Consignment (for Bulk Material & Machine)	1	21
11	Contracts lined up for Transportation of Machinery for repairing outside factory & finished goods for Inter Unit movement.	1	21
	CONTRACT CELL MECHANICAL ENGINEERING SERVICES DEPARTMENT (MES) (Including contracts placed through GeM)		
12	Work Orders above Rs. 18 Lakh (excluding hiring of Machinery/ Equipments etc.)	1	13,18,32
13	Audit of Different types of Work Orders such as Proprietary/ Nomination, Emergency, Single Tender Basis etc.	1	13,18,32

14	Work Orders above Rs. 3 Lakh to 18 Lakh (excluding hiring of Machinery/ Equipments etc.)	1	13,18,32
	CONTRACT CELL ELECTRICAL ENGINEERING SERVICES (EES), TECHNICAL SERVICE DEPARTMENT (TS) & INSTRUMENT WORKSHOP (Including contracts placed through GeM)		13,18,32
15	Work Orders above Rs. 18 Lakh (excluding hiring of Machinery/ Equipments etc.) issued by Technical Services	1	13,18,32
16	Audit of Different types of Work Orders such as Proprietary/ Nomination, Emergency, Single Tender Basis etc. Issued by TS Department	1	13,18,32
17	Work Orders above Rs. 3 Lakh to 18 Lakh (excluding hiring of Machinery/ Equipments etc.) issued by Technical Services	1	13,18,32
18	Work Orders issued by Instrument Workshop Department	1	13,18,32
19	Work Orders above Rs. 3 Lakh to 18 Lakh (excluding hiring of Machinery/ Equipments etc.) issued by EES Department	1	13,18,32
20	Audit of Different types of Work Orders such as Proprietary/ Nomination, Emergency, Single Tender Basis etc. Issued by EES department	1	13,18,32
	HUMAN RESOURCES & HUMAN RESOURES DEVELOPMENT (Including contracts placed through GeM)		
21	Audit of H.R. Policies- with reference to compliance of labour laws including Welfare policies, Leave Rules, Deputation Rules, Code of Conduct, applicability of Government FR/SR rules & observance of DPE guidelines etc.	1	34
22	Agreements entered into by H.R. Department with labour contractors including Agreement with MATHADI Board & Other Contractors and Financial Impact thereof	1	18
23	Contracts awarded by HR Department	1	18
24	Audit of HRD department (Including Utilization of Training Center), Corporate Management Development Centre, Workshop / Libraries & Laboratories attached thereto and contract awarded by HRD department above Rs.3 lakhs	1	18

25	Spot Audit of all Canteens	1	18,31
26	Audit of Time Office	1	18,25
27	Audit of Sports Club and their contracts	1	18
28	Audit of Services provided by HR Department	1	18
	ADMINISTRATION (Including contracts placed through GeM)		
29	Audit of Horticulture contracts including utilization of Manpower (Factory, Township & Hospital etc.) valuing above Rs.3 lakhs	1	22,26
30	Audit of Conservancy contract including utilization of Manpower (Factory, Township & Hospital etc) valuing above Rs.3 Lakhs	1	22
31	Audit of ARK Guest House, JET Hostel, and their contracts	1	22,23
32	Audit of Civil Contracts above Rs.3 Lakhs in Factory & Administrative building	1	22,29
33	Audit of Civil Contracts and other contracts above Rs.3 Lakhs in Township	1	22,29
34	Contracts by Administrative department (Other than Horticulture and Conservancy) valuing above Rs.3 lakhs	1	22,26,27
35	Audit of ARC & AMC contract i.e. Civil, valuing above Rs. 3 lakh.	1	22
36	Audit of Services provided by Administration Department and examine audit of Allotment of Quarters and recovery of ALF, Water charges & Electricity charges etc.	1	22,33
	FINANCE		
37	Schedule Review and General Ledger Scrutiny		
i	Examine whether no capital expenditure has been booked to revenue expenditure		
ii	In case of pre-paid expenditure at the beginning of the year, the proportionate amount of revenue expenditure have been charged during the financial year	1	17,45,46,49,54
iii	Revenue recognition and revenue has been booked as per the Accounting policy of the company		
iv	Examine that expenditure paid are based on submission of original bills by the parties and payments are not		

	made on the basis of photocopies/duplicate bills		
v	Examine if the payments being made against the work orders (other than work expenses) are paid in compliance to the conditions of the contract/work order		
vi	Examine whether any LD has not recovered from the Contractors.		
vii	Amount payable to various contractors/vendors including retention money, security deposit etc. are to be released as per terms and conditions of the contract without any undue delay. Cases of deviations are to be reported by Internal Auditor. Ageing of the same needs to check		
viii	Examine and report in all cases of contractors/suppliers where the physical work/supply is complete as per work order but final bill has not been raised by them on RCF/ by RCF on the client. List is to be obtained from department and cases of deviations are to be reported upon.		
ix	Examine and report cases of prior period expenditure and prior period income booked in the current year, if any.		
x	Examine and report cases of excessive revenue/expenditure being booked which is not in sync with general trend of revenue/expenditure being booked in the past		
xi	Examine amount payable to MSME contractors/vendors without any undue delay and examine interest provisions if any for such delays. Cases of delayed payment are to be reported by Internal Auditor. Ageing of the same needs to check		

xii	Examine Adjustment of Advance, Refund of advance, Provision for doubtful debts/Advances, Write off/write back of doubtful debts/advances, Provisions no longer required, Inter unit adjustment, Contingent Liability and general ledger scrutiny		
xiii	Review of Customer, Vendor, Material and other masters		
38	Audit of miscellaneous payment made by Service Accounts Department (including payment to contractors and labour contractors under MES,EES,TS,Civil, ARC contracts, Service Accounts and GAF,CISF payment etc.)	1	
i	Examine and report the cases of the work orders where the original scheduled or extended completion period is over and no formal approval of the time extension is available on record.		
ii	Cases are to be reported by Internal Auditor where the no formal extension of the contract period is available, but payments are being released to sub-contractors, Suppliers.		
iii	Examine and report the cases where there is no formal time extension of the sub contract but payments are being released to sub-contractors. Internal Auditor to report such cases.		
iv	Examine whether any LD is imposed by RCF and it has not recovered the corresponding LD's from the contractors.		
v	Examine and report in all cases of contractors/suppliers where the physical work/supply is complete as per work order but final bill has not been raised by them on RCF. List is to be obtained from the department and cases of deviations are to be reported upon.		
vi	Examine that expenditure paid are based on submission of original bills by the parties and payments are not made on the basis of photocopies/duplicate bills.		
vii	Examine if the payments being made against the work orders (other than work expenses) are paid in compliance to the conditions of the contract/work order		

13,18,22,23

	issued by RCF		
viii	Amount payable to various contractors/vendors including retention money, security deposit etc. are to be released as per terms and conditions of the contract without any undue delay. Cases of deviations are to be reported by Internal Auditor.		
39	Bank reconciliation and spot audit of Cash/cheque/imprest.	1	
i	The bank reconciliation statement is made on a monthly basis. If not made on monthly basis then the matter be reported by Internal Auditor		
ii	The banks are operated by authorized signatories who are presently available at department. For authorized signatories transferred to other department/retired from Company and continuing as signatory such cases be pointed out by the Internal Auditor.		8,10,14
iii	Examine Bank receipts /payments, Bank Confirmations, Intra unit bank transfer, Inter unit bank transfer, Bank closing and Conduct spot Cash Verification. Report cases where discrepancies found.		
40	Verification of the Bank Guarantees and EMDs		
i	Whether Confirmations of bank guarantees have been received in writing by RCF and original confirmations are available in file. Verify Physical custody of BGs.		
ii	Examine whether Bank Guarantees are being extended during their normal validity period, wherever required. The BG's extended during grace period are to be reported upon by the Internal Auditor.		8,10
iii	Whether validity and expiry of the bank guarantees taken by RCF are being monitored properly and to report cases where BG have expired, if any.		
iv	EMD submitted by the Bidders are in the same mode i.e., cash, BG, etc which is as mentioned in the Tender documents		

	and report its its ageing.		
v	Examine and report whether for Tenders already finalised and work orders are placed, EMD of the unsuccessful tenderers are returned as per company`s policy of the finalisation of the tender/placement of work order. Cases of deviations are to be reported upon by the Internal Auditor.		
vi	Examine that EMD submitted to RCF have been submitted by the bidder in his own name only. Cases of deviations are to be reported upon by the Internal Auditor.		
41	Audit of Payroll section	1	
i	Examine Leave Accounting & T.A.bill payments including Transfer T.A. Foreign Tour & Analysis of overtime wages		
ii	Allowances/perks/reimbursements being made to employees and charged to revenue expenditure are as per the Circulars/Office Orders issued by Company. The details of such allowances/perks/reimbursements to employees being made are to be reported upon by the Internal Auditor along with copy of Office Order issued by Corporate Office.		3,4,5,6,7
iii	Examine deposit of statutory dues like PF, PT, ESIC, TDS etc on time and filing of return on time. Report cases where delay return and delay deposit of statutory dues.		
iv	Final settlement of retired employees, review of HBL Interest Subsidy, Audit of Medical Advances and Expenses,		
42	Vouching of payments relating to purchases above Rs. 3 lakh (Purchases including Import Purchase like Purchase payments, foreign exchange payment, capital payments but excluding raw material and Bags payment etc.)	1	47
43	Audit of Income including sale of scrap and miscellaneous income.	1	47
44	Vouching of bags payment & Bulk Raw material including Gas, imports & Chemicals above Rs.3 lakhs	1	2

45	Safeguarding the assets and for preventing the fraud and other irregularities.	1	
i	Physical verification of fixed assets is carried out .The Period of carrying out physical whether once a year or twice a year is to be reported by Internal Auditor.		
ii	Whether any discrepancy is reported in the book balance and as per physical verification carried out. If yes, whether action has been taken for its adjustment in the books of accounts.		
iii	Whether proper Insurance cover is available for Fixed assets under use, office building, F&F, Computers, office equipments, so as to cover risk towards any probable loss due to fire, theft, earthquake etc including replacement cost. The cases of under insurance/inadequate insurance are to be reported upon for management action by the Internal Auditor.		28,47
iv	Examine where any fixed assets, office equipments, etc are reported lost due to theft, fire, burglary etc. If yes, the cases to be reported along with status of Insurance claims lodged.		
v	Examine whether proper records are maintained for issue of computers, laptops, mobile phones, etc to employees. Internal Auditor to report on discrepancies etc		
vi	Examine and report the cases of assets lying idle cases of assets beyond economic repairs, if any.		
vii	Examine CWIP and its ageing and report cases where CWIP not capitalised beyond its completion date.		
	OTHER		
46	Audit will verify that the Inventory valuation (Raw materials, Finished Goods, stores and Spares, Precious metal, material under inspection/ transit etc) is being done as per the defined Accounting Policy and examination of stores with reference to obsolete & non-moving items, Movement of Material outside for repairing	1	19,50

47	Audit of Research & Development section and their contracts	1	18
48	Work Orders Issued by Fire & Safety Department	1	18
49	RCF Hospital contracts/Employee reimbursement and payments including detailed audit of hospital equipment usages and availability and usage of pathology lab and chemicals	1	24
50	Payment and deduction Income Tax TDS, GST TDS and other statutory dues	1	
i	Checking of IT (TDS) and GST TDS deduction, deposition. Internal Audit will also ensure that provisions of Income Tax Act, GST and other Acts as applicable are being complied with. The provisions of Income Tax Act and GST Laws w.r. t. TDS deduction are being complied by RCF for payments made to third parties.		
ii	The amount of TDS deducted by client up-to the previous year are fully reflected in the statement of 26AS. Cases of deviations and non-reflection in TDS be reported by Internal Auditor. Statement of 26 AS along with statement of TDS deducted by various clients during the period under audit or in the previous years be enclosed with the Audit report by the Internal Auditor. Internal Auditor is to examine and report such cases which are deducted by client as TDS but not reflected in the 26 AS.		36
iii	The TDS (Income Tax) and TDS on GST deducted by RCF are being deposited by the scheduled date of payment as prescribed under IT Act and GST Laws. In case of delay in deposit the TDS, the matter to be reported upon by the Internal Auditor along with Interest paid if any, by RCF.		
iv	TDS (Income Tax) being deducted are being deposited in the PAN number of the party so as to correctly reflect in the 26 AS. To test check on sample basis and report the cases, if any.		
v	Examine and report if any during the audit period, any fine/penalties or interest for delayed payments/filing of returns etc of matters related to Income Tax is imposed on RCF.		

v	BOCW cess, Electricity duty, custom duty collected/deducted by RCF are being deposited by the scheduled date of payment as prescribed under prevailing acts. In case of delay in deposit the matter to be reported upon by the Internal Auditor along with Interest paid if any, by RCF.		
51	Internal Auditor to report on systems Improvements suggested in the previous year Audits including RCM, SOP and ICFR audit and its implementation	1	1,11,41
	SUB TOTAL (B)	50	
C	THAL UNIT		
	PURCHASE DEPARTMENT (Including contracts placed through GeM)		
1	Audit of Different types of Purchase Orders such as Proprietary /Nomination Purchase Order, Emergency Purchase Order, Spot Purchases, Purchase Order on Single Tender Basis with reference to compliance with Companies Tender Guideline & Delegation of Powers	1	18
2	Purchase Orders for Rs. 3 Lakh to Rs.18 Lakh including domestic & Imported purchases through (All types of purchases except Bags & Packing Material)	1	18
3	Purchase Orders for above Rs18 Lakh including domestic & Imported purchases including Gas, electricity and chemicals etc.(All types of purchases except Bags & Packing Material)	1	18
	MECHANICAL ENGINEERING SERVICES DEPARTMENT(MES) (Including contracts placed through GeM)		
4	Work Orders above Rs. 18 Lakh (excluding hiring of Machinery/ Equipments etc.)	1	13,18,32
5	Other Contracts hiring of Machinery / Equipments	1	13,18,32
6	Work Orders above Rs. 3 Lakh to 18 Lakh (excluding hiring of Machinery/ Equipments etc.)	1	13,18,32
	ELECTRICAL ENGINEERING SERVICES (EES) (Including contracts placed through GeM)		

7	Audit of ARC & AMC contract i.e. Electrical etc. valuing above Rs. 1.60 lakh.	1	13,18,32
8	Other Work Orders issued by EES for hiring of Machinery/Equipment	1	13,18,32
9	Work Orders above Rs. 3 Lakh to 18 Lakh (excluding hiring of Machinery/ Equipments etc.)	1	13,18,32
10	Work Orders above Rs. 18 Lakh (excluding hiring of Machinery/ Equipments etc.) issued by EES Department	1	13,18,32
	HUMAN RESOURCES & HUMAN RESOURCES DEVELOPMENT		
11	Spot audit of all canteen	1	18,31
12	Audit of Utilization of Farmer Training Center, Farm Activities and Income received from Horticulture Activity.	1	18
13	Agreements entered in to by H.R. Department with labour contractors including Agreement with MATHADI Board & Other Contractors and Financial Impact there off	1	18
14	Vouching of Time Office	1	18,25
	ADMINISTRATION (Including contracts placed through GeM)		
15	Work Orders issued by Horticulture Department (Factory & Township)	1	22,26
16	Audit of conservancy contracts (Factory, Township and Hospital)	1	24
17	Audit of Policies regarding Occupancy/Vacation of RCF employees & outside agencies in RCF Township	1	33
18	Other Contracts awarded by Administration Department including Hiring of Vehicle and Contract with Railway authority(Other than Horticulture and conservancy)	1	27
19	Audit of lease agreement entered into for leasing of Office Building, Residential premises & land specific reference with execution of agreement and receipt of lease rent, tax implacability & discharge of tax liability. Audit of Allotment of Quarters and recovery of ALF, Water charges & Electricity charges etc	1	33
20	Spot audit of Swagat Guest House	1	23

	CIVIL DEPARTMENT (Including contracts placed through GeM)		
21	Civil Contracts above Rs. 18 Lakh (Factory & Township)	1	22,29
22	Audit of ARC & AMC contract i.e. Civil, valuing above Rs. 3 lakh.	1	22,29
23	Work Orders above Rs. 3 Lakh to 18 Lakh issued by Civil Engineering Department (Factory & Township)	1	22,29
	FINANCE		
24	Audit of miscellaneous payment made by Miscellaneous Payment Section (including payment to contractors and labour contractors for contracts lined up by various departments like MES,EES,TS,Instrumentation,Civil payment, ARC rate payment including CISF payment, Miscellaneous Accounts &GAF etc.)		
i	Examine and report the cases of the work orders where the original scheduled or extended completion period is over and no formal approval of the time extension is available on record.		
ii	Cases are to be reported by Internal Auditor where the no formal extension of the contract period is available, but payments are being released to sub-contractors, Suppliers.		
iii	Examine and report the cases where there is no formal time extension of the sub contract but payments are being released to sub-contractors. Internal Auditor to report such cases.	1	13,18,22,23
iv	Examine whether any LD is imposed by RCF and it has not recovered the corresponding LD's from the contractors.		
v	Examine and report in all cases of contractors/suppliers where the physical work/supply is complete as per work order but final bill has not been raised by them on RCF. List is to be obtained from the department and cases of deviations are to be reported upon.		
vi	Examine that expenditure paid are based on submission of original bills by the parties and payments are not made on the basis of		

	photocopies/duplicate bills.		
vii	Examine if the payments being made against the work orders (other than work expenses) are paid in compliance to the conditions of the contract/work order issued by RCF		
viii	Amount payable to various contractors/vendors including retention money, security deposit etc. are to be released as per terms and conditions of the contract without any undue delay. Cases of deviations are to be reported by Internal Auditor.		
25	Audit of Income including sale of scrap and miscellaneous income.	1	47
26	Schedule Review and General Ledger Scrutiny	1	
i	Examine whether no capital expenditure has been booked to revenue expenditure		
ii	In case of pre-paid expenditure at the beginning of the year, the proportionate amount of revenue expenditure have been charged during the financial year		
iii	Revenue recognition and revenue has been booked as per the Accounting policy of the company		
iv	Examine that expenditure paid are based on submission of original bills by the parties and payments are not made on the basis of photocopies/duplicate bills		
v	Examine if the payments being made against the work orders (other than work expenses) are paid in compliance to the conditions of the contract/work order		
vi	Examine whether any LD has not recovered from the Contractors.		
			14,45,46,49,54

vii	Amount payable to various contractors/vendors including retention money, security deposit etc. are to be released as per terms and conditions of the contract without any undue delay. Cases of deviations are to be reported by Internal Auditor. Ageing of the same needs to check		
viii	Examine and report in all cases of contractors/suppliers where the physical work/supply is complete as per work order but final bill has not been raised by them on RCF/ by RCF on the client. List is to be obtained from department and cases of deviations are to be reported upon.		
ix	Examine and report cases of prior period expenditure and prior period income booked in the current year, if any.		
x	Examine and report cases of excessive revenue/expenditure being booked which is not in sync with general trend of revenue/expenditure being booked in the past		
xi	Examine amount payable to MSME contractors/vendors without any undue delay and examine interest provisions if any for such delays. Cases of delayed payment are to be reported by Internal Auditor. Ageing of the same needs to check		
xii	Examine Adjustment of Advance, Refund of advance, Provision for doubtful debts/Advances, Write off/write back of doubtful debts/advances, Provisions no longer required, Inter unit adjustment, Contingent Liability and general ledger scrutiny		
xiii	Review of Customer, Vendor, Material and other masters		
27	Bank reconciliation and spot audit of Cash/cheque/imprest.		
i	The bank reconciliation statement is made on a monthly basis. If not made on monthly basis then the matter be reported by Internal Auditor	1	8,10,14

ii	The banks are operated by authorised signatories who are presently available at department. For authorised signatories transferred to other department/retired from Company and continuing as signatory such cases be pointed out by the Internal Auditor.		
iii	Examine Bank receipts /payments, Bank Confirmations, Intra unit bank transfer, Inter unit bank transfer, Bank closing and Conduct spot Cash Verification.report cases where discrepancies found.		
28	Verification of the Bank Guarantees and EMDs		
i	Whether Confirmations of bank guarantees have been received in writing by RCF and original confirmations are available in file. Verify Physical custody of BGs.		
ii	Examine whether Bank Guarantees are being extended during their normal validity period, wherever required. The BG's extended during grace period are to be reported upon by the Internal Auditor.		
iii	Whether validity and expiry of the bank guarantees taken by RCF are being monitored properly and to report cases where BG have expired, if any.		
iv	EMD submitted by the Bidders are in the same mode i.e., cash, BG, etc which is as mentioned in the Tender documents and report its ageing.	1	8,10
v	Examine and report whether for Tenders already finalised and work orders are placed, EMD of the unsuccessful tenderers are returned as per company's policy of the finalisation of the tender/placement of work order. Cases of deviations are to be reported upon by the Internal Auditor.		
vi	Examine that EMD submitted to RCF have been submitted by the bidder in his own name only. Cases of deviations are to be reported upon by the Internal Auditor.		
29	Vouching of payment of GAS & other raw material & Chemicals	1	18
30	Vouching of Payroll Section	1	3,4,5,6,7

i	Examine Leave Accounting & T.A.bill payments including Transfer T.A. Foreign Tour & Analysis of overtime wages		
ii	Allowances/perks/reimbursements being made to employees and charged to revenue expenditure are as per the Circulars/Office Orders issued by Company. The details of such allowances/perks/reimbursements to employees being made are to be reported upon by the Internal Auditor along with copy of Office Order issued by Corporate Office.		
iii	Examine deposit of statutory dues like PF, PT, ESIC, TDS etc on time and filing of return on time. Report cases where delay return and delay deposit of statutory dues.		
iv	Final settlement of retired employees, review of HBL Interest Subsidy, Audit of Medical Advances and Expenses,		
31	Vouching of payments relating to purchases above Rs. 3 lakh including packing material and bags (Purchases including Import Purchase & Capital payment)	1	18
32	Audit of Contract with MIDC, HWB contract and payment of HWB, Reconciliation receivables and payables with HWB	1	15
	OTHER		
33	RCF Hospital contracts/Employee reimbursement and payments including detailed audit of hospital equipment usages and availability and usage of pathology lab and chemicals	1	18
34	Work Orders Issued by Fire & Safety Department	1	18
35	Audit will verify that the Inventory valuation (Raw materials, Finished Goods, stores and Spares, Precious metal, material under inspection/ transit etc) is being done as per the defined Accounting Policy and examination of stores with reference to obsolete & non-moving items, Movement of Material outside for repairing	1	19
36	Safeguarding the assets and for preventing the fraud and other irregularities.	1	28,47

i	Physical verification of fixed assets is carried out .The Period of carrying out physical whether once a year or twice a year is to be reported by Internal Auditor.		
ii	Whether any discrepancy is reported in the book balance and as per physical verification carried out. If yes, whether action has been taken for its adjustment in the books of accounts.		
iii	Whether proper Insurance cover is available for Fixed assets under use, office building, F&F, Computers, office equipments, so as to cover risk towards any probable loss due to fire, theft, earthquake etc including replacement cost. The cases of under insurance/inadequate insurance are to be reported upon for management action by the Internal Auditor.		
iv	Examine where any fixed assets, office equipments, etc are reported lost due to theft, fire, burglary etc. If yes, the cases to be reported along with status of Insurance claims lodged.		
v	Examine whether proper records are maintained for issue of computers, laptops, mobile phones, etc to employees. Internal Auditor to report on discrepancies etc		
vi	Examine and report the cases of assets lying idle cases of assets beyond economic repairs, if any.		
vii	Examine CWIP and its ageing and report cases where CWIP not capitalised beyond its completion date.		
37	Payment and deduction Income Tax TDS, GST TDS and other statutory dues	1	
i	Checking of IT (TDS) and GST TDS deduction, deposition. Internal Audit will also ensure that provisions of Income Tax Act,GST and other Acts as applicable are being complied with. The provisions of Income Tax Act and GST Laws w.r.t. TDS deduction are being complied by RCF for payments made to third parties.		36

ii	The amount of TDS deducted by client up-to the previous year are fully reflected in the statement of 26AS.Cases of deviations and non-reflection in TDS be reported by Internal Auditor. Statement of 26 AS along with statement of TDS deducted by various clients during the period under audit or in the previous years be enclosed with the Audit report by the Internal Auditor. Internal Auditor is to examine and report such cases which are deducted by client as TDS but not reflected in the 26 AS.		
iii	The TDS (Income Tax) and TDS on GST deducted by RCF are being deposited by the scheduled date of payment as prescribed under IT Act and GST Laws. In case of delay in deposit the TDS, the matter to be reported upon by the Internal Auditor along with Interest paid if any, by RCF.		
iv	TDS (Income Tax) being deducted are being deposited in the PAN number of the party so as to correctly reflect in the 26 AS. To test check on sample basis and report the cases, if any.		
v	Examine and report if any during the audit period, any fine/penalties or interest for delayed payments/filing of returns etc of matters related to Income Tax is imposed on RCF.		
v	BOCW cess, Electricity duty, custom duty collected/deducted by RCF are being deposited by the scheduled date of payment as prescribed under prevailing acts. In case of delay in deposit the matter to be reported upon by the Internal Auditor along with Interest paid if any, by RCF.		
38	Internal Auditor to report on systems Improvements suggested in the previous year Audits including RCM, SOP and ICFR audit and its implementation	1	1,11,41
	SUB TOTAL C	38	
	TOTAL (A+B+C)	100	

Scope of Internal Audit

Annexure – 1

The following check points are only indicative and not exhaustive. The Audit Plan for the year 2027-2028 and 2028-29 will be finalized with some replacement/ addition/deletion etc. The number of Audit reports can vary by +/- 10%. The detailed Standard Operating procedures (SOPs) for major activities are in place and will be provided to the firm for their further improvement/enrichment in the scope of Internal Audit. The firm may be asked to look into any other activity as may come to the notice during the course of audit and/or render any advice/opinion in the area of audit.

Further the scope of Audit shall include:

To check that internal checks and control system for various activities of the organization and monitoring of such systems, is in place in the organization. To check the adequacy of the existing guidelines/procedures and Internal control system and suggest measures for their improvement / streamlining. To check adherence to laid down policies / procedures. To check compliance of IND –AS. To review adequacy with respect to Internal control on financial reporting (ICFR). The firm shall ensure GST compliance through its audit. Check compliance with all applicable statutory provisions.

Annexure – 2

Checklist for Audit of Utilities

Utilities used in the plants are gas, water & electricity. These are used as inputs in the generation of final output.

1. GAS

(a) Check contract terms & condition.

- (a) Gas is used both as a raw material (feed gas) as well as a fuel. At present GAIL /RIL/PMT supplies gas to RCF. In respect of supply of gas by GAIL/RIL, check the procedure for ensuring the smooth, uninterrupted and accurate running of the meters installed on the gas pipeline.
- (b) Check the agreement and its tenure for supply of gas between GAIL/RIL/PMT and RCF. Clauses of Ship or Pay charges, set off availability between Thal & Trombay should be carefully planned / reviewed to minimize cost of gas. To see debit/credit notes given by supplier if any, for the same. Check if ship or pay charges are due to default of seller and the procedure to get refund to be checked as per contract.
- (c) Check the consistency in GCV/ NCV of Gas periodically.
- (d) The abnormal increase in rate of gas needs to be checked.
- (e) Check SAP PO of gas for quantity, rate and other Tax conditions to minimize effect in PRD account.
- (f) Check PO in SAP T-code ME2N:PO status as per PO number ME2M:PO as per Material number
- (g) Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- (h) Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF.

2. WATER

Water is supplied to RCF by MIDC / BMC.

Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

3. ELECTRICITY

Electricity is supplied to RCF by TATA / MSEB / ADANI ELECTRICITY.

With respect to the supply and consumption of the above utilities, check the following:

- What is the periodicity in which routine checkup of meters is done and certified by the operations/technical manager.
- What are the number of breakdowns of the meters during the audit period and what corrective measures (with what promptness) were taken and its impact on the production / billing.
- Check the certified statements of quality / concentration of utilities supplied to RCF and ensure that appropriate cognizance has been taken in the bills raised by suppliers.
- Check up thoroughly the periodical bills raised by suppliers as regards the period of billing, quantity, quality, Exchange rate, total amounts and certification for payment, etc. after having technically checked the same by the operations manager.
- Sanctioning the payment of the bills, by the competent official, as per the delegation of powers and see that bill is paid well within due date.
- The abnormal increase in rate to be checked.
- The reason for ship or pay charges to be analyzed. The calculation of quantity of Gas to be checked as per contract terms.
- If ship or pay charges are due to default of seller the procedure to get refund from vendor to be checked as per contract.
- SAP P.O to be closed after supply of utilities.
- Breakup pertaining to consumption of water and electricity used at factory for production purposes and at township for domestic use, be checked.
- Check up whether the different rates are quoted by supplying authorities for use of water and electricity for industrial and domestic purposes.
- Check up whether the billing on the employee's for the water and electric supply, for the domestic purposes is done at the above mentioned rates and in accordance with the predetermined policy of the company in that respect.

ELECTRICITY GENERATED BY RCF

To follow the complete routine checklist applicable for the plant audit and has to ensure that installations and resources are utilized in the most effective, efficient and economical manner, over the periods of time and making positive contribution to the profitability of the company.

Occasionally and thoroughly verify the cost sheet for turbo / GT – generation. Ensure that it is favorably matching with the rates charged by outside agencies like MSEB /ADANI/TATA/RELIANCE and may give appropriate suggestions to the management for MAKROR BUY decision or ensuring profitable production of electricity through appropriate plant modifications etc.

Thoroughly review the energy consumption of the different plants over the period of time in relation to their designed / rated energy consumption.

GENERAL OBSERVATIONS

- In case of major contracts check the payments made through the running bills to see that items of work had been executed as per the work order and as per the rates contained therein.
- During checking of running bills see that necessary deductions for security deposit, water and power supplied, stores issued, advance paid if any, income tax and other statutory levies were made.
- Check whether the concurrence of the finance department was taken before issuing work order to the contractors / bidders.
- To see whether all P.O are closed in SAP after completion of supply.
- Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

FINANCE AUDITS

Annexure – 3

Checklist for Audit of Final settlement of retired employees

1. To obtain list from personnel dept. for persons retired during for the period to be audited.
2. To see whether Personnel department has issued requisitions of 'No dues certificates' to all departments and all these completed certificates have been handed over to Wages dept. within 15 days of retirement.
1. To check whether final payments were released only after the 'No dues certificates' have been received from all the sections.
2. To check with wages department the status of settlement of dues of retired employees.
3. To see whether the personnel dept. has issued a relieving certificate to employees retired.
4. To check whether the leave records have been updated by the time office upto the date of retirement and sent to wages section for final settlement of dues.
5. To check with wages record whether the dues pertaining to Last pay, Leave encashment, Incentives, Bonus and other payments if any have been made correctly.
6. To check whether all recoveries have been effected for outstanding LTC advances. TA and Misc. advances, Conveyance advance, HBL advance, HBL interest and other misc. recoveries from estate dept.
7. To check whether the Income tax has been calculated properly for the financial year and see whether the recovery / refund has been done correctly.
8. To check with the Provident Fund section, whether the dues pertaining to PF and Gratuity have been paid as per the schedule balances and Gratuity has been calculated properly.
9. To check whether superannuation is being sent to retired employees in time.
10. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR).

Annexure – 4

Checklist of HBL Interest Subsidy

- a. The Interest subsidy paid to eligible employees on maximum Rs 40 lakhs may be checked as per calculation of SBI rates and employees paid rate.
- b. To check a few cases of retired employees who had availed housing loan and ensure that full recovery of principal and interest was made in all the cases.
- c. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- d. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 5

Checklist for Salaries and Wages

- a. Check up whether the scales of pay are approved by the Board.
- b. To check whether the schemes for the benefit of employees i.e. pension, gratuity, medical reimbursements, etc. have been approved by the Board.
- c. To check a few cases as to whether the pay fixed is in accordance with the scales for which the appointment / grade has been allotted to the employees.
- d. To check whether approval is available from competent authorities for general increase in pay, individual increase in pay, advance of wages, holiday pay, leave encashment etc.
- e. To check that the increment is at regular intervals as per personnel records.
- f. Are the duties of those handling payroll rotated?
- g. Are the names of retired / resigned / discharged employees reported in writing from the personnel dept. to the wages dept.?
- h. Is the payroll checked as to whether the deductions are being made properly on account of ALF, water, electricity, loans if any, Income Tax etc.?
- i. Are the signed authorizations available with wages dept. for all deductions other than statutory being made from employee's wages?
- j. To check the accounting entries for all the recoveries effected from employee's wages and whether they have been credited to the respective accounts.
- k. To check whether the payments are released in time to outside entities for whom the deductions have been effected from the employees' salaries i.e. on account of LIC premium, co-op. society loans, Income Tax, PF, etc.
- l. Do appropriate authorities sign salary payrolls before making the payment?
- m. Test check a few cases for monthly pay, allowances, deductions, overtime, etc. with Time Office as per biometric punched by the staff.
- n. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- o. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 6

Checklist for Audit of TA Advances and Expenses

- a. To obtain the latest details of TA advances from wages section.
- b. To check whether advances are outstanding for more than the specified time and list out the cases for scrutiny.
- c. To ascertain the reasons for non-recovery / adjustment of TA advances from employees which are outstanding for more than the time specified.
- d. To check some of the vouchers to ascertain whether competent authorities as per delegation of powers have approved the advances.
- e. To check bills submitted by the employees with respect to
 - i) Approval of the bills by competent authority.
 - ii) Whether the bills have been passed as per the TA rules and as per entitlements and all supporting documents are available.
 - iii) Specific approvals obtained when payments are made above entitlements for travel and lodging
 - iv) The bills of foreign TA for rules and rates as circulated by GOI and approved by the Board.
- f. See that receipt orders are prepared at the time of finalization of the TA bills and the employee makes refund within 24 hours from the date of the receipt order. If money is not refunded, action taken for recovery of the same.
- g. See that no TA advances due from the employees are transferred to other accounts such as Accounts Receivable.
- h. In case of local traveling claims, the distance traveled and the places visited should be clearly mentioned in the claim form. As per policy, claims are to be made only when the employee covers more than 10 Kms one way, if he/she draws conveyance allowance.
- i. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- j. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 7

Checklist for Audit of Medical Advances and Expenses

1. To obtain from the SAP the details of Medical advances given to employees.
1. To check whether the requisitions for granting of advances have been approved by hospital authorities and other authorities as per the delegation of powers.
2. To check whether the bills have been settled as per the approved medical rules for hospitalization and nursing charges.
3. To check whether the bills reimbursement forms have been filled properly for all the columns of declarations and information.
4. To check whether bills have been paid duly supported by valid prescriptions and bills form pharmacies, hospital and doctors.
5. To check whether bills have been claimed for dependents as per the list of dependents declared by the employee available with the hospital / personnel department.
6. To check whether cases referred to outside hospitals are as per rules and by competent authority
7. To check whether income tax at source is deducted with reference to “perquisites” under medical expenses.
8. To study whether it would be economical to employ in house Doctors vis-à-vis outside specialized consultants.
9. To check the treatment procedure / reimbursement of medical expenses in case of retired employees.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 8

Checklist for Physical Verification of Cash

1. To conduct surprise verification of cash at the cash office.
2. To check the main cash and petty cash according to the balances as per the cash register and tally it with the SAP cash balance.
3. To check and note the denominations of main and petty cash along with stamps and coins.
4. To randomly check some of the payments released and cash received during the day of the audit.
1. To check the receipt orders for refund of cash on the day of the audit and whether the same has been accounted properly and timely.
2. To verify the insurance policies of cash in safe and cash in transit and verify the cash register to check whether the balances have exceeded the limit of insurance policies. Also check up need / adequacy of fidelity guarantee insurance.
3. To check and ascertain as to whether high amount of cash balance is being maintained by cash office – if so, suggestion to be given to reduce the cash balances.
4. To check payments made, if any, but not yet accounted in main cash and ascertain the reasons for the same.
5. To check the status of soiled notes.
6. Check whether physical verification of cash is conducted at regular intervals by finance officials / representative of the concerned unit.
7. To check how many sets of keys are available and in whose custody, to see that the keys are not handled by the same person.
8. To check that sufficient security is provided at the time operating the safe and while getting the cash from the Bank (Main Branch).
9. To ensure that cash handling allowances are disbursed in line with company's policy.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 9

Checklist for Interest on Cash Credit/working capital and Long Term Loans

1. Verification of opening A/c, operation of A/c, obtaining of C.C. limits/working capital and long term loans to ensure that such kind of powers are centralized and exercised strictly in accordance with the delegation of powers / Board approval etc.
2. Check up the interest rates applied and whether they are in line with the RBI guidelines and competitive comparison rate of various banks.
3. Check up actual operation, product calculation and interest application and its accuracy.
4. Check up for delay in receipts of TT's and debit of TR's in Main account from various branches.
5. Check accounting entries with the help of the bank pass book entries, debit / credit advices, etc.
6. Check up whether any surplus cash is available which could have been utilized to adjust the C.C. to reduce interest burden of the company or alternatively for short term Investment (TDR) if rate of return is higher than interest expenses.
7. Ascertain whether value dating provision is available and in use by the company. Check whether transactions made during the peak hours have been recorded on the same day to avail the benefit of reduction in CC balances, leading to interest saving.
8. Check accounting entries are recognized and presented as per accounting Standards.
9. Foreign exchange fluctuation on loan and interest amount is correctly recognized and shown separately in books.
10. Check roll over decisions are giving long term benefit to company.
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
12. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 10

Checklist for Bank Reconciliation

1. To download the Bank statement and Cash/Bank book for each month for last six months. Also check whether the reconciliation process is automated in SAP.
2. To take a particular month's reconciliation statement between cash book and bank reconciliation statement prepared by the cash department and see the difference between balance as per bank statement and balance as per cash book. Analyze the reasons for the difference.
3. From the bank statement, cash book and reconciliation statement following are to be checked:
4. To check clearing of entries to Main account on continuous basis.

I. Cheques deposited but not credited:

- a) See that all the cheques received and deposited by RCF are credited in the bank statement by bank in time.
- b) In case of local cheques verify that bank has given credit in the same day or the following day.
- c) In case of outstation cheques see that credits are given by bank within 21 days.
- d) See that any dishonored cheques were returned and verify the reversal entry passed by the concerned department who has prepared the Receipt Orders for acceptance of cheques immediately.
- e) See that the cash department has followed up with bank for the cheques for which credit was not given in the bank statement. In such cases whether the interest was collected from the bank beyond the collection period.
- f) List out details of cheques not credited and reasons thereof.

II. Cheques issued but not presented for payment:

- a) Verify whether payee presented all cheques issued by RCF to the bank within 6 months. In case any cheques has not been cleared within 6 months, see that the stale cheques are accounted properly.
- b) List out details of cheques issued by cash office but not debited to our account and reasons thereof.
- c) Check reasons for not presenting the cheque for payment in time to ascertain whether the delay for the same is on our / party's account.

Whenever the party has reported loss of cheques, ensure that the **duplicate cheques** are issued after verifying the following conditions:

1. The party has given affidavit that once he has received the original cheques, the same will be returned to RCF to indemnify RCF for any loss incurred.
2. Cash department has to verify whether the cheques not cleared by the bank is on the basis of original cheques.
3. Intimation should be given to the bank to stop payment for the original cheques and acknowledgement be obtained to stop the payment.
4. Reversal entry for such transactions should be passed by Finance before issuing a duplicate cheques to the party.
5. See that no cheques are lying in the cash department and if any cheques are found, the reasons and the age should be ascertained.
6. In case of salary and incentive cheques, if the employee has not collected the cheques in time, verify the cheques has been forwarded to wages department of paying it through next salary slip.
7. Check whether reversal entries were made in books for unpaid cheques periodically and particularly at year-end.

III. Amount debited by Bank but not adjusted in Cash book

1. To check whether all the debit advices issued for bank charges, interest, dishonored instruments and the payment made for materials through bank are received from bank and sent to the concerned department immediately so that the department can account / respond the transaction / advice early.
2. See that part responding of advices is avoided to the maximum extent. Any clarification can be sought from the bank and action should be taken for responding the advice in full. This will reduce the work of reconciliation.

IV. Amount credited by bank but not adjusted in Cashbook

1. Verify the credit advices issued for interest income, documents sent through bank against L/C, sales realization of export material and time taken to send to the concerned section.
2. See that action is taken for responding the advices in full.

Verify that all transactions are accounted immediately and there is no variation between closing balance of bank statement and Cashbook in any month.

V. Review of Bank Gurantees:

1. Whether register of BGs are maintained and validity and expiry of the bank guarantees given by RCF are being monitored properly and to report cases where BG have expired, if any.
2. Check BGs given for Disputed matters on 100% margin.

General Observations:

The voucher prepared by any department is valid upto the month in which it is prepared and also in subsequent month. RO is valid for 24 hours only.

Any voucher / RO prepared and where there is no validity, then the concerned department has to reverse that entry.

Get the certificate from the Bank for the latest month for verification and record.

To check whether Acknowledgements from respective departments are obtained on submission of cheques by Cash department, giving all necessary details.

To take print of open item lying in bank book from SAP T-code FBL3N after passing clearing entries of all reconciled items. The total of Main account to be checked with bank closing balance.

Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure –11

Risk Management

1. Check key risks are communicated to Risk Committee, Unit Heads, Audit Committee.
2. Check new risks are identified in operational level, financial risk, etc.
3. Check audit plan allocate a larger portion of audit resources to high risk areas.
4. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 12

Checklist for Audit of GST Cell

1. Checking ECL balances with trial balance
2. Checking of GSTR 3B in relation to GSTR 1 & GSTR 2B and trial balance
3. Checking reconciliation of GSTR2B with Purchase Register.
4. Review of ITC availed
5. Review of non-deductible ITC
6. GST Registration certificate amendments if any
7. Additional Places of Business in GST Registration Certificate
8. Review of GST Liability under RCM
9. Outward supplies (goods and services) – HSN /SAC code – Rate of GST
10. GST on interstate transfer of stock/assets etc.
11. Reconciliation of GSTR2B for major vendors
12. Filing of GST returns on due dates
13. E way bill Compliance
14. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
15. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 13

A- Checklist for Payments against Work Orders (Mechanical, Electrical and Instrumentation)

To check:

- ii) The actual payments made, deductions / recoveries of advances, in case of civil work order, material reconciliation and amount recoverable from contractor/ bidder (when supplied to him by RCF on chargeable basis), statutory deductions, liquidated damages, etc. with the terms and conditions of the respective work orders.
- iii) The quantity and value, the description of the account, account number, correct distinction between capital and revenue items and posting to the appropriate account code, cost code, payee code, should be done in SAP PO/WO.
- iv) Authorization of the payment voucher by the competent officials as per the delegation of powers of the Company.
- v) Existence of the internal checking mechanism i.e. whether every transaction is counter checked by the person other than one who has done the original work, etc.
- vi) Checking of the validity of the Bank Guarantee / Security Deposit as the case may be up to contract period as per condition of SAP P.O.
- vii) Any default made by party to check recoveries against B.G/S.D
- viii) Authorization of Service sheet updated in SAP as per actual performance of activity/as per W.O
- ix) Closure of P.O/W.O in SAP to check from SAP T-Code ME2N and selection parameter to be given WE101.
- x) Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- xi) Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B- Checklist for MES Contracts – Work Orders for Maintenance

1. Check whether the estimate for the job was approved by the competent authority also check whether the tender committee was formed by the competent authority's approval.
2. Check the mode of enquiry for quotations i.e. limited tender, local, regional press advertisement. All India press notification as per the value of the contract is to be followed as per work order contract procedure.
3. If it is not followed check whether approval of competent authority was taken. To check whether pre-qualification of parties for various categories of jobs has been done periodically. Check in case of limited tender whether NIT was sent to all the pre-qualified parties.
4. Check whether time allowed for submission of bids was reasonable. Check whether all the bids received were opened on due date in presence of finance representative. To check whether EMD has been given by all the parties as per NIT. Check whether the bidders were technically pre-qualified before opening of price bid.
5. Check whether the QCS (Quotation Comparative Statement) was prepared by the department, checked and signed by the finance department representative.
6. To carry out test check whether comparative statement was correctly prepared by giving due weightage to price discount, payment terms, taxes and duties, completion in time, etc.
7. To check whether negotiation was absolutely necessary and if so, only lowest party was called for negotiation after approval of the competent authority. If not, justifications thereof.
8. To check the recommendation of the tender committee and the work order issued to the parties on the basis of recommendation by tender committee and approved by the competent authority.
9. Check that acceptance of the work order placed on the contractor/ bidder has been received and an agreement on non-judicial paper as required has been executed for each contract.
10. Check whether Bank Guarantee for security deposit received from the successful bidder is within the stipulated time. Check that Bank Guarantee is as per our requirement.
11. Check payments made are for the work certified by engineer-in-charge of the work and as per the work order terms.
12. Check whether the work order contains the payment terms as per the work contract procedure manual. For deviations, if any, whether competent authority's approval was taken.
13. Check for the detailed workings for part rates used for stage payments and whether approved for adoption of these rates was taken from competent authority.
14. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
15. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

C- Voucher verification

While verifying the vouchers the following points are to be checked.

- a) Whether proper classification of expenses i.e. Capital and Revenue has been done.
- b) Whether the payments are released with competent authority's approval.
- c) Whether tax if required to be deducted at source from payment of suppliers and contractors/ bidders has been done as per rules and whether the same have been deposited in the bank before the 7th of the subsequent month.
- d) Whether payments have been released within the budget provisions.
- e) Whether tender procedures, if applicable, have been followed.etc.

- f) Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- g) Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 14

Checklist for Audit of Bank Charges

- 1. To obtain copy of the agreement between Bank and RCF.
- 2. To know the rates charged by bank.
- 3. To verify whether commission was charged correctly by the bank.
- 4. To ascertain the necessity of purchasing demand drafts.
- 5. To verify the bank charges towards Bank Guarantees issued.
- 6. Whether the bank is charging on account of postage / other charges and the same is as per agreed rates.
- 7. To check accuracy of the entry.
- 8. To know the trends and reasons for increase / decrease, if any, on account of bank charges in a year.
- 9. Action taken to get wrong entries for charges reversed by the bank timely.
- 10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 15

Checklist for Audit of DAE Claims

RCF is running Heavy Water Plant for and on behalf of Department of Atomic Energy. For this purpose, RCF is getting remuneration in the form of Annual Management fee as decided from time to time in agreement with DAE, revised from time to time. As regards capital and revenue expenses actually incurred for running of the Heavy water plant, RCF has to prepare and submit monthly claim statement to the DAE as per the terms and conditions detailed in the "Agreement between RCF and DAE". For this purpose, a separate set of books of accounts is maintained for HWP and RCF. These books show the sum receivable from DAE (Subject to closing adjustment) under the head "ACCOUNTS RECEIVABLE": INTER UNIT ACCOUNT.

Audit of monthly HWP claim is to be made on the basis of latest agreement between RCF and DAE and with special reference to below mentioned points:

- a. Timely submission of monthly claim by RCF to DAE.
- b. Proper settlement of the monthly claim by DAE within reasonable period.
- c. Any additional / supplementary / special claim on DAE within the reasonable period.
- d. List of total outstanding claim as on the date of audit along with the reasons for non-settlement of claims within reasonable time.
- e. Status of capital inventory procured by RCF on behalf of DAE, lying in stores.
- f. The consumption pattern of capital stores in the last 3 years. The blockages, if any, in the working capital to be worked out.
- g. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 16

Checklist for Audit of FICC Claims

To check the following:

1. Whether the claims are preferred as per FICC norms.
2. Whether all the notification circulars as issued by FICC have been considered before lodging the claims.
3. The age of the claims pending and ascertain the reasons for non-settlement of the same.
4. Whether the quantity as claimed in the FICC claims tallies with the dispatch figures for the corresponding period in SAP.
5. Whether subsidiary claims have been raised when there is revision in the selling prices with retrospective effect.
6. Entries passed at the time of preferring claims, receipt of moneys from FICC, reversal for quantities unsold etc in SAP.
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 17

Checklist for Schedule Review

1. Obtain list of transaction from T-Code FBL1N and Trial Balance. Arrange the data into G/L account wise for review.
2. See that schedule of accounts gives information sufficient for reference and control purposes. It should contain the below mentioned information.
Description of the account, document no., date, payee code number, link voucher no., PO / WO No., cheques No., debit/credit amount. All the data must be filled in correctly and completely and there should not be any omission / incomplete date.
3. Check that the procedure / periodicity as per the predetermined programme of critically evaluating the scheduled accounts for outstanding decides the daily reference for the clearance of advances etc.
4. See whether advances / accounts receivables, bills receivables / payables are scrutinized for age-wise analysis and communication / correspondence, follow-up / clearance etc.
5. All the entries routed through the above accounts must be as per the terms and conditions of the purchase / work orders and under proper sanctions as per delegation of powers.
6. Check up the procedure / periodicity, promptness with which odd / adverse balances in the scheduled accounts are rectified properly.
7. Check up whether appropriate sanctions are taken for transfer of entries from Advances accounts to account receivables accounts, creating provision for bad and doubtful debt and write off from the accounts.

8. To check whether any credit balances are appearing in party's accounts after final payments against the Purchase Orders have been made, if so what action has been taken for reversing the credit balance.
9. To check whether amounts are appearing in advances and provisions for the same payee codes and action taken for adjustment of the same.
10. To see clearing of open items on regular basis after review.
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

COMMERCIAL AUDITS

Annexure – 18

A- Checklist for Purchase Orders

A. Indenting Stage:

1. Check whether competent authority as per the delegation of power has approved the indent.
2. To select the purchase orders of Electrical, Mechanical, Instrumentation and General items depending on value of POs and see that a proper purchase procedure is elaborately given in the Materials Manual. . *T-Codes are ZMM_PO, ME2N, and ZMM_POLIST.*
3. To check whether there is a system of control for maintaining maximum and minimum levels of stores and spares, EOQ for procurement of stores and useful life of material is determined.
4. To check the consumption of the material during last two years as per our inventory record or inventory generated indent so as to check the urgency of the item to be procured to ascertain that the present quantity indented is justified with consumption of the past period. Therefore, all Material Master to be updated for all these details in SAP. Proper care to be taken based on ABC analysis.
5. *Check auto Indent facility in SAP is used properly.*
6. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
7. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B. Tendering stage:

1. *To check whether tender notice are put on the RCF website, GEM Portal & NIC portal.*
2. To check whether quotations are asked from parties as per approved vendor list – Also to ascertain, whether the vendor list is updated periodically or not. To check, if the order is to be placed on proprietary basis, whether justification / approval for the same has been given / obtained from competent authority.
3. Check whether prequalification of parties carried out after every three years.
4. Check that acceptance of single quote offers are decided by next higher authority.
5. To check whether the quotations have been received from all the parties to whom enquiries had been sent and action taken / proposed to be taken in case parties who did not respond to the enquiries.
6. To check whether the material has been received as per the delivery schedule as mentioned in the PO.

7. *Check whether E- procurements are made as specified in Tender guidelines.*
8. *Check there is tendering process has not been delayed beyond 120 days from purchase requisition to placement of purchase order.*
9. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
10. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

C. Tender evaluation and award of Contract:

1. To check the comparative statement whether the rates compared are as per quotations of all the parties and for all the items. Also to check that the terms of delivery, payment, taxes and other charges, if any, have been considered to arrive at the lowest quotation offered.
2. To check whether negotiation, if any, was absolutely necessary and approval from competent authority was taken. If negotiation was conducted with other than lowest party, reasons thereof.
3. To check whether the purchase order has been concurred by the budget and finance / concurrence department. To check, whether the committee formed and members nominated for the committee are as per delegation of powers.
4. To check whether the clauses, terms and conditions as recommended by the committee / competent authority have been included in the PO.
5. *To check whether current stock and consumption are mentioned in the MOM.*
6. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
7. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

D. Other Points:

1. To check whether the rates in the current P.O if abnormally higher than the estimates/earlier PO's are approved by competent Authority
2. To check any PO is generated without complete details in Vendor Master.
3. To check whether demands for Thal / Trombay and Marketing are clubbed together so as to reap the benefits of bulk buying.
4. To check any intentional bifurcation/split of purchase orders so to avoid approval from higher authorities.
5. To check that all PO's are correctly classified in SAP as Emergent, Single, Nominal, Proprietary etc.

6. To check penalty terms in case of default is properly included or in case of default RCF has right to procure from another party at the risk and cost of defaulting vendor.
7. To check whether the material has been received as per the delivery schedule as mentioned in the PO. T-code is ME23N.
8. To check age wise analysis of material procured during the year but lying in stock for more days from report ZMM_MAT_STOCK_AGE to reviewed increased inventory cost of material procured.
9. Check Material Master available in SAP from SAP T-code MM03.
10. Check list of defaulter to be available in SAP Enquiry route and also prequalification of vendor list.
11. Check all condition records are clearly defined in SAP P.O like cost to be taken for Inventory, ITC of Taxes etc.
12. Check that purchase orders are closed once delivery is complete or if material is not required.
13. To avoid post facto approvals, in case of ARC's whether lining up action has started at least three months prior to expiry of contract. In case of orders on nomination/single tender reported to boards
14. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
15. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B- Checklist for Purchase Payments subject to finalization of P.O. and Supplies of material

1. Payments are to be made strictly as per the terms and conditions of P.O. Any deviations whatsoever needs appropriate sanction through Amendment / Concurrence procedure and purchase officer / paying officer on his own has no authority whatsoever to deviate from the P.O. terms. The amendment in SAP PO to be made in system.
2. Finance Department on receipt of documentary evidence of receipt /RD /DC of ordered material from stores will proceed to make payments for the material received and passed. Ensure that quantities in the case of high value items are not varying sizably compared to the originally concluded quantities without the approval of the competent authority.

Verify the arithmetical accuracy of advances recovery calculations, taxes and duties, TDS, freight, discount, L.D. recovery etc. and see that they are strictly as per P.O. terms.

3. Check up the accounting entry passed from the document prepared. This should show description of the account, account number, identification of the item, capital or revenue, nature of item purchased and appropriate accounting entry thereafter indicating account code, cost code, payee code, work order number etc. Also check the narration and counter checking of each payment by 2 persons (prepared by & checked by) who have to put their signatures on payment vouchers and Document entry and see whether the transaction is within the scope of their authority given (conferred) by Delegation of Powers of the Company.
4. Check whether taxes and duties are reimbursed against production of proof for payment by the suppliers to authorities where prices are not inclusive of taxes and duties.
5. See that ITC receivable entries are of correct amount and as per condition record of SAP to be supported by documentary proof given by supplier.
6. Check Tax Invoice to contain details of PAN, SERVICE TAX, GST, etc for claiming ITC benefit.
7. Check upon payment to vendors it is mapped in GeM portal as payment done for due amount.
8. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
9. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

C- Purchases & Creditors

1. Check Re-order level for various items of materials on the basis of factors like EOQ, ordering cost, Usage rate, lead time etc.
2. Check Indent are raised by Indenter after verifying stock position in hand.
3. Check Tenders are invited as per Tender Guidelines and evaluation of tender proposals on factors such as quality, quantity, terms of supply, payment terms, prices, duties and taxes, procedural formalities etc.
4. Check Committee approval before placing Purchase Order. When a large quantity of any material is to be purchased it is advisable to distribute the orders to several suppliers, to maintain regular supplies and development of new vendors.
5. Check evidence of inward movement of material from CISF.
6. Check any delay in preparation of GRN, and inspection.
7. Check the copies of GRN are send by Storekeeper to Excise for availing ITC and to Purchase Department for payment against P.O. and delivery challan.
8. Check the materials are placed in Bin and entries are made in Bin Cards.

9. Check the issues of material to plant are made in SAP, with correct cost entries etc.
10. Check any material returned to supplier (credit notes etc.)
11. Check statement of balances with suppliers are confirmed regularly.
12. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
13. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

D- Checklist for Packing Materials / Bags / Drums

1. Check up Government restrictions on usage of Jute/HDPE bags etc. (Composition in procurement)
2. Check up company's directive / policy for procurement of bags in terms of delegation, requisitioning, tendering, finalization of terms & conditions of NIT, selection of supplier / panel of suppliers. The division of P.O. in between the parties and staggered delivery, rate, quantity, quality, printing (design/layout) etc. should be unambiguous. Penalty for late delivery, rejection of defective bags /rec-acceptance with / without penalty but after appropriate sanction, laboratory testing (RCF / third party inspection) etc. be thoroughly checked. Compliance should be rigorously checked.
3. Record control procedure/documentation for receipt/ issue/ balance of bags purchased, periodical reconciliation of book stock vs. physical stock vis-à-vis filled product dispatched duly certified by competent officials be checked. Similarly, whether records have been maintained for cut /stolen /torn /wasted bags and entire stock position / usage /procurement have been reconciled at frequent (reasonable) intervals.
4. Procurement must be well launched so as to ensure continuous, smooth supply of packing material according to the production. But at the same time whether appropriate level of inventory has been maintained (optimum level to be decided by expert study). Study the system for ensuring accuracy of bulk packing material received viz. statistical, sampling techniques etc. for which team f management should have been involved.
5. See whether most prompt economical, speedy, procedure is existing for standardization and re-bagging of the product from cut and torn bags and spillage in the operating floors.
6. In respect of disposal of cut and torn bags whether standardization procedure is streamlined for accounting. Disposal and mixing of cut and torn bags with fresh bags is to be avoided.
7. Treatment of other companies' bags lying in our godowns to be checked.
8. Procedures and accounting of return to stores / bagging plants to be thoroughly checked.
9. Procedures and accounting of procurement of drums and heir usage to be thoroughly checked.
10. Check stock position of bags/drums already existing before further procurements in SAP
11. Check consumption entries passed regularly for packing materials/Bags/Drums.
12. Abnormal wastage / consumption to be reported separately.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Check list for Audit of firefighting and safety equipment's. , public address system.

1. To check the implementation of contract terms
2. To check the statutory requirements.
3. To check the validity of certificates etc.
4. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
5. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 19

A- Checklist for Audit of Inventory/ Stores and Spares

1. Complete data of Inventory of stores & Spares, Packing materials, Finished goods etc to be taken from SAP system storage location wise. T-codes are MB52, ZMM_MAT_STOCK_AGE.
2. To check age wise analysis has been done for all items. Non-moving and Slow-moving items for longer period (3 yrs / 5 yrs) including High value items of non-moving are regularly reported.
3. To check proper identification are made for Surplus and Obsolete spares. To check movement types are correctly assigned for disposable/usable surplus items in SAP.
4. The Slow / Non moving inventory should be further classified into the following categories – The value and quantity of -
 - (a) Item that will be consumed in the next few months.
 - (b) Items that can be sold off being not required.
 - (c) Items that have to be scrapped – useful life being over.
5. **Ensure that an action plan has been drawn to dispose off / sell the Non-moving inventory.**
6. To check Physical verification of items at random and tallying with SAP stock.
7. To check Pending returnable material based on RCF's gate pass.
8. To check Project surplus items lying in plant stores / main stores are recorded in SAP system and its uses.
9. To Check % of consumption for 3 years and Inventory amount lying for last 3 years. Analyze reasons for huge amount lying in stock.
10. To check Block facility in SAP system is used in material master of those materials if already existing. The further procurement of such materials should be stopped.
15. To check reports are regularly sent for unused list of stores to all plants for any usage between Thal & Trombay.
16. To check Abnormal wastage/consumption are reported separately.
17. **To check Stores items, carry proper identification tags / codes etc and are put on the bins for identification of material and recorded in SAP.**
18. **To check whether an ABC analysis of the store's inventory is carried out both by value and consumption. Comment upon the need for an ABC classification of inventory for ensuring a proper control.**
19. **Ensure that the stores stock ledgers are kept up-to-date and entries in respect of receipts / issues are made on a daily basis.**
20. **To check that Norms (No of days' consumption) have been determined in respect of inventory level. The inventory level should be maintained at that level. Comment if the inventory levels are at a higher level as compared to the Norms.**

21. **To check that a proper control is kept by Stores over items sent outside for job work/repair etc (Material sent under a Returnable Gate Pass) Check that the list of pending items (RGP) is prepared on a regular basis and the materials sent are received back within a reasonable period.**
22. To check that various items forming part of the Stores inventory are stored properly and safely. For example, in case of chemicals, ensure that the containers are kept safely and not exposed to rain / heat /sunlight etc. Carry out a review of all the items Stores-Raw material//General//Packing material and the finished goods warehouses etc.
23. **To check that all key items in the Stores are insured against fire, theft etc.**
24. **To Check whether there are adequate fire fighting arrangements in the Stores e.g. required no of fire extinguishers etc, required in the event of fire etc and as part of industrial regulations.**
25. **To check that the Rejected Material is kept separately and the material is returned back to the supplier only after adjustment of outstanding balance in Accounts. Analyse the reports of rejected materials over a period of time.**
26. **Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)**
Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B- Checklist for Audit of Material under Inspection / Transit

1. Procure the list from the stores accounts for the period / month to be audited.
2. List out cases where the amounts are pending in the statement for material under inspection and in transit.
3. To check the period for which and confirm the reasons as to why the amounts are been lying under inspection / transit account.
4. To check and ascertain the frequency of utility of the item with the period for which the material was under inspection / in transit. Abnormal delay in the above cases to be reported.
5. To check whether all materials have been received after inspection and material on receipt is transferred to stores account duly transferred from material under inspection / transit account.
6. To check whether defective materials were duly replaced by the suppliers and in time. If not, action taken thereof.
7. To check whether payment to the extent of defective materials was withheld. To check advance payment duly adjusted/recovered if defective material is returned.
8. To see whether ITC benefit has been obtained at the time of taking the materials to capital items.
9. SAP report for movement type 103, 105 to be checked.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

C- Checklist for Material under Care & Custody stores

1. Procure the list of items lying under C&C stores upto the period to be audited.
2. To check and list out items lying in C&C stores for longer period to:
 - a. ascertain the reasons for procurement of items under DC but not utilizing the same on receipt and transferring the item to C&C – Stores.
 - b. confirm from the indentor the reasons for non-use of item procured under DC and confirm the expected time period by which the item will be used.
3. To check the approval of the competent authority stating reasons for transferring the DC items to C&C-stores.
4. To check the physical condition of the DC items lying under C&C – stores.
5. Ascertain the action taken for items, which have become obsolete during the period it was in C&C – stores.

6. To check whether proper records have been maintained for receipt and issue of items to and from C&C – stores.
7. Check whether approval from competent authority was obtained for further extension of period.
8. To check for follow up done by stores with the indenter / approving authorities for items not lifted within the approved period from C&C –stores.
9. To ascertain the action taken for disposal of items lying in C&C –stores for a very long time.
10. To check whether similar items were procured ignoring the availability of the existing DC items. Such cases to be reported.
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
12. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

D- Checklist for Scrap / Surplus / Obsolete / Moving / non-moving / slow moving Stores items

1. To check the policy existing for –
 - a. Defining each of the above mentioned items.
 - b. Identifying each of the above mentioned items.
 - c. Declaration of the stores items to be Scrap /Surplus /Obsolete / Moving /non moving /slow moving stores items.
 - d. Sorting of the items as Scrap /Surplus /Obsolete / Moving /non moving /slow moving stores items.
 - e. Evaluation of each of the above mentioned items.
 - f. Timely action of Disposal /Sale /Transfer (in case of surplus item) from one plant to another plant for its alternative utilization.
2. To ensure strict compliance / adherence to the policy and procedure in respect of each of the above steps by going through documents and other physical evidences available. Any kind of discrepancy / deviation / shortcoming in the compliance should be suitably reported.
3. Also to ensure whether existing system of record keeping is facilitating adequate control over the accounting / monitoring / physical controlling / reconciling at the regular intervals and that all records maintained are correct, complete and up to date in all respects.
4. Also check whether committee exist, for identifying surplus / Obsolete / Moving /non moving /slow moving items of stores and spares.
5. As regards the scrap sales management check up whether the predetermined standard procedure is laid down for finalization of Sales Order which should be parallel to the purchase order finalization procedure of the company.

6. In case of surplus items specifically look into age-wise analysis of items lying unutilized for unreasonable period of time and extent of funds utilized and losses incurred thereon.
7. *To Check movement type is changed in SAP for obsolete, usable surplus, disposable etc.*
8. To check provision amounts are reversed of disposable surplus after sale of scrap.
9. In respect of insurance spares required to be stocked to take care of emergency requirements of the plant. Auditor should verify the relevant documentation / record / registers maintained in respect of these items.
10. In respect of obsolete items, after reviewing age wise analysis, verify the remedial action taken. If no remedial action has been taken till the date of audit, check why timely disposal action had not been taken to minimize the losses due to obsolescence.
11. In respect of non-moving and slow-moving items verify the detailed procedure and documentation involved in monitoring / certification / reporting of such items periodically thereof, corrective actions taken by the management etc.

If it is observed that no proper follow-up of non-moving and slow moving items is done within reasonable time, it should be suitably reported along with the suggestions for changes in the adequate / periodicity / channels of reporting such kind of data to the higher executives who can act upon it.

12. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

E- Checklist for pending returnable material report by CISF based on RCF

1. To obtain the pending returnable materials report from CISF.
2. Check whether CISF is preparing the pending returnable material report properly based on the gate passes.
3. Check whether any register is maintained by CISF by showing entry for outgoing and incoming materials.
4. Check whether CISF is keeping copies of the gate passes properly for use at the time of return of materials.
5. Check whether the plants / departments are maintaining properly register of materials sent out on returnable basis, showing the expected date of return and actual date of return, gate pass entry, etc. Check from the department / plants the reason for the materials not returned in time.
6. Check whether the department / plant vigorously follows up with the party for getting back the material, which is not returned within the expected date.
7. Check whether the code number of the material and the value of the material are given in the returnable gate pass besides the description of the material.
8. Check whether the CISF is sending the cumulating pending returnable material report to GM (TO) or GM (Thal) on quarterly basis and action taken thereof by the GM's.
9. Check whether CISF has updated its report after getting reply is from the plants /departments regarding status of pending materials.
10. Check whether plant/department is maintaining properly the files of returned copy of the gate passes where in CISF entries for incoming outgoing materials are given. Also see whether file is maintained for keeping delivery challan, bill for repairs along with returnable material gate pass.
11. Check whether defective materials sent out for replacement are not returned and taken as fresh purchases.
12. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
13. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 20

Checklist for Bagging Plant Audit

1. During the visit to bagging plant, the status of number of slats in operation is to be checked with respect to availability of manpower allotted for each shift.
2. If some of the slats are not in operation, the reasons for the same may be obtained from the shift-in-charge.
3. To check the frequency of adjustment of calibration of the slats by operators.
4. To take sample weighments from each slat (A&B system). The number of samples to be drawn for sample weighment should be approximately 100 bags per slat / per system.
5. To check at random the weighment of bags on the digital weighing machines available near the slats at each bagging plant.
6. To check the weight and quality of empty bags at random.
7. To check the stitching of the bags, whether they are being done in uniform and straight manner and the size of the stitches is to be checked to see whether there is possibility for material flowing out of the bags after stitching.
8. To check and calculate the quantity and value of product loss on annualized basis with respect to the loss that has been calculated for the sample checked.\
9. Check quantity of and number of times sweeping collected and treatment thereof.
10. Measures of safety and cleanliness adopted for the workers and their usage to be verified.
11. To check for damages, if any, to the product or packing material on account of rough bagging / handling process.
12. To check the rates of services by Mathadi workers whether they are duly approved by the competent authority.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 21

Checklist for Audit of Work Orders of Clearing, Forwarding and Transportation Contracts

1. To check whether the budget provision exists for the contracts that have been awarded.
2. To check whether the previous year actual expenditure was well within the budget and whether the same have been considered for finalization of the budget for the current period.
3. To check if the previous year's expenditure has exceeded the budgetary provision proper justification and appropriate sanction has been obtained for the same.
4. To check the newly estimated requirement and expenditure are in light of the factors given in the proposal for entering into a new contract and in line with the previous year working. In case there is any deviation, whether proper justifications for the same have been given.
5. To check thoroughly the tender procedures followed.
6. To check up the comparative statement of the quotations.
7. To check up the finalization of work orders i.e. a) Finalization is on the lowest basis. b) Other than lowest basis. Check up the reasons and sanctions for finalizing the order on other than lowest basis.
8. To check the detailed terms and conditions of work order in the light or NIT issued for the contract awarded.
9. To check whether the bills are raised within the reasonable time after rendering of the services under the work order. The condition of work order to be checked in SAP.
10. To check up the bills with reference to Terms and Conditions of work order and the recoveries to be effected thereof.
11. To check whether the new contracts / renewals are initiated well in time before the expiry of the existing work orders to avoid 11th hour extension / renewals, etc.
12. To check the time taken during IN and OUT of the trucks and tankers inside the factory. To ascertain the reason for delay and suggest procedure for improvement.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 22

ADMINISTRATION AUDITS

A- Checklist for Log Books of Company Vehicles

1. To obtain logbook from the users of the vehicles or the administration dept. for vehicles in pool.
2. To check whether the logbook is complete in all respects such as date of use of vehicle, opening and closing, mileage, total mileage, opening time and closing time, place of visit, name of user and designation, purpose of use and signature of the user and designation.
3. To check whether the entries for fuel bill have been made in the logbook.
4. To check the details of repair expenses from the user / administration dept. and to ascertain whether the expenses are reasonable.
5. Try to ascertain the mileage per litre of fuel consumed. If abnormal variations are found the reasons for the same to be obtained from the user / administration dept.
6. To check the age of the vehicle vis-à-vis expenses on fuel & repairs and maintenance to ascertain whether continuation of the vehicle is economical or needs replacement.
7. Whenever an employee uses the vehicle the logbook has to be signed by the person using the vehicle or by a responsible officer.
8. To check whether vehicles are used by entitled staff only.
9. Analysis or calculations to be made on the basis of data available in logbook i.e. kms covered, fuel consumed, etc. for a particular period to ascertain proper use of vehicle.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B- CISF CONTRACTS

- a) Verify the contracts lined up for CISF.
- b) Verify that the payment is as per the agreement.
- c) Medical expenses, township facilities and other expenses approvals and entitlement.
- d) Deployment of man power and expenditure monitoring.
- e) Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- f) Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

C - SECURITY CONTRACTS

- a) Verify the contracts lined up for Security.
- b) Verify that the payment is as per the contract.
- c) Verify the system of Deployment of man power and expenditure monitoring
- d) Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- e) Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 23

Checklist for Guest House Expenses

To check:

1. Budget approval for the year for Revenue and Capital Expenditure.
2. Whether department wise budget for entertainment in Guesthouse is strictly followed.
3. Mode of booking of Guesthouse and procedure for raising requisitions for accommodation.
4. The existing contract provision for scope of the contractor/ bidder and terms of the contract.
5. Actual expenditure whether within Budget or has exceeded the budget.
6. List of assets and equipments in the Guest house with full details.
7. Test-check the list of occupants at least for 2 months.
8. Recovery of tariff from employees and outsiders for room rent and other charges.
9. Whether the equipments were in good condition or missing and whether the recoveries for the same had been effected from the last contractor/ bidder at the time of change over from one contractor/ bidder to other.
10. The suggestion book provided in the Guesthouse and the implementations of the suggestions thereof.
11. Whether the rates charged by the contractors/ bidders are as per the approved rates.
12. Whether the physical verification of the assets i.e. furniture, fixtures and equipments handed over to the contractor/ bidder is done periodically.
13. Whether statutory deductions have been made correctly and in time from the contractor's payments.
14. Whether recoveries are made from the bills of contractor towards upkeep of appliances, if the company has incurred expenses on his account.
15. Whether necessary approvals are sought for conducting functions, meetings and gatherings at the guesthouse.
16. Whether the maintenance of the guest house and its surroundings are in order or not.
17. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
18. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 24

Checklist for Hospital Audit

1. To obtain the organization structure of the hospital with reference to the total manpower, allocation of jobs, etc.
2. To check the registers maintained at the hospital.
3. To check the system of issue of medicines & prescriptions for issue of medicines from hospital stores and outside authorized medical shops.
4. To check the system of maintaining patients' files and referral cases. See that treatment is provided to dependents only. This can be verified from the dependants' list from the Personnel Department.
5. To check the utilization of ambulance.
6. To check the contracts awarded by the hospital for various pathological labs and X-ray labs with reference to contract procedures.
7. To check the work orders issued by hospital to visiting doctors and their appointment procedure.
8. To check the stock of medicines in the hospital stores with the stock register and try to ascertain whether any high volume of stock is maintained for the items stored. To check the medicines are in the stock. To ascertain reason for not using the medicine in time.
9. To check the occupancy records to ascertain the number of employees treated at our hospital and number of outsiders and CISF personnel treated at the hospital.
10. To check whether a proper revision has been made in the schedule of charges for outsiders and whether it needs to be revised again.
11. To check the records and physically verify the hospital equipments, crockery and linen with utilization thereof and ascertain that there is no difference between book stock and physical stock.
12. Check up whether adequate records are separately maintained for treating outsiders and total cost of the same is correctly and completely recovered from them either in cash or recovery through running bills under different work orders of the outsiders if any.
13. Strict measures of cleanliness and hygiene at Hospital and in-house kitchen.
14. To check whether proper queue system is being maintained through proper token system or by monitoring the same through an attendant.
15. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
16. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 25

Checklist for Audit of Time Office

1. To check the computer punching record of workmen with attendance record and EDP record for salary preparation. To check for at least two months, the time cards of officers with EDP records to ascertain whether attendance recorded by EDP is as per card.
2. To check records of manual attendance with punching records for non-officers.
3. To check whether leave applications duly approved by competent authority as per Delegation of Powers are submitted along with the Time cards and attendance.
4. To check leave applications along with leave balances, whether the leave has been sanctioned considering the available balances, if no what action has been taken by Time Office.
5. To check Time Office Memo for supplementary pay / No-leave pay with original record of attendance for the concerned period.
6. To check leave balances along with applications for a few employees to confirm whether leave balances are updated properly.
7. To check whether records have been maintained for Time Office Memo issued for LTC encashment and EL encashment so that LTC encashment cannot be granted more than once in a block year (2 yrs) and EL encashment cannot be done more than once in a calendar year.
8. To check whether the Personnel Department has provided dependants' list and the same is being updated periodically.
9. To conduct a surprise, check of a few plants / offices to ascertain that the physical attendance of the staff tallies with the records maintained by the supervisory staff and EDP.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 26

Checklist for Audit of Horticulture and Conservancy contracts

1. What is company's policy for getting the work done – In-house /through contractor?
2. Check up certification of work done by the site officials were counter checked and signed by Administration for finalization of bills under respective work orders.
3. Check up whether NIT Terms / Conditions, Work Order terms, Labour Law requirements, lawful recoveries, SD/SG etc. are properly complied with.
4. Ensure timely payments of certified bills after recoveries. It should not be before maturity.
5. Check up system of record keeping in Administration department for Procedural control measures.
6. Check up system of controlling expenditure through Budgetary Sanctions etc.
7. Annual Expenditure trends (2/3) years vis-à-vis area covered / number of workers employed by contractors/ bidders, to be checked to find out dis appropriate / extravagant expenditure or discrepancies therein.
8. To check whether personnel department is checking the contractor's/ bidder's record for employment of workmen, payment, PF, ESIS, etc. in regular interval or not.
9. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
10. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 27

Checklist for Audit of Hired Vehicles

1. Company's policy for total vehicles hired.
2. Movement of men by hired vehicles within and outside the plant vis-à-vis owned vehicles and its extent of utilization.
3. Detailed report by administration department for need of hiring outside vehicles justified by committee decisions etc.
4. Procedure of lining up contracts through normal tendering procedure till final issue of contract (concurrency procedure) and SAP W.O.
5. Procedure for log book maintenance, correct and complete in all respects each entry signed in full by actual user with full identifiable signature (only entitled category of employee should have authority to sign the log book).
6. Checking logbooks by administration department in all respects (correctness of distances, private / official uses, timings, etc.)
7. Certification of bills, recoveries to be effected, payment control procedure.
8. Check up 3 to 4 years' trend for increasing /decreasing expenditure, analyze reasons by administration department vis-à-vis scale of operations in general.
9. Suggestions for minimizing the expenditure on hired vehicles.
10. Cost-benefit analysis between T mark and owned vehicles.
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
12. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 28

Checklist of Telephones and Fax Machines

To check:

1. Budget provision unit wise / department wise.
2. To obtain list of connections given to various sections / departments and officials and ascertain the company's policy for providing telephones to officials at residence as well as in office.
3. Check whether the users have certified the bills for official / personal calls.
4. Whether recoveries were effected for personal calls declared and for the calls exceeding the limits if any.
5. To compare current expenses with previous year's expense to judge the trend and to obtain reasons from users in case of abnormal increase in expenditure.
6. To check spare lines not in use and action taken by administration department for the same – whether it was kept under safe custody and for how long.
7. Whether telephone / fax register has been maintained by the users and cross check the entries of the register for some period with the bills.
8. Whether payments have been released by Administrative department well within the due dates and no additional charges have been paid on account of delay in payment to telephone authorities.
9. Whether there is any system to control the use of telephone / fax for common connection or extension provided to various users / departments. Whether there is any system for calls made from various extensions and getting them certified from the users.
10. To check the availment of ITC against GST paid.
11. To check any incentive scheme for payment before due date is availed.
12. Check cost code wise accounting entry is passed.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 29

B- Checklist for Township Maintenance

This section generally looks after providing the general services / maintenance of township in respect of civil, electrical, horticulture, conservancy, sanitation, pest control, water supply, painting etc.

1. To check whether contracts are lined up for each type of job mentioned above.
2. To check thoroughly the entire routine and documentation involved in the finalization of work orders and ensure that there are no deviations whatsoever from the company's laid down policies, procedures and precedence in respect of work order finalization.
3. To check any deviation / irregularity / extravagant things should be got clarified and /or reported suitably.
4. To check the rate structure for different types of job/piece works given above.
5. To check up the procedure of requisitioning of the service by the township occupants.
6. To check up the following:
 - Calling on the contractor by the township administrator to attend such requisition / complaint.
 - The attendance of requisition / complaint by contractor men in terms of the written orders issued by the township administrator under the respective work order.
 - To obtain occupant's certification of having attended the requisition / complaint mentioning clearly the details of materials used up by him in attending the same.
 - Counter checking (supervision) by township administrator / his representative of complaint's attended / service rendered.
 - Certification of contractor's/ bidder's periodical bills raised in terms of work orders and sending them to the accounts department along with the supporting documents.
 - Payments made by the accounts department as per the laid down procedures and delegation of powers.
8. To check and ensure that adequate system of internal check and mechanism is existing in the entire system.
9. To verify the trend of expenditure on the above items of service over the span of 2/3 years to trace out and report abnormal / disproportionate expenditure.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

B- Township Maintenance: Electrical

To check the following:

1. Check up whether system of budgetary control or such other system is in existence for controlling the expenditure over the township maintenance or not and if it is devised check up its implementation and strict compliance / follow up through appropriate organizational channels.

2. What is the policy of providing domestic electricity to the township occupants (employees as well as outsiders) and at what rate?
3. What is the procedure / periodicity of checking the fitness of electric meters and ensure accurate reading / billing on the occupants.
4. What is the procedure / periodicity for recovering the electricity bills from the occupants.
 - a) in case of employees, whether it is recovered from salary or otherwise
 - b) in respect of outsiders, whether recovery is made from the sums payable to them under the running work orders or whether there is system of taking advance against electricity supply account.
5. Check up whether adequate control, records and registers are maintained and are correct, complete and up to date in all respects and are properly utilized for timely recovery of outstanding.
6. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
7. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 30

Checklist of Working of Public Relations Department (Mktg.)

This department mainly deals with the following:

- Publication of in-house journal.
 - Advertisements – for tenders, quotations, etc.
 - Entertaining RCF guests / VIPs
 - Distribution of Gifts and Mementos to VIP
 - Nurturing the positive image of RCF in public
1. To check up thoroughly (as per the checklist for work order finalization) and point out any deviation irregularity, discrepancy, etc.
 2. To check whether the adequate number of records and registers are duly maintained for physical control over the day to day routine. To see whether these are maintained correct, complete and up-to-date in all respects and the way in which they are serving the purpose of controlling things, else suggestions for amendments in the same may be given.
 3. To check what kind of control mechanism like budgetary control etc. is introduced for controlling actual expenditure on different heads mentioned above.
 - How they are monitored and controlled.
 - At what intervals.
 - What kind of follow-up / remedial actions are taken thereon, etc.
 4. To check up the work orders issued in all respects, especially to see whether appropriate sanctions as per delegation of powers are obtained.
 5. Check up the revenue, if any, generated from in-house journal advertisements, sale of old newspapers, etc.
 6. Check up whether the distribution of complementary diaries, greeting cards, calendars etc. is as per the entitlement of the employees or not.
 7. In respect of distribution of gifts, mementos to outsiders whether proper authorization in writing was taken.
 8. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
 9. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 31

Checklist for Canteen management

1. To check whether proper procedures have been followed for award of contract for the canteen facility of the employees.
2. To check whether all the clauses with respect to Labour Laws and other statutes have been incorporated in the work order.
3. To check the rates fixed by the management for the items to be supplied in the canteen are as per the work order.
4. To check the clauses in respect of hygiene and cleanliness have been incorporated in the work order for canteen operation.
5. To physically verify the assets supplied by the company to the contractor and see whether the appliances installed in the canteen are working properly.
6. To check whether recoveries have been effected from the contractor's/ bidder's bills in case of shortages of items noticed during physical verification.
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
8. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 32

Checklist for purchase of Printing and Stationery Items

1. To obtain the list of printing and stationery items procured by the materials department to be kept at stores.
2. To check whether annual requirement of the stationery items has been worked out by stores department and compared with the total issue for the previous year.
3. To check whether proper requirements / indents have been received from the user department indicating the requirements of stationery for the full year and month wise and also check opening stock in hand has been considered while working out the indenting quantity.
4. To check whether tendering procedures and preparation of comparative statements have been properly followed.
5. To check whether proper specifications have been given in the enquiry letters with respect to quality of paper and printing before calling the quotations and whether the samples submitted by the parties are as per the specifications required.
6. To check whether proper records have been maintained for issue of stationery items and compare some of the issues with the requirement letter of the user department.
7. To check whether any abnormal use of stationery in any department and if so the reasons thereof.
8. To physically verify the stationery items at stores and ascertain reasons for shortages if any.
9. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
10. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 33

Checklist for Audit of Allotment of Quarters and recovery of ALF, Water charges & Electricity charges etc.

1. To check Company's policy for allotment of quarters to the employees (as per the entitlement) and to the outsiders (need based for benefit of RCF).
2. Get the list of persons occupying our quarters including RCF employees, C.I.S.F. and outsiders.
3. Check the list of quarters lying vacant and verify the period for which they were vacant and ascertain the reasons.
4. Check for ALF fixation for various categories of employees and recovery from outsiders.
5. Recovery from outsiders –Whether an advance is taken from the outsider or whether outstanding is recovered from the running bills, under different work orders, from the outsiders.
6. Whether the quarters are allotted under Leave and License Agreement with proper documentations.
7. See that quarters allotted to outsiders are only in the name of institutions rather than in the name of their individual employees (for e.g. Banks, Post Office, Police, Courts, CISF, Joint Stock Companies etc.) to avoid the chances of non recovery of outstanding ALF etc. and resultant bad debts.
8. Check up whether adequate documents, records, registers are correct, completely and up-to-date in all respects and maintained by the Estate Department and whether they are sufficient and effectively used for monitoring and controlling outstandings.
9. Check up whether the records of the Estate Department are periodically reconciled with the records of the Accounts Department and only accurate figure of outstanding is shown in the books of accounts.
10. Study the procedure and its adherence / implementation for recovery of outstanding – like servicing of ordinary notices, legal notices, court cases, eviction procedures etc.
11. To check whether any quarters or shops or other places have been allotted in the township to outsiders for specific reasons and whether the rents are being recovered from them as per schedule.
12. To check whether any out of turn allotments have been done for quarters and whether competent authority's approval has been obtained.
13. Check whether the recovery of ALF and other charges is being done as per rates applicable, whenever there is a change of quarters by the occupants.
14. To check the approvals for allotment of quarters to outsiders and the rates of recovery of ALF and other charges from outsiders.
15. To check whether proper approvals have been obtained giving justifications, when ALF and other charges are recovered at lower rates than market rates.

16. To check the company's policy for allotment of quarters to employees who have availed HBL advance and recovery of rent thereof.
17. To check whether electricity charges are recovered at the prevailing billing rates of MSEB / ADANI / BES/ RELIANCE.
18. To check whether proper meter readings are being taken at fixed intervals for all the quarters and other shops and establishments to effect recovery of making adjustment against monthly recoveries.
19. To check whether the recovery is effected from the salary slips in case of employees.
20. To check whether electricity charges are recovered from the occupants on actual meter readings at the time of vacating the quarters.
21. To check whether electricity adjustment is done from all employees uniformly.
22. To see whether quarters are allotted to outsiders such as contractors/ bidders and whether recovery has been made in their running bills.
23. See in the case of retired employees occupying the quarters whether LAF / electricity / water charges are recovered / received properly.
24. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
25. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

CORPORATE AUDITS

Annexure – 34

Checklist for Audit of Personnel Department

To check:

1. Does the company provide budget for manpower planning?
2. What authorities are involved in sanctioning employment and procedures involved therein. What is the process of maintaining personal files of employees?
3. The documentation involved in transferring workers between the departments and allocating or re-allocating their specific duties and criteria for transfers.
4. Whether the company employs job evaluation schemes and if so, how effectively are they utilized.
5. Does the company employ merit-rating schemes and if not then on what basis are promotions granted?
6. Does the company conduct training programme? What is the basis for sponsoring employees for such programs? Are the results evaluated?
7. What are the procedures for terminating the services of the employees?
8. What is the retirement age? Does the rule permit extension, in special cases?
9. What are the amenities and facilities available to staff and workers? How are they controlled?
10. Is the existing actual manpower strength vis-à-vis the workload considered before getting sanction for fresh recruitment and the methodologies involved therein.
11. What measures are taken by personnel department to monitor the attendance of employees, discipline at work, work accomplishment and participation in curricular activities of the company?
12. Check whether implications of fixation and revision of wages have been taken care of.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 35

Checklist for Corporate Planning

1. See the five years' corporate plan is prepared based on technical details, plant reports etc.
2. See that future plan is envisaged properly taking into account expansion, revamping and retrofitting.
3. Check whether market study is done by expected time so that the key factors have been identified and proposals correctly evaluated.
4. See that updating is done wherever there is a change in the plan.
5. The original corporate plan has to be updated depending on memorandum of understanding signed by the Company with the Ministry.
6. See that financial analysis has been done properly.
7. See the basis on which projected profit and loss account and cash flow statement is prepared.
8. See whether new project study has been undertaken taking into account the viability of the project, economic feasibility, etc.
9. See whether proper estimates have been done for procuring short and long term loans.
10. See whether proper arrangements are made for procuring loan so that loan will be available at appropriate time.
11. See whether accounting ratios arrived at on the basis of corporate plan gives clear picture of the corporate standing.
12. Check whether Sensitivity Analysis is being performed. Also check whether Buy or make option has been considered while judging viability of new projects.
13. See whether Economic Value Added Concept, Debt service coverage ration, cost of capital, etc. have been taken care of.
14. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
15. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 36

Checklist for Corporate Finance Department

1. Payment Vouchers

- a. See whether payments for purchase of computers, ribbons, disk and other stationery items are made as per terms and conditions of purchase orders.
- b. To see whether payment for annual maintenance contracts for computers, air conditioners, conservancy and others are made as per terms and conditions of work orders prepared in SAP.
- c. To see whether payments for purchase of furniture and other office appliances are made as per terms and conditions of contract.
- d. To see other expenses incurred are as per competent authorities' approval and as per delegation of powers.
- e. To check benefit of ITC is availed.
- f. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- g. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

2. Loans & Investments

- a. See the contracts between RCF and banks/ foreign banks for procuring short term and long term loans.
- b. To check the clause in the agreement for charging interest, bank charges and other charges.
- c. In case of loan from banks and other financial institutions see that Board approval is obtained before making contracts.
- d. See that the Company's Act u/s 370 to 372 are complied with while company is making investments in procuring loan from other companies. Guidelines of Investment for PSU are followed.
- e. Effect of change in foreign exchange rate to be checked as per Accounting standards and note to accounts.
- f. To check payment are made on due dates.
- g. Effective rate of return on investment to be checked.
- h. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- i. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

3. Income Tax

- a. See that tax deducted at source by other parties is properly accounted and claimed in our tax returns.
- b. To see whether estimation is properly made and advance tax is paid as per the schedule.

- c. To see records of any disputed liabilities for income tax, wealth tax, are maintained and the level at which it is pending.
- d. To see whether income tax returns are filed within time and assessment has been completed within reasonable period.
- e. To see that income tax is calculated after availing all deductions and benefits
- f. To see that amendments in Income tax laws are being taken care of.
- g. Reconcile the details of Tax return with Tax assessment order. The action taken for difference items.
- h. Reasons for disallowance and adjustment of all T.D.S, Tax provision, Tax receivable entries.
- i. Tax refund along with interest are correctly accounted in books.
- j. Deferred Tax Assets/Liabilities are recognized, accounted and yearly reconciliation of the same.
- k. Check disclosure of Tax is made as per Accounting Standards.
- l. Check presentation of MAT.
- m. Check whether income tax department has issued demand notices, if any.
- n. See that whenever demand is disputed appeal is made within time schedule.
- o. See whether registers/files are maintained showing correspondence taken place, when appeals are made with income tax appellate and tribunals etc. Check whether capitalization has taken place to avail full benefit of depreciation.
- p. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- q. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

4. General

- a. See that periodical return to the bank for availing loan is sent in time.
- b. To see any circular issued for change in accounting policies and see the circulars issued for change in delegation of powers, changes in accounting treatment, change in tax structure.
- c. Scrutinize the projects in hand with the department and study intricate detail, with reference to procurement of funds for project purpose.
- d. Check process of preparation of financial statements like Cash flow, Fund flow, Profit and Loss Account, Consolidated Balance Sheet etc.
- e. Check the process of assessment of Working Capital requirement of the company. Check u the feasibility of the terms and conditions of the banks providing finance.
- f. To check whether accounting of expenses of liaison office at Delhi is proper.
- g. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- h. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

5. Preparation of monthly, quarterly and yearly profitability statements

- a. Check whether profitability statement is arrived at after taking into account all provisions for expenses and income due such as subsidy, insurance claims etc.
- b. Compare the projected profitability and actual profitability and analyze the reasons for variations.
- c. Analyze the prior year income and expenses.
- d. To see whether proper provisions have been made for doubtful debts / claims. Also analyze miscellaneous income / expenses.
- e. To see allocation of Interest Income/Expenses in various business area for segment reporting.
- f. To check any delay in Capitalization entries.

- g. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- h. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

6. Consolidation and preparation of Revenue and Capital budget

- a. See that budget is prepared taking into account all key factors. Verify the expenditure budget, capital budget, maintenance budget, sales budget, profitability budget, welfare budget and compare with the previous year's actual.
- b. See that the budget has been approved in the Board meeting.
- c. Analyze the variation between budgeted expenses and actuals and comment on grey areas. Study the corrective action taken by the department to narrow down the negative variations.
- d. The configuration of Budget to be entered in SAP.
- e. To check the reporting from SAP for monitoring Capital Budget and actual expenses.
- f. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- g. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

7. Annual Plan and Five-year plan

- a. See that the Annual plan and Five-year plan are prepared after taking into account all technical and commercial aspects.
- b. See that approval is received from Board/Central Govt. for projects to be undertaken.
- c. See how the project finance will be met i.e. whether through internal accrual or through loans from financial institutions and ascertain the rationale behind the decision.
- d. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- e. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

8. Work relating to MOU

- a. See the parameters applied for production and sale to be achieved and utilities for preparing the MOU and getting it signed with the Ministry.
- b. Study whether targets of MOU have been achieved during the year and if not the reasons thereof.
- c. Verify the steps taken to rectify the situation so that future targets are achieved as per M.O.U.
- d. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- e. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

9. Credit Monitoring and Appraisal

- a. See whether budgeted working capital is prepared periodically.
- b. See whether proper returns are sent to banks for procurement of loan for working capital.
- c. See whether giving proposals to the management for review of credit policy of sale helps to monitor working capital.
- d. See whether inventory is kept at minimum and debt is collected within due time to improve the working capital.
- e. See the payment to vendor is made on due date.
- f. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR).
- g. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Corporate Division Accounts

Expenses

- a. See that there is budget for expenditure and it is approved.
- b. See that expenses are approved as per delegation of powers.
- c. See that concurrence is given to purchase orders / work orders and also payments are made as per terms and conditions of purchase orders / work orders.
- d. See that tax is deducted at source as per income tax act while making payments to contractors/ bidders, consultants and other agencies.
- e. See that the competent authority duly approves the payment for consultancy fee.
- f. See that interest expenses on working capital is allocated properly to all departments as per the share of individual department.

Income

- a. See all income such as rent, royalty, remuneration for services rendered (received and accrued) are accounted properly.
- b. See the original copy of TDS deducted while getting income is kept properly for claiming the benefit from Income Tax Department.

10. Projects / Joint Ventures

- a. Analyze the basis and workings of equity contribution of partners in joint ventures.
- b. Increase of overseas venture see whether RBI and Govt. of India approvals have been obtained.
- c. Study the loan agreement made between RCF and suppliers of loans.
- d. Study the buy-back agreement, if any.
- e. Study project feasibility studies done on the project.
- f. Study the financial viability of the project taking into account, internal rate of return, buyback period, breakeven point, market study, Govt. policy, expected import, pricing , etc.
- g. See the workings of capital cost of the project and study for time / cost overrun.
- h. Find out the progress made in the joint ventures.
- i. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- j. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

11. Insurance Policies

- a. To obtain the list of Insurance policies taken by company and to verify whether the policies are valid during the period of our audit.

- b. To check whether all the items for which insurance is required to be done have been covered.
- c. To check whether the policies in respect of plant & equipment, building, stock, cash in transit, fidelity, cash in safe and policies pertaining to office furniture and equipment's for burglary and fire have been taken and covered.
- d. To check the insurance claims and their timely settlement.
- e. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
- f. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 37

Checklist for Industrial Engineering

1. Study the work order procedures to ensure that delegation of powers and financial concurrence are properly followed in respect of:
 - a) Purchase of computers, Laptops etc.
 - b) Purchase of Printers
 - c) Purchase of Stationery
 - d) Purchase of Disk etc
2. See that the computers procured are properly distributed to departments where it is required.
3. Study the incentive scheme and see whether proper agreement between the plant and the management has been made out for change in the scheme.
4. See that the incentive is calculated properly and the percentage drawn are proper as per approval.
5. Study the marketing system maintained by the industrial department for sale, receipt of money from the relevant output.
6. See any suggestions given by the department for development of the marketing system.
7. To study the performance evaluation report maintained by the department and see that the recommendations for de-listing of contractors/ bidders are implemented.
8. Check what is the basis of evaluation of an employee for award purposes.
9. Procedure adopted for manpower planning and its implementation.
10. Check up the outcome of management audits undertaken by IE.
11. To check the role / contribution of IE during shutdown period at plants.
12. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
13. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 38

Checklist for Audit of Corporate Communications

1. To see that the promotional communication expenses are well within prescribed budget.
2. See whether standard manual is available regarding corporate communications.
3. See whether proper and timely relation is maintained with outside world.
4. See that communication reached out of the company is properly edited.
5. See that communications are correctly worded and approved by competent authority.
6. See that house journal with relevant information reaches to all employees.
7. See that the contract with printers is in pursuance of approved tender procedures and the contract is awarded at reasonable price.
8. See that printing of annual accounts are properly taken care of without any mistakes since it reaches to the shareholders, other companies and Ministries.
9. See the budget provision is available and actual expenditure spent on meeting, annual conference etc., is within the approved budget. If not the reasons thereof and whether approval from competent authority was obtained.
10. Is there any common centre for all departments for press advertisements so as to reduce the cost of advertising.
11. See that proper recording and check is maintained during distribution of documents / journals of the company i.e. diaries, pamphlets, circulars, monthly /quarterly magazine etc.
12. What activities are being undertaken for further upliftment of the image of the company, by effective communications, through various media of propaganda.
13. Check that all the newspapers purchased by the department are based on company's requirements.
14. See that relevant and significant information is clipped regularly, to be given to the top management.
15. Check the method of maintenance of records and acknowledgement from employees relating to receipt of diaries and greeting cards.
16. See that the company's policy and procedure pertaining to printing of items like diaries, annual reports, house journals, corporate literature and other misc. printing jobs, is being strictly adhered to.
17. Treatment adopted by the department for rectification of misleading and wrong information published.
18. What are the roles of the department in the conduct of social welfare activities like celebrations on account of Independence Day, Republic Day, etc.?

19. Whether all necessary arrangements for these functions / events are well coordinated. The SC/ST scheme and expenditure involved be studied.
20. The current status of Chembur green project and benefits derived therefrom to RCF and society in general.
21. Arrangements made for hiring vehicles for VIPs and executives from Ministry and for employees from other departments and expenditure incurred thereon including the approvals from competent authority.
22. Arrangements made on account of Board Meetings, Annual General Meetings and inauguration of projects and other special schemes of the company.
23. Expenses incurred on account of Chembur Hospital project and progress and benefit thereof for RCF and society in general.
24. Collect details regarding the expenditure made on general and industrial photography and check whether the expense is well within budget.
25. Expenditure incurred in the preparation of company's documentary films and their exhibitions on TV and other media.
26. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
27. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 39

Checklist on Management Services

1. Check whether the work order procedures, delegation of power and financial concurrence is followed up for purchase of computer stationery, refilling of ribbons, purchase of computer spares etc.
2. See whether password is given to each individual so that he/she alone can have access to their respective and regular programmes.
3. What is the basis of allotment of PC's / terminals to various departments and whether terminals / PCs given are in excess / short?
4. Study the output to ensure that the programmes are adequate to protect company's interest.
5. See whether suggestions can be given for better utilization of terminals / PCs.
6. What are the methods being adopted by the department to assess the full utilization of computers at various outlets?
7. See what the computer programming is updated so that it meets the latest development.
8. Study the contract between RCF and SAP.
9. What measures are being taken by IT to provide latest facilities in software, like E-mail, internet, SAP etc. for global information, modem connections for bank / marketing transactions etc, at required levels?
10. See the data security measures etc. Risk involved for any loss of data etc to be checked. The preventive steps to reduce such losses to be checked.
11. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
12. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 40

Checklist on Corporate Business Development Division

1. See the diversification proposals / ventures RCF has planned for other than its principal business.
2. Check whether the company possesses eligibility for entering into the new ventures it has planned for, by referring to the Articles and MOA of the Company.
3. Check whether agreement has been entered into between both the parties for the new venture and study the terms and conditions therein. This shall also include details of equity contribution and loans if any.
4. Check what are the prospective benefits / outputs of the new ventures, undertaken by the company, in financial terms.
5. Study the extent to which financial and manpower implications the new ventures shall involve and their feasibility.
6. Check whether feasibility study and market research of the new ventures has been done to assess the viability.
7. Check whether cognizance of applicable Government policies, future trends and consumption patterns has been taken.
8. See the progress to which the new venture / projects has reached.
9. See whether project study has been made and whether there is viability and economic feasibility of the new venture.
10. See whether new business has been forecasted properly so that it helps the company to increase its profitability and generate employment opportunities.
11. Study the contract pertaining to sharing technical knowhow and deploying employees of our organization to another organization.
12. Study the contract terms for getting royalty, other remuneration, etc.
13. See the terms of overseas employment and contract service cell.
14. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
15. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 41

Internal Control

1. Check the methods of assigning authority and responsibility, including segregating of duties, as per Delegation of Power, Tender Guidelines, Vigilance Guidelines, etc.
2. Check Board Minutes, Board Approval, Audit Committee recommendations.
3. Human Resources Policies & Practices.
4. Check where new controls are needed, or discontinuing unnecessary controls.
5. Check Accounting & Financial reporting Policies & Compliance with applicable legal and standards.
6. Check Risk Policy, Risk Matrix evaluated from time to time.
 - a) Check IT Policy.
 - b) Check exceptional reports in SAP system.
 - c) Check confidentiality of sensitive information.
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
8. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 42

IT (SAP)

1. Check IT policy and should be easily available to all person.
2. Check the provision for uninterrupted power supply.
3. Check smoke detector and automatic fire-extinguish equipments are installed for protection against fire hazards.
4. Check the inventory level of computers, file servers, printers, etc.
5. Check back-up options.
6. Check virus protector established in servers and administration done by IT. The regular updated of virus applicator.
7. To check secured Internet access authorization
8. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
9. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF.

Annexure – 43

Corporate Social Responsibility

1. Check the members of Corporate Social Responsibility Committee; including Independent Director.
2. Check Corporate Social Responsibility Policy.
3. Check activities are undertaken as per Schedule VII of Companies Act.
4. Check company spends in every financial year at least 2% of the average net profits of the company made during the three immediately preceding financial year.
5. Check if company fails to spend such amount, the reason for not spending the amount, is given to Board.
6. Check the areas where spending amount is made preferably local areas.
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
8. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 44

Materials issued on loan

1. Check Purchase Order for the material and the quantity to be received on loan has been given as the Purchase Order quantity.
2. Check Return Tab 'Ticked'
3. Check amount paid as deposit to the Party as advance given to the party's account.
4. Check if any expenses incurred on the loan quantity are loaded to Inventory Cost.
5. Check if any excess material return is made, the purchase order to be amended for quantity.
6. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
7. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 45

Customer Master (BP)

1. *Check list of customers code Area wise from report ZSD_CUSTOMER.*
2. *The details regarding address of customer, PAN, TIN, Telephone and attributes like legal status, operative/non operative, provision for Bad/Doubtful debts, nursing etc. Are completed and updated from time to time.*
3. *Check duplicate/dummy customers codes are blocked and are not in operation.*
4. *Check all details of customer alongwith supporting documents like photo identity and address proof, fertilizer license, MFMS registration number, Vat registration number etc. are properly documented and updated in SAP.*
5. *Check that the documents received are properly self attested by customer and cross verified by RCF officer.*
6. *Check that dealership agreements are complete in aspects.*
7. *Check that caste certificate and caste validity certificate is received, if the customer belong to reserved category.*
8. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
9. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 46

Navigation – Logistics – S&D – Master Data – Business Partners – Customer (DO3)

1. Check Pricing / Discounts / Taxes from VK/3, for sales.
2. Check conditions records are maintained for each condition type based on various key combinations based on the sales operations.
3. Check sales order from VA03. Logistics – S&D – Sales – Sales Order. Check payment terms, incoterms, delivery plant, material and order quantity.
4. Check outbound delivery from VL03N. Logistics – S&D – Shipping & Transportation – Outbound delivery – Create – Single document – with reference to order.
5. Check shipping point.
6. Check Billing from VF03 – Logistics – S&D – Billing
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
8. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 47

Check Capital Budget & Payment and Asset Verification

1. Check budget approval by Board, for lump sum amount for capital items under renewals & replacement category.
2. Check in SAP for Budget allocation, procurement, monitoring, control & reporting after Board Approval.
3. Check IM23 Accounting – Financial Accounting – Investment Management Programs – Master data Investment Program Structure.
4. Check IM36-Cr Budget amount
Accounting – Financial Accounting – Investment Management Program – Program planning
5. Check Internal Order (Budget Code) No. given before placement of Purchase Order of the capital items.
K003 – Accounting – Controlling – Internal order – Master data – Special Functions – Order
6. Check reports in S_ACR_87013018 Total Plan (Actual) commitments
7. Check Fixed Asset Master (Asset Class) AS03.
8. Check K088 has been done before Monthly Costing run.
9. Check Asset value data for date of capitalization.
10. If any sale of Assets are made or decapitalized, Asset retirement report to be checked for date of decapitalization.

Asset history sheet	S_ALR_57011990	
	S_ALR_87012050	Asset Acquisition
	S_ALR_87012052	Asset Retirement
	S_ALR_87011966	by cost centre

11. Check Physical Verification report
12. Check CWIP and its ageing.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 48

Vendor Master – (BP)

1. *Check correct Reconciliation A/c TAB is given in Vendor*

A/c No. 117000	-	Sundry Creditors Indigenous
A/c No. 118000	-	Sundry Creditors Foreign
A/c No. 118600	-	Sundry Creditors Others
2. *Check withholding tax Accounting TAB for declaration of IT exemption certificate, validity period of exemption, details of TDS etc in Vendor Master. See the date of changes made in masters etc for TDS etc.*
3. *Check CIN details TAB for Sales Tax / Excise registration no., PAN No. details correctly given.*
4. *Check report for all vendors from ZMM_VE, MKVZ, XK03. The details regarding address, Mobile number, E-mails, Taxes etc are complete for all vendors.*
5. *Check whether any blocked vendors were operated during the year. The reason and approval may be seen.*
6. *Check all Vendors linking with materials have been done.*
7. *Check preparation of Purchase order is blocked in absence of complete details of Vendors.*
8. *Check major financial payments made to vendors other than through P.O are also completed with all details in Master.*
9. *Check whether complete details of Vendors like mobile number, address, E-mail ID etc are given through Authorized Officer before opening of new Vendor Code.*
10. *Check that search term is properly updated in SAP.*
11. *Check whether the details furnished are genuine on the face of it. For e.g. mobile number shall not be 1234568991.*
12. *Random Checking for duplication of same details in different Vendors.*
13. *Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)*
14. *Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF*

Annexure – 49

Material Master (MM03)

1. Check correct Material Type is operated for opening of new material code. For eg. for description of Material like for Raw Material Serial No. is 1.....

Packing material	2000.....
Stores & Spares	3000.....
Semi finished goods	4500.....
Finished goods	5000.....
By products	4000.....
Insurance spares	5500 (Imported)
Insurance spares	5600 (Domestic).

2. Check assignment of Valuation Class Code of material in Master from T-code MM03.
3. Check Price control 'V' and Price determination '2' for current moving Average Price in the system, which gets updated with every receipt / purchase transaction. With Price control 'S' and Price determination '3', transaction and inventory gets valued at Standard Price.
4. Check details of all material code from report ZMM_MAT. The duplicated material code if any opened may be checked from short/long description of material.
5. Check space provided for old material code has been utilized for identifying plant wise spares etc.
6. Check Spares linking with Assets have been made for all plants.
7. Check ABC, VED categories are given for all material codes.
8. Check duplicate material codes are blocked.
9. Check warranty – guarantee details are updated in SAP.
10. Check material codes are created under proper authorization.
11. Check for Import P.O. advance is paid only through MIRO.
12. In case of shortage of material either at Port or during transfer of material from Port to Factory, scrapping of material is done against movement type '551' for short quantity.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Service P.O.

1. Check services are codified. Check valuation class to determine GL Account correctly.
2. If services are not codified, description of the services is to be given in text field.
3. Check MBST for Material in transit.
4. To check stock with sub contractor MMBE & MBLB.
5. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
6. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 50

Precious Metal Accounting

1. Check Purchase of virgin precious metals.
2. Check issue of virgin / refined precious metal for fabrication of gauzes.
3. Check receipt of fabricated gauzes from fabricator.
4. Issue of Fabricated Gauze to Plants.
5. Return of scrap gauze from plant.
6. Issue of scrap Gauzes to Fabricator for refining and fabrication.
7. Check precious metals recovered from various items like Pickled Dust, Glasswool, etc. retrieved from the plants and valued based on the metal content.
8. See the monthly entries passed in SAP for consumption.
9. For purchase of virgin metal, P.O. is placed.
10. Check for issue of samples for metal analysis.
Most type 333 and cost centre of plant is entered for consumption entry
11. Check balance of stock lying with sub contractor – fabricator through Tcode MBLB – stock lying with sub contractor.
12. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 51

Whistle Blower Policy

1. Check internal policy on unethical and improper practices.
2. Check it is part of HR Manual and communicated to employees.
3. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
4. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 52

Audit of Cost Accounting Records

1. Check the information of cost records give systematic determination of cost at every single and distinct process of manufacture to provide a continuous check on the margin of waste in the processing of raw and semi-finished materials on the utilization of machinery installed, on the manpower expended and the percentage of rejection of finished products.
2. Check Reconciliation of cost records and cost statements with audited accounts, for financial year.
3. Check classification of variable, semi-variable, fixed cost. Check the allocation of Fixed Cost and capacity utilization of plant.
4. Check the cost records policy for accounting material, Utilities, labour, Overhead. Check basis of allocation of Overhead cost. Check rebates, ITC has been considered in determination of cost.
5. Check consumption entries are made in SAP on time.
6. Check Repairs & Maintenance cost are compared with Budget etc. Check cost of major overhauls and basis of amortization. Any abnormal portion of the repairs and maintenance cost to be analyzed.
7. Check treatment made in books for abnormal losses.
8. Check Cost Accounting Standards (as revised 2024) are implemented for preparation of cost sheet.
9. Check reconciliation statement has been made for all indirect taxes.
10. Check cost records for Traded goods.
11. Check timely E-filing of cost reports i.e. within 180 days from the close of the company's financial year.
12. Check the reports generated for all types of wastages.
13. Check Budgetary control and standard costing reports are generated for cost comparison.
14. Check valuation of closing stock.
15. Check accounting of by products and joint products.
16. Check system to recognize revenue and capital expenditure.
17. Check cost centre and profit centre are defined in SAP for all products. Check any cost accounted in common cost centre instead of product wise cost centre.
18. Check appointment of Cost Auditors.
19. Check comments of Cost Auditors and action plan taken by Company for improving Profit.

20. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)

Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 53

Corporate Governance

1. Check composition of Board of Directors required as per Companies Act.
2. Check Audit Committee, Composition, Meetings & Powers.
3. Check Management of Subsidiary Companies.
4. Check disclosure of imported issues e.g. related party, transactions, Accounting policies, Risk management etc.
5. Check CEO / CFO certification.
6. Check Compliance Certificate.
7. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
8. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 54

Contingent Liabilities

1. Check Contingent Liabilities for estimated amount of contract remaining to be executed on capital account and not provided for.
2. Check any other matter, which the Company is contingently liable.
3. The amount of any guarantee given by the Company on behalf of Directors or officers of the Company.
4. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
5. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 55

Propriety Audit for PSU

1. Check on substance of transactions, documents, vouchers, evidence.
2. Check executive actions and decisions.
3. Check vigilance exercised by officers in respect of expenditure incurred from public money.
4. Check Public Financial Morality.
5. Check care and due diligence in sanctioning of any expenditure.
6. Check Accountability and improvements made.
7. Check any documents, unsupported by transactions.
8. Check reasons for sale at loss.
9. Check any personal expenses charged to revenue.
10. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
11. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Annexure – 56

Investments

1. The documents title should be physically verified.
2. Check Bonus, dividends, Interest are accounted properly.
3. Check certificates, documents are in safe custody.
4. Check all Investments are in name of RCF.
5. Check any delay in execution of transactions.
6. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
7. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF.

Annexure – 57

Project Finance

1. See whether project study for financial viability is undertaken before starting the project.
2. See how the finance has been / is proposed to be met for the project.
3. See whether work order procedures & delegation of powers are followed for awarding contracts.
4. See that the payments have been made as per the terms of the work orders and Internal Order allotted in SAP.
5. See whether TDS etc has been deducted as per income tax act from the contractors/ bidders' bills.
6. See whether Bank guarantee is available and valid for performance guarantee, security deposit etc.
7. See that payments are made as per contractual terms and after the completion certificate is obtained, it is transferred to capital work in progress account.
8. See that contract value remaining to be executed is shown under contingent liability under "commitments".
9. See that expenses are booked under expenditure during construction so that it can be allocated properly at the time of capitalization.
10. Ascertain the reasons for cost / time overrun of the project, if any and whether approval was taken from the competent authority.
11. Check whether project surplus, if any, has been identified, ascertain the value of the same and check whether they have been recapitalized, by giving credit to stores. If not reasons thereof.
12. Check whether amounts are lying in advance accounts for a long time, unadjusted depriving the benefit of capitalization resulting in losing depreciation benefit, ITC benefit, subsidy benefit, etc. from T-Code FBL1N.
13. Reviewing adequacy, auditing, modifying, testing and providing suggestions for improvement / modifications on framework of Internal Controls and Internal Financing Control over Financial Reporting (ICFR)
14. Reviewing, auditing, testing and providing suggestions for improvement / modifications in Standard Operating Procedures (SOPs) / Risk Control Matrix (RCMs) prepared by RCF

Attachment -3

Report No.: _____

Dated: _____

For Internal Audit of GROUP A - Corporate Head Office, Trombay Unit and Thal Unit.-

DRAFT INTERNAL AUDIT REPORT

1. Draft Report Number and Subject/Area Audited :
 - i) Date of submission:
 - ii) Due date of submission:
2. Name of the Auditee Unit/Office:
3. Period covered in the Audit:
4. Date of start/completion of Audit:
5. Detail/Names of Auditors:
6. Audit Scope/Area of transactions covered in the Audit and extent of verification/sampling technique:

(Actual area covered may be indicated here, in brief even if there is no observation. If required, separate sheet may be attached)

S. No.	Particulars/ Area Audited	Scope and extent covered as per scope defined	Draft Audit Observations
1.			
2.			
3.			
4.			
5.			

7. Methodology and process of Audit employed:
8. Brief of the Internal Control Systems/Procedures examined for its Adequacy, short comings/weaknesses/appreciable points observed and suggested measures/viable solutions suggested:
9. Constraints in conducting the Audit:

Final Audit report, executive summary and significant observations indicating there in the financial implication and risk category (High/Medium/Low) will be given after receipt of replies from the Auditees (**Attachment 4 and 5**):

(Signature)
Name & Address of the Auditors/Firm

Attachment-4

Report No _____ Dated: _____
For Internal Audit of Group A - Corporate Head Office, Trombay Unit and Thal unit.:-

Final Audit Report and Executive Summary of the Internal Auditors of (Unit/Office) for the Period _____ to _____.

Sr. No.	Draft Audit Queries/Observations	Reply as given by the Auditee Unit/Office	Internal Auditor's Comments/Suggestions with Financial implication	Final Grading of Risk(High/Medium/Low)

Signature
Name & Address of the Auditors/Firm

Attachment-5

File No. _____

Dated: _____

For Internal Audit of Group A - Corporate Head Office, Trombay Unit and Thal Unit.:

Head of Internal Audit Department,
RCFL

Subject: Significant Observations of Internal Audit in respect of _____(Unit/Office) for the period _____to_____

Sirs,

We have conducted the Internal Audit of _____(Unit/Office) for the period _____to_____. The significant points observed during the Audit are indicated below for kind information and necessary action :

Sr. No.	Audit Queries/Observations	Reply as given by the Auditee Unit/Office	Internal Auditor's final Comments/Suggestions with Financial implication	Grading of Risk(High/Medium/Low)

Thanks,

Yours faithfully,
(Signature)
Name & Address of the Auditors/Firm

Annexure - E

Application form for Internal Audit Assignment
(Please strike off whichever is not applicable)

Sr. no.	Particulars	Details	
1.	a)	Name of the firm (in Capital letters)	
	b)	Address of the Head Office	
	c)	Name of the Senior Partner, who shall issue/sign the Internal Audit report.	
	d)	Telephone Number	
	e)	E-mail address	
	f)	PAN of the firm	
	g)	GST No.	
2.	Firm Registration No. (As Issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India)		
3.	Date of Incorporation (as per certificate issued by Institute).		
4.	Number of full Time Partners of the firm as on date of tender (Please fill up Annexure-E1)		
5.	Number of qualified Chartered Accountants / Cost Accountant Employed with firm (Please fill up Annexure-E2)		
6.	Number of Semi-qualified and Article Assistants/Audit Staff. (Please fill up Annexure-E3)		
7.	Whether the firm has applied for the Group : Group B- Corporate Marketing Office, IPD and Marketing Office.	Yes	No
8.	Whether the firm has experience of statutory/Internal Audit in at least 20 companies (Registered Under Companies Act) as on date of tender– (If yes, please fill up details at Annexure- E4)	Yes	No
9.	As per clause no.3.6 (a) of Notice Inviting Tender, whether the firm has experience in at least 4 manufacturing companies having Annual Turnover of Rs.7600 Crore or more each and <u>out of these 4 manufacturing companies at least 2 should be listed company.</u> (If yes, please fill up details at Annexure- E5)	Yes	No
10.	As per clause no.3.6 (b) of Notice Inviting Tender, whether the firm has experience in at least 4 manufacturing companies having Annual Turnover of Rs.7600 Crore or more each and out of these 4 companies at least 2 should be listed company. (If yes, please fill up details at Annexure- E6)	Yes	No
11.	Whether the firm has experience in conducting audit in SAP ERP system (MM, SD & FICO module) in at least 4 companies having Annual Turnover of Rs.7600 Crore or more each during last 7 years audited by the firm (If yes, please fill up details at Annexure- E7)	Yes	No
12.	Whether the firm has experience of Statutory / Internal Audit	Yes	No

	Assignment in CPSE/SPEs of at least TWO PSUs/SPEs having annual turnover of Rs.7600 crore more in preceding 7 years. (If yes, please fill up details at Annexure- E8)		
13.	Whether the firm have conducted Audit of at least four Company/organization/co-operative Organizations having net worth of Rs. 1850 Crore or more during last 7 financial years. (If yes, please fill up details at Annexure- E9)	Yes	No
14.	Whether the firm have at least one partner with DISA (Diploma in System audits) /CISA (Certified Information Systems Auditor) qualification as on the date of submission of Tender. (If yes, please attach DISA/CISA self-attested certificate along with the tender)	Yes	No
15.	Whether the firm has Branch offices Maharashtra (If yes, please fill up details at Annexure- E10)	Yes	No
16.	Bidder should have carried out Statutory Audit or Cost Audit of a listed Company with a turnover of Rs. 500 crore at least in 1 listed Company (If yes, please fill up details at Annexure- E11)	Yes	No

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E1

Firm's Name _____

Details of Full Time Partners of the Firm as on date of Tender

(Please refer to Sl. No.4 and Sl No 14 of the application form at **Annexure E**)

S. No.	Name of the Partner	Membership No.	Whether Associate/ Fellow member	Additional Qualification CISA/DISA/ etc.	Date of joining the Firm as partner(Full time)

- **Please attach a copy of the Membership certificate and CISA/DISA certificate in support of above.**
- **Please attach a copy of the Partner details from Firm/Company Card.**

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E2

Firm's Name _____

Details of Qualified Chartered Accountants/Cost Accountants employed with the firm as on the date of Tender.
(Please refer to Sl. No.5 and Sl No 14 of the application form **at Annexure E**)

S.No.	Name of the Chartered accountant/ Cost Accountant	Membership No.	Whether Associate/ Fellow member	Additional Qualification CISA/DISA/ etc.	Date of joining the firm (Full time)

- Please attach a copy of the Membership certificate and CISA/DISA certificate supported by Institute documents.
- Resume of Personnel / LinkedIn profile (URL) link.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E3

Firm's Name _____

a. Details of Semi-qualified Assistants as on date of Tender

(Please refer to Sl. No.6 of the application form at Annexure E)

S.No.	Name	Qualification	Date of joining the firm (Full time)

b. Details of other Audit Staff/ Article/audit assistants as on date of Tender

(Please refer to Sl. No.6 of the application form at Annexure E)

S.No.	Name	Qualification being studied or completed	Date of joining the firm (Full time)

(Name & Signature of Managing/ senior partner of the firm with seal)

- Please attach a copy of the Membership certificate and CISA/DISA certificate supported by Institute documents.
- Resume of Personnel / LinkedIn profile (URL) link.

Annexure –E5

Firm's Name _____

Please indicate name of at least 4 manufacturing companies having annual turnover of Rs. 7600 Crore or more each whose statutory/ internal audit has been handled by the firm. Out of these 4 manufacturing companies at least 2 should be listed company.

(Please refer to Sl. No.9 of the application form **at Annexure E**)

S.No.	Name of the manufacturing Company	Whether Listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit.

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E6

Firm's Name _____

Please indicate name of at least 4 manufacturing companies having annual turnover of Rs. 7600 Crore or more each whose statutory/ internal audit has been handled by the firm. Out of these 4 companies at least 2 should be listed company.

(Please refer to Sl. No.10 of the application form **at Annexure E**)

S.No.	Name of the Company	Whether Listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit.

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E7

Firm's Name _____

Please indicate name of the manufacturing Companies having Annual Turnover of Rs. 7600 Crore or more each during last 7 years in which the firm has experience in conducting audit in SAP ERP system (MM, SD & FICO module)

(Please refer to Sl. No.11 of the application form at Annexure E)

S.No.	Name of the Company	Turnover of the company	Whether Manufacturing Company (Yes /No)	Year of	Type of Audit
				Audit	Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents supporting the existence of SAP ERP system during the period of Audit and completion of Audit. The letter should specify that the audit was done under SAP ERP system (MM, SD & FICO module)

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E8

Firm's Name _____

Please indicate name of CPSEs/State PSEs of at least two PSU's/PSEs having annual turnover of Rs. 7600 Crore or more each in preceding seven Financial Years.

(Please refer to Sl. No.12 of the application form **at Annexure E**)

S.No.	Name of the CPSE	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by PSU's company on the firm's name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit.

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E9

Firm's Name _____

Please indicate name of at least four company/organization/co-operative Organizations having net worth of Rs. 1850 Crore or more been handled by the firm during last seven financial years.

(Please refer to Sl. No.13 of the application form **at Annexure E**)

S.No.	Name of the Company	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of extract of Balance Sheet for networth assessment and work order/letter placed by manufacturing company/organization/co-operative Organizations on the firm's name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit.

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E10

Firm's Name _____

Please mention name and address of your Branch offices in India at locations mentioned in the table.

(Please refer to Sl. No.15 of the application form at **Annexure E**)

S.No.	Location	Address of Branch offices in India
1	Maharashtra	

Please attach the copy of branch incorporation issued by institute of Chartered Accountant/ Cost Accountant.

(Name & Signature of Managing/ senior partner of the firm with seal)

Annexure –E11

Firm's Name _____

Bidder should have carried out Statutory Audit or Cost Audit of a listed Company with a turnover of Rs. 500 crore at least in 1 listed Company.

(Please refer to Sl. No.16 of the application form at **Annexure E**)

S.No.	Name of the Company	Whether Listed Company (Yes /No)	Year of Audit	Type of Audit Statutory/Internal

Please attach the copies of work order/letter placed by companies on the firm's name along with copies of relevant documents (experience certificate /completion certificate) supporting completion of Audit.

Please attach the copies for Turnover Balance Sheet & Statement of Profit & loss.

(Name & Signature of Managing/ senior partner of the firm with seal)

Undertaking

I _____, the Managing Partner/Sr. Partner of M/s _____, Chartered Accountant/ Cost Accountant firm do hereby verify and declare:-

- i) That the particulars given under Annexure E and related Annexures enclosed are complete and that if any of the statements made or the information so furnished in the application form is later found to be in-correct or false or there has been suppression of material information, the firm would not only stand disqualified from award of job but would be liable for disciplinary action under relevant Acts.
- ii) That the firm or partners has not been debarred or disqualified or cautioned by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India during the last three years. (If debarred/disqualified, give details).
- iii) That the constitution of the firm as on date of tender shown in the application is same as that in the constitution certificate issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India.
- iv) That the information obtained in respect of RCF will be maintained in strict confidence and secrecy.

(Signature of Managing/ senior partner of the firm with seal)

LIST OF DOCUMENTS ATTACHED

S.No.	Name of Document	Document attached		
		Yes	No	At Page No.
<u>PART-I : TECHNO-COMMERCIAL BID</u>				
1.	Duly signed with seal towards acceptance- Annexure A			
2.	Duly signed & stamped copy of Annexure B-Declaration Sheet			
3.	Duly signed & stamped copy of GST Registration Certificate.			
4.	Duly signed & stamped copy of PAN Card (in the name of the Firm)			
5.	Duly signed & stamped copy of Application form for Internal Audit Assignment as per Annexure E			
6.	Duly signed & stamped copy of Annexure F-Undertaking Sheet			
7.	Duly signed & stamped copy of Annexure – E1 to E3 stating Particulars of partners, qualified Chartered Accountants/ Cost Accountants and Article assistants/ Audit staff, along with Membership Certificate copies of partners, qualified Chartered Accountants/ Cost Accountants.			
8.	A copy of incorporation certificate issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India.			
9.	A copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India to the firm containing inter-alia, the details of partners as on date of tender.			
10.	Duly signed & stamped copy of Annexure E4 , (stating company-wise experience of having audited 20 companies)			
11.	Duly signed & stamped copy of Annexure E5 to E7 and E9 along with the copy of work orders placed by Manufacturing Companies/organizations/co-operative Organizations and other manufacturing companies on your firm's name.			

12.	Duly signed & stamped copy of Annexure E8 along with the copy of work orders placed by firm having experience of Statutory / Internal Audit Assignment in CPSE/State PSEs in preceding 7 years on your firm's name.			
13	DISA/CISA certificate duly signed & stamped copy along with the tender Annexure E1			
14	Duly signed & stamped copy of Annexure E10 & E11			
15	Duly signed & stamped copy of incorporation certificate issued by Institute of Chartered Accountants of India/ Institute of Cost Accountants of India.			
16	Duly signed & stamped copy of Firm's constitution certificate of firm issued by the Institute of Chartered Accountants of India/ Institute of Cost Accountants of India to the firm containing inter-alia, the details of partners as on date of tender.			
17	Duly signed & stamped copy of Annexure F-Undertaking Sheet			
18	Duly signed & stamped copy of Annexure G- LIST OF DOCUMENTS ATTACHED			
19	Duly filled VENDOR UPDATION FORM ANNEXURE H			
20	Duly signed & stamped copy of ANNEXURE-A-I & A-II Instructions To MSME Vendors & TReDS			
21	Duly signed & stamped copy of Annexure-I Tax Compliance Clauses Related to GST			
22	Duly signed & stamped copy of Annexure-J Disciplinary Clauses			
23	Duly signed & stamped copy of Annexure-K "INTEGRITY PACT"			

(Note: All the above documents should be signed, certified, page numbered and properly tagged.)

(Signature of Managing/ senior partner of the firm with seal)

Annexure I

PROPOSED AUDIT PLAN FOR NON TECHNICAL AREA
FOR THE YEAR 2026-27

As per Attachment 1 and 2.

VENDOR DATA UPDATION FORM						
	Vendors registered with RCF and currently receiving payment through Direct Bank Credit need to indicate only the RCF Vendor code and may not fill and furnish the other details again, if all the details as above are already furnished to RCF earlier and available in RCF SAP Vendor Master.					
SN	Title	Sub Titles		Purpose to be used for		
I	NAME	Title (Whether Company / M/s / Mr / Mrs / etc.)				
		Name (As it appears on the Bank Cheque)	*			
		Type (Whether for Purchases or Services)		<i>will be filled by RCF</i>		
		RCF Vendor Code (for existing RCF Vendors)				
		RCF Vendor Code (for new Vendors, RCF will create and fill)	*	<i>will be filled by RCF</i>		
II	ADDRESS	House/ bldg. Number	*			
		Street	*			
		Street				
		City / Postal Code	*			
		District / State	*			
		Country	*			
		Region Code		<i>will be filled by RCF</i>		
III	SUPPLY STATE	District / State	*	<i>To be given, if applicable.</i>		
		Other Region Code		<i>will be filled by RCF</i>		
IV	REGISTRATION NUMBER	Company registration number	*			
V	BIDDER TYPE	India / Foreign	*			
VI	COMPANY DETAILS	Company's Establishment Year	*			
		Company's Nature of Business	*			
		Company's Legal Status: Limited company / Undertaking / Joint venture / Partnership / Others	*			
VII	COMMUNICATION	Contact person	*			
		Telephone incl. ext.		<i>STD Code</i>	<i>Tel No</i>	<i>Extn</i>
		Mobile Phone	*			
		Fax		<i>STD Code</i>	<i>Tel No</i>	
		Email	*			
		Date Of Birth (DD/MM/YYYY)	*			
		Date Of Birth (DD/MM/YYYY)	*			
		Standard communication method		<i>by email only</i>		
VIII	ACCOUNT CONTROL	If also a RCF's Customer?		<i>Yes / No</i>		
		Group Key		<i>will be filled by RCF</i>		

IX	TAX INFORMATION	Goods and Service Tax Network (GSTN) No.				
		PAN NO.				
X	DETAILS OF BANK	Bank Key		<i>will be filled by RCF</i>		
		Bank Account No. of Vendor	*			
		Name of Bank	*			
		Name of Branch	*			
		Bank IFSC Code	*			
		Bank Branch Code (Only for SBI accounts)				
		Bank Address	*			
		Bank City	*			
		9 Digit code appearing on MICR cheque	*			
		Telephone No. of Bank		STD Code	Tel No	Extn
		Fax No. of Bank		STD Code	Fax No.	
		Type of Account (for SB A/c=10, Current A/c=11 or CC=13)	*			
		Region		<i>will be filled by RCF</i>		
XI	REFERENCE DATA	Industry (whether PSU, air force, military, Govt., others)	*			
		Micro / SSI Status (Whether Micro, Small, Medium Enterprise under Micro , Small and Medium Enterprises Development Act, 2006) Ancillary unit	*			
		Proprietor of MSE's is from SC/ ST category	*			
		For new vendors :				
1	It is mandatory (Compulsory) to fill relevant data for item marked " * "					
2	Enclose a blank Cheque/a photocopy of the Cheque.					
3	Enclose a photocopy of Pass Book first page containing name and address of Account Holder					
4	We hereby authorise RCF Ltd to make all payments to us by Direct Credit to our Bank Accounts details of which are given above.					
5	We hereby authorise RCF Ltd to deduct bank charges applicable for such Direct Bank Payments					
			Signature		
Place:	Common Seal		Name		
Date:			Designation		

ANNEXURE-A-I

THIS TENDER IS NON-SPLITTABLE/ Non Divisible

BENEFITS TO MICRO AND SMALL ENTERPRISES (MSEs):

With reference to the Order of the Ministry of MSME , under the Public Procurement Policy March 2012 , Micro and Small Enterprises shall be entitled for benefits, subject to terms and conditions, as under:

a) **Qualifying Criteria for MSEs , SC/ST vendors ,WOMEN OWNED MSEs:**

EMD Exemption: Vendors registered under 'Micro & Small Enterprises Act' (MSE) are exempted from submission of EMD. Exempted bidders should upload a valid certificate issued by approved body of 'Ministry of Micro, Small & Medium Enterprises' (MSME) viz **Udyam Registration certificate** for EMD exemption.

Submitted certificate must be registered for the items/category of items /services relevant to the tendered items/category of items/services. If the submitted certificate is not registered for items/category of items /services relevant to the tendered items/category of items/services, bidder must submit the EMD as per NIT terms and conditions.

b) Preference for MSME:

i. **This Tender is Non Divisible tender, hence if it is observed that the L1 bidder is a Non- MSE bidder and that there is a MSE bidder (Who is not L1) who has quoted within a price band of L1 + 15%, The Complete job shall be awarded to such an MSE who is within the price band of L1 + 15%, Subject to such MSE bringing down their price to match the L1 price. The preference for order shall be given according to their ranking after Price bid opening.**

ii. In case There are more than one MSE bidder within the L1 + 15 %, The L1 price shall be offered to that MSE, who has quoted lowest among the MSE bidders and in case they decline to match their price to L1, It shall be offered to the subsequent MSE bidder (if any) in L1 + 15% band.

iii. In case the lowest quantity MSE bidder has not quoted within L1 + 15 % band such an offer would not be made for matching of Price and the original L1 bidder shall be awarded the complete job.

In support of the bidder being a MSE the Udyam Certificate shall be submitted, in absence of which the Purchase Preference for above shall not be considered.

ii. Due to the nature of work this tender will not be divided, between two parties. The complete tender will be awarded to the one individual suitable party for each Group only for the period of 3 years.

Tenders shall be provided free of cost and tender documents are downloadable from the websites of RCF (<http://www.rcfltd.com>) and the GEM Portal or can be obtained from the Office of General Manager (IA).

ii) MSE units qualifying as at (a) above shall be exempt from paying EMD.

Trade Receivables e-Discounting System (TReDS)

As an initiative of Government of India & RBI towards Make in India, Skill India & Financial Inclusion, to provide a platform for bill discounting for MSME vendors, Rashtriya Chemicals and Fertilizers Limited (RCF) has entered into an association / agreement with following 3 (three) financial institutions :

1. Receivables Exchange of India (RXIL), which is a joint-venture between National Stock Exchange and SIDBI;
2. A Treds, a joint-venture between Axis Bank and Mjunction Services; and
3. Mynd Solution which runs M1 Exchange

Contact details are given below:

1. **Receivables Exchange of India (RXIL)**

Vendor can register with M1 Exchange by clicking link <https://onboarding.rxil.in/customerapp/home>
Vendors can call them on [tel://(022) 206903-3000](022) 6903-3000 for instant support between 9.00 AM to 6.00 PM (Monday to Friday excluding Holiday) or mail at support@rxil.in;info@rxil.in

2. **Invoice Mart**

Vendor can register with M1 Exchange by clicking

link <https://www.invoicemart.com/TReDSCore/Home/login.aspx>

Contact Gauri Mahamulkar Gauri.Mahamulkar@invoicemart.com or Phone No. (Mobile) +91 8369204066

Vendors can call them on [tel://(022) 206903-3000](022) 6235-7373 for instant support between 9.00 AM to 6.00 PM (Monday to Friday excluding Holiday) or mail at helpdesk@invoicemart.com

3. **M1 Exchange**

Vendors can contact: Shaiwal Sinha shaiwal.sinha@m1xchange.com;

Vendor can register with M1 Exchange by clicking link [M1xchange | Vendor Self Registration](#)

Vendors can call them on **1800-103-7261** for instant support between 9.00 AM to 6.00 PM (Monday to Friday excluding Holiday) or mail at helpdesk@m1xchange.com

MSE vendors can register on a digital platform which connects MSME sellers and their Buyers to multiple financiers. It enables MSME sellers, under an efficient & transparent bidding mechanism, to sell their invoices to financiers, thus unlocking working capital / generating liquidity quickly, without impacting their relationship with Buyers.

Benefits to MSME Seller:

1. Timely & Cheap finance without any collateral / loan / debt and no recourse to the MSME Seller
2. MSME Seller can get payments in less than 48 hours from submitting invoice on the platform, thus improving cash flows
3. Online & transparent bidding mechanism coupled with Buyer credit profile ensures most competitive rates and significant reduction in cost of funds for MSME.
4. Funding is without recourse to Seller; thus, payment once received through Platform cannot be recalled by the Financier

Steps Involved for registration at Platform:

1. Acceptance of Offer Letter
2. One-time Submission of KYC and On-boarding documents
3. Verification of Documents by individual agencies (each of above) as per RBI guidelines
4. Execution of Agreement with by individual agencies (each of above)
5. Registering of MSME seller
6. Activation of User ID and Password for MSME seller
7. Issuance of User ID and Password to MSME seller
8. Commencement of transactions on Platform

A dedicated customer Management Team will be available for all the “TReDS Platform” by these platforms for any related queries. RCF will not entertain any queries related to any of these platforms.

Payments to be taken through “TReDS” or directly from RCF is a sole discretion of the vendor. RCF shall not intervene in the vendor’s decision to place their invoices on “TReDS “Platform or directly taking payments from RCF.

“TReDS “option shall only be given to the MSME vendors and any other vendor “NOT” registered as MSME with RCF, cannot avail this facility.

Tax Compliance Clauses Related to GST

(To be obtained on the letter head of the tenderer)

1. Vendor/Supplier/Contractor shall submit documents related to GST Registration such as GST Registration certificate/certificates active as on date of participation in the tender and also supporting documents if the Vendor/Supplier/Contractor /Contractor is registered under Composition Scheme. If unregistered under GST, give a declaration to that effect.
2. Vendor/Supplier/Contractor shall notify the company if it ceases at any time to be registered under GST and also if obtains a new GST registration.
3. If Vendor/Supplier/Contractor is having multiple GST registrations, should intimate the company from which GSTIN invoices will be preferred.
4. Vendor/Supplier/Contractor shall submit the periodicity of filing GST returns applicable to him.
5. Vendor/Supplier/Contractor shall intimate the company about applicability of e-invoicing, SAC /HSN codes for the goods /services supplied by him along with the applicable GST rate as on date of participation in tender. If due to any subsequent amendment/notification under GST Act, there is any change in the tax rates; vendor shall update the company for the same by submitting such notification.
6. Vendor/Supplier/Contractor /Contractor shall ensure timely submission of **Invoice(s)/ Bill of Supply /Receipt Voucher or any other document** as per rules/ regulations of GST Act with all required supporting document(s) within a period specified in Contracts/ LOA.
7. Vendor shall submit separate invoices for services rendered based on company's request for necessary compliance under GST as the case may be.
8. The vendor undertakes to file all required Returns, deposit taxes and details required to be submitted under GST laws & rules as per due dates prescribed. The vendor also agrees to do all things including providing invoices or other documentation in such form and detail that may be necessary to enable or assist the company to claim or verify any Input Tax Credit, set off, rebate or refund in relation to any GST payable under the Agreement entered/Work Order/Purchase Order
9. All necessary adjustment vouchers such as Credit Notes / Debit Notes for any short/excess supplies or revision in prices or for any other reason under the Contract shall be submitted to the company as per GST Act provisions.
10. Advance payments → Vendor/Supplier/Contractor should issue Receipt vouchers immediately on receipt of advance payment and subsequently issue supplies along tax invoice after adjusting advance payments as per Contractual terms and GST Act Provisions.
11. Acceptance /Deemed Acceptance of E way bill for deliveries should not be construed as acceptance of the material by the company and the company reserves the right to inspect the material and rejections if any would be subsequently adjusted by the Vendor by issuing Credit note for shortages/rejections.
12. The company reserves a right to review the Vendor/ supplier invoices to ensure that they are GST compliant and in case of any discrepancy observed, the supplier shall arrange to submit tax compliant invoice, only upon which payment shall be processed.
13. Vendor/Supplier/Contractor would promptly pay GST for the supplies made to the company and would upload returns within the prescribed time as per GST Act.
14. In the event of default on his part in payment of tax and submission / uploading of monthly returns, the company is well within its powers to withhold payments, especially the tax portion, until Vendor/Supplier/Contractor corrects the default /gets the shortcomings rectified at his own cost and / or complies with the requirements of GST Act and produces satisfactory evidence to that effect or upon invoice /debit note/credit note appearing in GSTR2A of the Company on the GST portal.
15. In case GST credit is delayed/ denied to the company and reversed subsequently as per GST law, due to non/delayed receipt of goods and/or services and/or tax invoice or expiry of timeline prescribed in GST Law for availing such ITC, non-payment of taxes or non-filing of returns or any other reason not attributable to the company, GST amount shall be recoverable from Vendor/Supplier/Contractor along with interest levied/ leviable on the company by GST authority.
16. In the event of delay in getting ITC to the company due to reasons attributable to the Vendor/Supplier/Contractor, the company reserves the right to recover interest at 12% on the tax credit so available for the number of days the ITC was delayed. The company may recover such amount from the

Security Deposit or any such Deposit / Credit Balance / future payments. Accordingly, the company will raise Invoice/Debit note on the Vendor/Supplier/Contractor.

17. In case the short coming is not rectified by the Vendor/Supplier/Contractor and the company ends up in reversal of credits and / or payments, Vendor/Supplier/Contractor is fully liable for making good all the loss including interest on the tax credit so available for the number of days the ITC was denied.
18. In case of any GST liability arising on the company under reverse charge, Vendor/Supplier/Contractor shall ensure timely submission of invoice. In case of goods such invoices should not be more than 30 days old and in case of services not more than 60 days old, so as to facilitate the company to discharge GST liability on the due dates as prescribed under GST Law. In case of any default towards discharge of GST liability under reverse charge by the company due to any lapses on account of vendor, the applicable interest/penalty etc. will be recovered from the vendor.
19. In case of receiving any notice / intimation from GST authority to the company towards non-compliance by the vendor, payments will be withheld for all outstanding bills and bills received subsequently from the vendor, till the time , necessary rectification has been carried out by the vendor and proof of the same has been submitted to the company.
20. Any late delivery i.e., delivery after the due date or delay in submission of invoices or any other delays, attracts payment of damages by the vendor / contractor as agreed mutually. It is agreed by the vendor/supplier /Contractor that such damages become recoverable by the company with applicable GST thereon.
21. In case the GST rating of vendor on the GST portal / Govt. official website is negative / black listed, then the bids may be rejected by the company. Further, in case rating of bidder is negative / black listed after award of work for supply of goods / services, then the company shall not be obligated or liable to pay or reimburse GST to such vendor and shall also be entitled to deduct / recover such GST along with all penalties / interest, if any, incurred by the company.
22. The company reserves the right to suspend / cancel / terminate the contract in the event of frequent / multiple / repeated defaults by the Vendor/Supplier/Contractor in complying with the requirements as per GST Law and Vendor/Supplier/Contractor shall be put under Holiday list as mentioned in the Contract.

Signature and Seal of the tenderer

Disciplinary Clauses

Debarment of firms from Bidding (Holiday/De-listing/Black-listing)

1. Debarment is classified under following two types:

- (i) In cases where debarment is proposed to be limited to only RCF, the appropriate Orders can be issued by RCF, thereby banning all its business dealing with the debarred firm.
- (ii) Where it is proposed to extend the debarment beyond the jurisdiction of RCF i.e. covering to all central Ministries/ Departments, the requisite Orders shall be issued by Department of Expenditure (DoE), Ministry of Finance (MoF).

Definitions

2. Firm: The term 'firm' or 'bidder' has the same meaning for the purpose of these Guidelines, which includes an individual or person, a company, a cooperative society, a Hindu undivided family and an association or body of persons, whether incorporated or not, engaged in trade or business.

3. Allied firm: All concerns which come within the sphere of effective influence of the debarred firms shall be treated as allied firms. In determining this, the following factors may be taken into consideration:

- a. Whether the management is common;
- b. Majority interest in the management is held by the partners or directors of banned/ suspended firm;
- c. Substantial or majority shares are owned by the banned/ suspended firm and by virtue of this it has a controlling voice.
- d. Directly or indirectly controls, or is controlled by or is under common control with another bidder.
- e. All successor firms will also be considered as allied firms.

4. The terms "banning of firm", 'suspension', 'Black-Listing' etc. convey the same meaning as of "Debarment".

Debarment by RCF, limited to only RCF-

5. Orders for Debarment of a firm(s) shall be passed by RCF, keeping in view of the following:

- a. A bidder or any of its successors may be debarred from participating in any procurement process for a period not exceeding two years.
- b. Firms will be debarred if it is determined that the bidder has breached the code of integrity as per Rule 175 of GFRs 2017 given below-

No official of a procuring entity or a bidder shall act in contravention of the codes which includes

(i) prohibition of

- (a) making offer, solicitation or acceptance of bribe, reward or gift or any material benefit, either directly or indirectly, in exchange for an unfair advantage in the procurement process or to otherwise influence the procurement process.
- (b) any omission or misrepresentation that may mislead or attempt to mislead so that financial or other benefit may be obtained or an obligation avoided.
- (c) any collusion, bid rigging or anticompetitive behavior that may impair the transparency, fairness and the progress of the procurement process.
- (d) improper use of information provided by the procuring entity to the bidder with an intent to gain unfair advantage in the procurement process or for personal gain.
- (e) any financial or business transactions between the bidder and any official of the procuring entity related to tender or execution process of contract; which can affect the decision of the procuring entity directly or indirectly.
- (f) any coercion or any threat to impair or harm, directly or indirectly, any party or its property to influence the procurement process.
- (g) obstruction of any investigation or auditing of a procurement process.
- (h) making false declaration or providing false information for participation in a tender process or to secure a contract;

(ii) disclosure of conflict of interest.

(iii) Disclosure by the bidder of any previous transgressions made in respect of the provisions of sub-clause (i) with any entity in any country during the last three years or of being debarred by any other procuring entity.

c. A bidder can also be debarred for any actions or omissions by the bidder other than violation of code of integrity, which in the opinion of RCF, warrants debarment, for the reasons like supply of sub-standard material, non-supply of material, abandonment of works, sub-standard quality of works, failure to abide "Bid Securing Declaration" etc.

d. Before issuing the debarment order against a firm, reasonable opportunity shall be given to the concerned firm to represent against such debarment (including personal hearing, if requested by firm).

e. List of debarred firms will be maintained, which will also be displayed on RCF's website for all units of RCF.

6. Similarly, Government e-Marketplace (GeM) can also debar bidders upto two years on its portal as per their rules for GeM portal hence these debarred firms will not be eligible to participate in RCF's tenders in GeM only.

Debarment across All Ministries /Departments / Other PSUs (State as well as Centre)/ Departments/ Central Public Sector Undertakings (CPSUs)/ State Public Sector Undertakings

7. Where RCF is of the view that business dealings with a particular firm should be banned across all the Ministries/ Departments, RCF can forward such debarment proposal to DoE through DoF. DoE may issue the necessary orders after satisfying itself that proposed debarment across all the Ministries/ Departments is in accordance with Rule 151 of GFRs, 2017. Rule 151 of GFRs, 2017 is given below-

(i) A bidder shall be debarred if he has been convicted of an offence— (a) under the Prevention of Corruption Act, 1988; or (b) the Indian Penal Code or any other law for the time being in force, for causing any loss of life or property or causing a threat to public health as part of execution of a public procurement contract.

(ii) (A bidder debarred under sub-section (i) or any successor of the bidder shall not be eligible to participate in a procurement process of any procuring entity for a period not exceeding three years commencing from the date of debarment. Debarment of commerce (DGS&D) will maintain such list which will also be displayed on the website of DGS&D as well as Central Public Procurement Portal.

(iii) A procuring entity may debar a bidder or any of its successors, from participating in any procurement process undertaken by it, for a period not exceeding two years, if it determines that the bidder has breached the code of integrity. The Ministry/Department will maintain such list which will also be displayed on their website.

(iv) The bidder shall not be debarred unless such bidder has been given a reasonable opportunity to represent against such debarment.

8. The firm will remain in suspension mode (i.e. debarred) during the interim period till the final decision taken by DoE, only in RCF.

9. Before forwarding the debarment proposal to DoE through DoF, reasonable opportunity shall be given to the concerned firm to represent against such debarment (including personal hearing, if requested by firm).

10. DoE can also give additional opportunity, at their option, to firm to represent against proposed debarment. DoE can also take suo-moto action to debar the firms in certain circumstances.

11. No contract of any kind whatsoever shall be placed on the debarred firm, including its allied firms by RCF after the issue of a debarment order.

12. DoE will maintain list of such debarred firms, which will be displayed on Central Public Procurement Portal.

Revocation of Orders

13. An order for debarment passed shall be deemed to have been automatically revoked on the expiry of that specified period and it will not be necessary to issue a specific formal order of revocation.

14. A debarment order may be revoked before the expiry of the Order, by the competent authority of DoE, if it is of the opinion that the disability already suffered is adequate in the circumstances of the case or for any other reason.

Other Provisions (common to both types of debarment)

15. No contract of any kind whatsoever shall be placed to debarred firm including its allied firms after the issue of a debarment order by competent authority. Bids from only such firms shall be considered for placement of contract, which are neither debarred on the date of opening of tender (first bid, normally called as technical bid, in case of two packet/two stage bidding) nor debarred on the date of contract. Even in the cases of risk purchase, no contract should be placed on such debarred firms.
16. If case, any debar firms has submitted the bid, the same will be ignored. In case such firm is lowest (L-1), next lowest firm shall be considered as L-1. Bid security submitted by such debarred firms shall be returned to them.
17. Contracts concluded (awarded) before the issue of the debarment order shall, not be affected by the debarment Orders.
18. The Debarment shall be automatically extended to all its allied firms. In case of joint venture/ consortium is debarred all partners will also stand debarred for the period specified in Debarment Order. The names of partners should be clearly specified in the "Debarment Order".
19. Debarment in any manner does not impact any other contractual or other legal rights of the procuring entities.
20. The period of debarment shall start from the date of issue of debarment order.
21. The Order of debarment will indicate the reason(s) in brief that lead to debarment of the firm.

**SIGNATURE WITH STAMP
(On all Pages)**

INTEGRITY PACT

Rashtriya Chemicals and Fertilizers Limited (RCF) has issued

NIT No. _____ **dated** _____

inviting bids for _____

(Detailed requirement/Nature of Job to be mentioned along with period, in case of Annual Rate Contracts).

The **BIDDER M/s.** _____ is willing to participate in the said Tender and understands that this Integrity Pact has to be executed between the parties as a prequalification for the Bidder to participate in the bidding process.

Bidder understands that Signing of the Integrity pact does not in any way guarantee awarding of the contract to the bidder signing the Integrity pact.

Both RCF and Bidder understand that Integrity Pact is deemed to be a part of the Contract (to be executed later with the successful Bidder).

NOW, THEREFORE,

To avoid all forms of corruption by following a system that is fair, transparent and free from any influence/prejudiced dealings prior to, during and subsequent to the currency of the contract to be entered into with a view to :-

Enabling RCF to undertake the Project/Work at a competitive price in conformity with the defined specifications by avoiding the high costs and the distortionary impact of corruption on public procurement, and

Enabling BIDDER to abstain from bribing or indulging in any corrupt practices in order to secure the contract by providing assurance to them that their competitors will also abstain from bribing and other corrupt practices and RCF will commit to prevent corruption, in any form, by its officials by following transparent procedures.

In order to achieve these goals, RCF has appointed Independent External Monitors (IEMs), on the recommendations of the Central Vigilance Commission (CVC), who will monitor the tender process and the execution of the contract for compliance with the principles mentioned above.

NOW, THEREFORE IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE AS UNDER:

1. Commitments of RCF:

1.1 RCF undertakes that no official of RCF, connected directly or indirectly with the Project/Work, will demand, take a promise for or accept, directly or through intermediaries, any bribe, consideration, gift, reward, favour or any material or immaterial benefit or any other advantage from the BIDDER, either for themselves or for any other person, organization or third party related to the contract, which he/she is not legally entitled to, in exchange for an advantage in the bidding process, bid evaluation, contracting or implementation process related to the contract.

1.2 RCF will, during the pre-contract stage, treat all BIDDERS alike, and will provide to all BIDDERS the same information and will not provide any such information to any particular BIDDER which could afford an advantage to that particular Bidder in comparison to other BIDDERS.

1.3 RCF will report to the Independent Monitor of any attempted or completed breaches of the above commitments as well as any substantial suspicion of such a breach by the Bidders. In such an eventuality, RCF will also report to appropriate Government Office wherever necessary and simultaneously initiate appropriate action.

2. Preceding misconduct:

2.1 In case any preceding misconduct on the part of any official(s) is reported by the BIDDER to the Independent Monitor with full and verifiable facts and the same is prima facie found to be correct by the Independent Monitor, necessary disciplinary proceedings, or any other action as deemed fit, including criminal proceedings may be initiated by RCF and such a person shall be debarred from further dealings related to contract process. In such a case while an enquiry is being conducted by RCF the proceedings under the contract would not be stalled.

3. Commitments of BIDDER:

3.1 The BIDDER commits itself to take all measures necessary to prevent corrupt practices, unfair means and illegal activities during any stage of its bid or during any pre-contract or post-contract stage in order to secure the contract or in furtherance to secure it and in particular commit itself to the following:

3.2 The BIDDER will not offer, directly or through intermediaries, any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of the RCF, connected directly or indirectly with the bidding process, or to any person, organization or third party related to the contract, which he/she is not legally entitled to, in exchange for any advantage in the bidding, evaluation, contracting and implementation of the contract.

3.3 The BIDDER further undertakes that it has not given, offered or promised to give, directly or indirectly any bribe, gift, consideration, reward, favour, any material or immaterial benefit or other advantage, commission, fees, brokerage or inducement to any official of RCF, which he/she is not legally entitled to, or otherwise in procuring the Contract or forbearing to do or having done any act in relation to the obtaining or execution of the contract or any other contract with RCF for showing or forbearing to show favour or disfavour to any person in relation to the contract or any other contract with RCF.

3.4 Bidders(s)/Contractor(s) of foreign origin shall disclose the name(s) and address(es) of the Agents/representatives in India, if any. Similarly, the Bidder(s)/Contractor(s) of Indian Nationality shall furnish the name(s) and address(es) of foreign principals, associates, agents and distributors, advisors, representatives and sub-contractors.

3.5 “In case of Joint Venture, all the partners of the joint venture should sign the Integrity Pact. In case of sub-contracting, the principal contractor shall be solely responsible for the adherence to the provision of IP by the sub-contractor(s).”

3.6 BIDDER shall disclose the payments to be made by them to agents/ brokers or any other intermediary, in connection with this bid/ contract.

3.7 The BIDDER further confirms and declares to RCF that he has not engaged any individual or firm or company, whether Indian or foreign, to intercede, facilitate or in any way to recommend to RCF or any of its functionaries, whether officially or unofficially to the award of the contract to the BIDDER, nor has any amount been paid, promised or intended to be paid to any such individual, firm or Company in respect of any such intercession, facilitation or recommendation.

- 3.8 The BIDDER, either while presenting the bid or during pre-contract negotiations or before signing the contract, shall disclose complete details of any payments made, is committed to or intends to make to any officials of RCF or their family members, agents, brokers or any other intermediaries in connection with the contract and the details of services agreed upon for such payments.
- 3.9 The BIDDER will not collude with other parties, interested in the contract, to impair the transparency, fairness and progress of the bidding process, bid evaluation, contracting and implementation of the contract. Bidder further undertakes, not to enter into any undisclosed agreement or understanding with other bidders with respect to prices, specifications, certifications, subsidiary contracts etc., in connection with this bid/ contract.
- Representation of Clean Record: Bidders declare and affirm that they have not been/ are involved in any act of fraud, corruption, bribery, collusion, or any other unethical or illegal activity related to public or private contracts, either domestically or internationally, in the past three years reckoned from date of bid submission and/or up to the date of entering into this Integrity Pact and/ or during the subsistence of the Integrity Pact.
- Continued Reporting: Bidders further agree to promptly report any suspected or known instances of fraud, corruption, bribery, collusion, or any other unethical or illegal activities related to any contract with any organization or entity.
- 3.10 The BIDDER shall not use improperly, for purposes of completion or personal gain, or pass on to others, any information provided by RCF as part of the business relationship, such as plans, technical proposals and business details including information contained in any electronic data carrier. The BIDDER also undertakes to exercise due and adequate care to ensure that no information is divulged to others.
- 3.11 The BIDDER will not accept any advantage in exchange for any corrupt practice, unfair means and illegal activities.
- 3.12 The BIDDER commits to refrain from giving any complaint in connection with the Project, directly or through any other manner, without supporting it with full and verifiable facts.
- 3.13 The BIDDER shall not instigate or cause to instigate any third party to commit any of the actions afore-stated.
- 3.14 If the BIDDER or any employee of the BIDDER or any person acting on behalf of the BIDDER, either directly or indirectly, is a relative of any of the employees of RCF, or, if any relative of an employee of RCF has financial interest/stake in the BIDDER, the same shall be disclosed by the BIDDER at the time of filing the tender. The term 'relative' for this purpose would be as defined in Companies Act, 1956 or any modifications thereof.
- 3.15 The BIDDER shall not lend to or borrow any money from or enter into any monetary dealings or transactions, directly or indirectly, with any employee of RCF.
- 3.16 The BIDDER have not and will not sell the same material/ equipment at prices lower than the offered prices for refereed tender (as part of Fall Clause, applicable to Proprietary/PAC buying and Rate Contracts only, as per Manual of Procurement of Goods, issued by CVC dt. 01/07/2022). The BIDDER undertakes/commits to refund/ reimburse the excess amount to BUYER, if it comes to notice that it has supplied the material/equipment at a lower price to any other Governments, public sector or private organisations.
- 3.17 Commitment to Ethical Practices: Bidders commit to maintaining the highest ethical standards throughout the course of this contract. Any breach of this commitment shall be subject to applicable legal actions, as well as reputational damage.

4. Transgression Clause:

4.1 Transgression will mean instances of fraud, corruption, bribery, collusion, or any other unethical or illegal activities that a bidder or its personnel have been involved in.

Transgression for the purpose of the Integrity Pact shall mean and include any transgression that has occurred at any time within the past 3 (three) years reckoned from the submission of the bid.

It will also include transgression(s) for which cognizance was taken even before the said period of three years, but are pending conclusion.

4.2 Disclosure of Transgressions:

The Bidder hereby undertakes to provide complete and accurate information regarding past transgressions that may have occurred. The bidder further undertakes to provide complete and accurate information that may occur during the period of duration of contract.

5. Sanctions for violations:

5.1 Any breach of the aforesaid provisions by the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER or any one employed by it or acting on its behalf (whether with or without the knowledge of the BIDDER) shall entitle RCF to take all or any one of the following actions, wherever required.

- i. To immediately call off the pre contract negotiations without assigning any reason or giving any compensation to the BIDDER. However, the proceedings with the other BIDDER(s) would continue.
- ii. If the RCF has disqualified the bidder(s) from the tender process prior to the award of contract, RCF is entitled to demand and recover the damages equivalent to the Earnest Money Deposit/ Bid Security.
If the RCF has terminated the contract or if the RCF is entitled to terminate the contract, the principal shall be entitled to demand and recover from the contractor liquidated damages of the contract value or the amount equivalent to Performance Bank Guarantee or as mentioned in the NIT
The Earnest Money Deposit (in pre-contract stage) and /or Security Deposit/Performance Bond (after the contract is signed) shall stand forfeited either fully or partially, as decided by RCF, without assigning any reason therefor.
- iii. To immediately cancel the contract, if already signed, without giving any compensation to the BIDDER.
- iv. To recover all sums already paid by RCF, together with interest thereon at 2% higher than the prevailing Lending Rate of State Bank of India or at 2% higher than LIBOR as may be applicable based on whether the bidder is an Indian party or a foreign party. If any outstanding payment is due to the BIDDER from RCF in connection with any other contract for any other Project/Work/ Supply, such outstanding payment could also be utilized to recover the aforesaid sum and interest.
- v. To encash the advance bank guarantee and performance bond/ warranty bond, if furnished by the BIDDER, in order to recover the payments, already made by RCF, along with interest.

- vi. To terminate all or any other Contracts with the BIDDER. The BIDDER shall be liable to pay compensation for any loss or damage to RCF resulting from such termination and RCF shall be entitled to deduct the amount so payable from the money(s) due to the BIDDER.
- vii. To debar/blacklist the BIDDER from participating in future bidding processes of RCF for a minimum period of five years, which may be further extended at the discretion of RCF.
- viii. To recover all sums paid, in violation of this Pact by BIDDER to any middleman or agent or broker, with a view to securing the contract.
- ix. In case where irrevocable Letters of Credit have been opened in respect of any contract signed by RCF with the BIDDER, the same shall not be operated.
- x. Forfeiture of Performance Bond in case of a decision by RCF to forfeit the same without assigning any reason for imposing sanction for violation of this Pact.
- xi. Consequences of Non-Disclosure: In the event that Bidders fail to disclose any relevant past instances of fraud, corruption, bribery, collusion, or any other unethical or illegal activities within the stipulated timeframe, it shall be considered a material breach of this Integrity Pact. RCF reserves the right to invoke disqualification of the bidders and exclusion from future business dealings and take such actions, as per the existing provisions of GFR, 2017, Prevention of Corruption Act, 1988 and other Financials Rules/Guidelines etc. as may be applicable to RCF against the Bidders, as deemed appropriate.

5.2 RCF will be entitled to take all or any of the actions mentioned at para 5.1 (i) to (xi) of this Pact also on the Commission by the BIDDER or any one employed by it or acting on its behalf (Whether with or without the knowledge of the BIDDER) of an offence as defined in Chapter IX of the Indian Penal code, 1860 or Prevention of Corruption Act, 1988, provisions of GFR, 2017 or any other statute enacted for prevention of corruption.

5.3 The decision of RCF to the effect that a breach of the provisions of this Pact has been committed by the BIDDER shall be final and conclusive on the BIDDER. However, the Bidder can approach the Independent Monitor appointed for the purposes of this Pact, if they want to represent against the decision of RCF.

6. Independent Monitor:

6.1 RCF has appointed following persons as Independent Monitor for this Pact in consultation with the Central Vigilance Commission:

1. Shri B Siddhartha Kumar
H. No. 3-7- 44, Plot No. 44,
Padma Nilayam, Street No.- 15,
A. G's Colony, Nalanda Nagar,
Attapur, Hyderabad – 500048
Email: bsiddharthak_66@rediffmail.com
2. Shri Lt. Gen Raman Dhawan,
Flat No. IE-402, AWHO Township,
Gurjinder Vihar, Pocket-5,

Sector-Chi 1, Greater Noida,
Dist. Gautam Budh Nagar,
Uttar Pradesh – 201315.
Email: romidhawan4@yahoo.com

3. Shri M. Akhaya,
Quarter No. A-14, VIP Colony,
Nayapalli, Bhubaneshwar,
Odisha – 751015.
Email: akhaya61@gmail.com; m_akhaya@yahoo.co.in

(Note: IEMs should be contacted only for Integrity Pact related issues. For any other grievances/complaints/clarifications related to the tender, concerned RCF officials as mentioned on the cover page of this NIT should be contacted.)

- a. The task of the Monitor shall be to review independently and objectively, whether and to what extent the parties comply with the obligations under this Pact.
- b. The Monitor shall not be subject to instructions by the representatives of the parties and perform his functions neutrally and independently.
- c. Both the parties accept that the Monitor has the right to access all the documents relating to the project/ procurement, including minutes of meetings. A summary of procurement/contract awarded, which are covered under the IP shall be shared by RCF with the IEMs on quarterly basis. However, the documents / records/ information having National Security implications and those documents which have been classified as Secret / Top Secret are not to be disclosed.

In the event of any dispute between the RCF and the contractor relating to those contracts where integrity pact is applicable, dispute will be first referred to the panel of IEMs with both parties consenting, and the IEMs will try to resolve the dispute in a time bound manner. In case, the dispute remains unsolved even after mediation by the panel of IEMs, RCF may take further action as per the terms and conditions of the contract. The expenses incurred for holding meeting of IEMs for dispute resolution will be shared equally by the RCF and the Contractor/Bidder.

Bidder signing Integrity Pact shall not approach the Court while representing the matters to IEM and bidder will await their decision in the matter.

- d. As soon as the Monitor notices, or has reason to believe a violation of this Pact, he will so inform the Authority designated by RCF.
- e. Notwithstanding any Confidentiality Agreement/ clause agreed between RCF and Bidder, the BIDDER accepts that the Monitor has the right to access, without restriction, to all Project documentation of RCF including that provided by the BIDDER. The BIDDER will also grant the Monitor, upon his request and demonstration of a valid interest, unrestricted and unconditional access to this project documentation. The same is applicable to Subcontractors. The Monitor shall be under contractual obligation to treat the information and documents of the BIDDER/ Subcontractor (s) with confidentiality.

- f. RCF will provide to the Monitor sufficient information about all meetings among the parties related to the supply provided such meetings could have an impact on the contractual relations between the parties. The parties will offer to the Monitor the option to participate in such meetings.
- g. The Monitor(s) will submit a written report/recommendations to the designated Authority of RCF within 30 days from the date of reference or intimation of a Complaint to him by RCF/ BIDDER and should the occasion arise, submit recommendations for correcting problematic situations. In case of very serious issue having a specific, verifiable Vigilance angle, IEM(s) may report it directly to the CVC to be followed by a report on it within 30 days.

4. Facilitation of Investigation:

- a. In case of any allegation of violation of any provisions of these terms or payment of commission, etc. RCF shall be entitled to examine all the project documents of the BIDDER and the BIDDER shall provide necessary information and documents in English and shall extend all possible help for the purpose of such examination.

5. Law and Place of Jurisdiction:

This Pact is subject to Indian Law. The place of performance and jurisdiction at Mumbai.

6. Other Legal Actions:

The Actions stipulated in this Integrity Pact are without prejudice to any other legal action that may follow in accordance with the provisions of the extant law in force relating to any civil or criminal proceedings.

7. Validity:

- a. The validity of this Integrity Pact shall be from date of signing of this Pact and extend up to two years from the date of last payment under the contract. In case BIDDER is not awarded Contract/Purchase Order, this Integrity Pact shall expire after twelve months from the date of issue of the NIT.
- b. Should one or several provisions of this Pact turn out to be invalid, the remainder of this Pact shall remain valid. In this case, the parties will strive to come to an agreement to their original intentions.

Note: If any prospective Bidder has any objection to sign the Integrity Pact, RCFL will refer the matter to the IEMs for their opinion and advice.

*This tender is digitally signed by RCF
hence no sign and stamp required*

*Sign and stamp of the Bidder
Or
Digitally signed by the Bidder
Date*