



Bid Number/बोली क्रमांक (बिड संख्या):
GEM/2024/B/5059640
Dated/दिनांक : 18-06-2024

Bid Document/ बिड दस्तावेज़

Bid Details/बिड विवरण	
Bid End Date/Time/बिड बंद होने की तारीख/समय	25-06-2024 11:00:00
Bid Opening Date/Time/बिड खुलने की तारीख/समय	25-06-2024 11:30:00
Bid Offer Validity (From End Date)/बिड पेशकश वैधता (बंद होने की तारीख से)	120 (Days)
Ministry/State Name/मंत्रालय/राज्य का नाम	Ministry Of Mines
Department Name/विभाग का नाम	Na
Organisation Name/संगठन का नाम	Mineral Exploration And Consultancy Limited
Office Name/कार्यालय का नाम	Mineral Exploration And Consultancy Limited
Item Category/मद केटेगरी	Financial Advisory Services - Onsite; As per Scope of Work
Contract Period/अनुबंध अवधि	1 Year(s)
Years of Past Experience Required for same/similar service/उन्हीं/समान सेवाओं के लिए अपेक्षित विगत अनुभव के वर्ष	1 Year (s)
Past Experience of Similar Services required/इसी तरह की सेवाओं का पिछला आवश्यक अनुभव है	Yes
MSE Exemption for Years Of Experience/अनुभव के वर्षों से एमएसई छूट/	Yes
Startup Exemption for Years of Experience and Turnover/ अनुभव के वर्षों से स्टार्टअप छूट	No
Document required from seller/विक्रेता से मांगे गए दस्तावेज़	Experience Criteria,Certificate (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
Bid to RA enabled/बिड से रिवर्स नीलामी सक्रिय किया	No
Type of Bid/बिड का प्रकार	Two Packet Bid
Time allowed for Technical Clarifications during technical evaluation/तकनीकी मूल्यांकन के दौरान तकनीकी स्पष्टीकरण हेतु अनुमत समय	3 Days
Estimated Bid Value/अनुमानित बिड मूल्य	94400

Bid Details/बिड विवरण**Evaluation Method/मूल्यांकन पद्धति**

Total value wise evaluation

EMD Detail/ईएमडी विवरण

Required/आवश्यकता

No

ePBG Detail/ईपीबीजी विवरण

Required/आवश्यकता

No

Splitting/विभाजन

Bid splitting not applied/बोली विभाजन लागू नहीं किया गया.

MII Compliance/एमआईआई अनुपालन

MII Compliance/एमआईआई अनुपालन

Yes

MSE Purchase Preference/एमएसई खरीद वरीयता

MSE Purchase Preference/एमएसई खरीद वरीयता

Yes

Limited Tender

Limited Tender Applicable

Yes

Reason for Limited Tendering

The competent authority in the Ministry or Department has certified that the demand is urgent, and any additional expenditure involved by not procuring through advertised tender enquiry is justified in view of urgency. The Ministry or Department has placed on record the nature of the urgency and reasons why the procurement could not be anticipated.

List of Seller Organization for participation

K N D & ASSOCIATES, SHUBHAM BAJAJ & ASSOCIATES, SNM AND ASSOCIATES, Manish Pandey & Associates

1. If the bidder is a Micro or Small Enterprise as per latest definitions under MSME rules, the bidder shall be exempted from the requirement of "Bidder Turnover" criteria and "Experience Criteria" subject to meeting of quality and technical specifications. If the bidder is OEM of the offered products, it would be exempted from the "OEM Average Turnover" criteria also subject to meeting of quality and technical specifications. In case any bidder is seeking exemption from Turnover / Experience Criteria, the supporting documents to prove his eligibility

for exemption must be uploaded for evaluation by the buyer.

2. Years of Past Experience required: The bidder must have experience for number of years as indicated above in bid document (ending month of March prior to the bid opening) of providing similar type of services to any Central / State Govt Organization / PSU. Copies of relevant contracts / orders to be uploaded along with bid in support of having provided services during each of the Financial year.

3. Purchase preference will be given to MSEs having valid Udyam Registration and whose credentials are validated online through Udyam Registration portal 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 themselves of the Purchase preference, the bidder must be the manufacturer / OEM of the offered product on GeM. Traders are excluded from the purview of Public Procurement Policy for Micro and Small Enterprises and hence resellers offering products manufactured by some other OEM are not eligible for any purchase preference. In respect of bid 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 product or service and Buyer will decide eligibility for purchase preference based on documentary evidence submitted, while evaluating the bid. If L-1 is not an MSE and MSE Seller (s) has / have quoted price within L-1+ 15% (Selected by Buyer) of margin of purchase preference /price band defined in relevant policy, such MSE Seller shall be given opportunity to match L-1 price and contract will be awarded for 100% (selected by Buyer) percentage of total quantity. The buyers are advised to refer the OM No. F.1/4/2021-PPD dated 18.05.2023 [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 seller is validated on-line in GeM profile as well as validated and approved by Buyer after evaluation of documents submitted.

4. 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.

5. Past Experience of Similar Services: The bidder must have successfully executed/completed similar Services over the last three years i.e. the current financial year and the last three financial years(ending month of March prior to the bid opening): -

1. Three similar completed services costing not less than the amount equal to 40% (forty percent) of the estimated cost; or

2. Two similar completed services costing not less than the amount equal to 50% (fifty percent) of the estimated cost; or

3. One similar completed service costing not less than the amount equal to 80% (eighty percent) of the estimated cost.

6. Short Duration Bid has been published by the Buyer with the approval of the Competent authority due to Emergency procurement of critical products/services.

Additional Qualification/Data Required/अतिरिक्त योग्यता /आवश्यक डेटा

Scope of work to be uploaded by buyer:[1718619893.pdf](#)

Financial Advisory Services - Onsite; As Per Scope Of Work (1)

Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
Core	
Deployment Location	Onsite
Category of financial advisory service	As per Scope of Work
Sub-category of Financial Advisory Services	As per Scope of Work
Financial Advisory Reports	Yes
Frequency of Progress Report	As per Scope of Work

Specification	Values
Type of Professional/Resources required	As per Scope of Work
Qualification of Professional/Resources required	As per Scope of Work
Certification of Professional/Resources required	As per Scope of Work
Total Experience of Professionals / Resources (In years)	As per Scope of Work
Addon(s)/एडऑन	
Post Financial Advisory Support	Yes

Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ashok Kumar Behera	440006, Mineral Exploration and Consultancy Limited (MECL), Dr. BABASAHEB AMBEDKAR BHAWAN, OPP. CGO COMPLEX, SEMINARY HILLS, NAGPUR	1	<ul style="list-style-type: none"> Number of months for which Post Advisory support is Required : 12

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

1. Generic

OPTION CLAUSE: The buyer can increase or decrease the contract quantity or contract duration up to 25 percent at the time of issue of the contract. However, once the contract is issued, contract quantity or contract duration can only be increased up to 25 percent. Bidders are bound to accept the revised quantity or duration

2. Generic

- The Seller shall not assign the Contract in whole or part without obtaining the prior written consent of buyer.
- The Seller shall not sub-contract the Contract in whole or part to any entity without obtaining the prior written consent of buyer.
- The Seller shall, notwithstanding the consent and assignment/sub-contract, remain jointly and severally liable and responsible to buyer together with the assignee/ sub-contractor, for and in respect of the due performance of the Contract and the Sellers obligations there under.

3. Purchase Preference (Centre)

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, the bidder must be the manufacturer of the offered product in case of bid for supply of goods. Traders are excluded from the purview of Public Procurement Policy for Micro and Small Enterprises. In respect of bid 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 product or service. If L-1 is not an MSE and MSE Seller (s) has/have quoted price within L-1+ 15% of margin of purchase preference /price band defined in relevant policy, such Seller shall be given opportunity to match L-1 price and contract will be awarded for percentage of 100% of total value.

4. **Certificates**

Bidder's offer is liable to be rejected if they don't upload any of the certificates / documents sought in the Bid document, ATC and Corrigendum if any.

5. **Buyer Added Bid Specific ATC**

Buyer Added text based ATC clauses

Bidder shall submit the following documents along with their bid for Vendor Code Creation:

- a. Copy of PAN Card.
- b. Copy of GSTIN.
- c. Copy of Cancelled Cheque.
- d. Copy of EFT Mandate duly certified by Bank.

6. **Buyer Added Bid Specific ATC**

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

Disclaimer/अस्वीकरण

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.

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.

This Bid is governed by the [General Terms and Conditions/सामान्य नियम और शर्तें](#), 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 General Terms and Conditions/सामान्य नियम और शर्तें is contradicted by the conditions stipulated in Service Level Agreement, then it will over ride the conditions in the General Terms and Conditions.

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./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 कार्रवाई का आधार होगा।

---Thank You/धन्यवाद---

**MINERAL EXPLORATION AND CONSULTANCY LIMITED
(FORMERLY MINERAL EXPLORATION CORPORATION LIMITED)
(A GOVERNEMENT OF INDIA ENTERPRISE)**

APPOINTMENT OF INTERNAL AUDITOR AT MECL FOR THE FINANCIAL YEAR 2024-25

ANNEXURE-1

TENDER ELIGIBILITY/ QUALIFYING CONDITIONS FOR BIDDERS

The agency shall submit the following certificates/documents for assessment of the capacity & capability of the bidder to perform the contract.

Sl. No.	Required by MECL	To Be Confirmed by the Bidder
1.	NAME OF CA/CMA FIRM & FIRM REGISTRATION No. (FRN)	
2.	HEAD OFFICE ADDRESS	
3.	TELEPHONE/ FAX/ EMAIL	
4.	1. The CA/ CMA proprietorship/ Partnership/ LLP firm should be practicing firm and should be in practice for a minimum period of 10 years or more as on the date of floating of tender. 2. Attach the Latest Firm Card/Firm Constitution Certificate issued during the calendar year 2024 by the respective CA/CMA Institutes. 3. The other relevant details scanned copies with complete details for documentary evidence.	
5.	Audit Firm (Head Office/ Branch Office) should be located at Nagpur.	
6.	Audit firm will also submit executive summary of Quarterly Audit Report.	
7.	Audit Firm should have auditing experience minimum 1 year in similar line of Mining/ Exploration department on SAP & Ind AS will be preferred. Attach the Experience Certificate from the concerned department/ organization indicating the modules of SAP (HR Module, Finance Modules, Sales & Distribution Module and Material Modules and that the accounts are Ind-AS complied.	
8.	Audit Firm should have at least three full time partners out of which one should be FCA/FCMA (Attach scan copies with complete details for documentary evidence).	
9.	Audit Firm should not have been barred from appointment by any Govt. or Semi Govt. entities.	
10.	PAN of the proprietorship firm/ partnership firm/ company (Copy to be enclosed)	
11.	GST Registration Certificate (Copy of Registration to be enclosed)	
12.	<u>PAYMENT TERMS</u> Should be accepted as per Tender terms and Conditions.	
13.	<u>DELIVERY SCHEDULE FOR SUBMISSION OF AUDIT REPORT</u> Should be accepted as per Tender terms and Conditions.	

SPECIAL NOTE:

- Bidder must fill / complete the “**ELIGIBILITY/ QUALIFYING CONDITIONS**”, in all respect, as per given Annexure-I. Bid without duly completed ANNEXURE-I is liable to be rejected and detailed Techno-commercial bid will not be evaluated (The entire columns in the above ANNEXURE-I should be filled. Phrase like Complied, OK, Agreed, provided etc. should be avoided).
- Information under sr. No. 1 to 13 of “Tender eligibility/ Qualifying conditions for bidders” shall be part of Techno-commercial bid of this tender. Therefore, bidders should furnish above details and should

upload the scanned copies of documentary evidence pertaining to eligibility/ qualifying conditions as in the annexure-I

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ANNEXURE-II

SCOPE OF AUDIT AND GENERAL TERMS AND CONDITIONS OF CONTRACT

1. SCOPE OF AUDIT:

Audit is to be conducted as per the guidelines / directions issued by the institute of Chartered Accountants of India and as per directions issued by the company from time to time.

Area of internal audit to be covered for Corporate Office-Nagpur, CMC- Nagpur & RMC- Hingna, Nagpur Will be as under:

- 1) That all assets of the company are safe guarded against all kinds of losses and misuse.
- 2) That the accounting controls designed to ensure the reliability of financial records is actually in operation.
- 3) Those financial and other operating controls are actually in operation.
- 4) That management policy plans and guidelines, issued from time to time are duly followed.
- 5) That the various management decision have been made on the basic of adequate study and cost benefits analysis, keeping in view the long term objective of the company.
- 6) Following aspects have to be specifically examined by internal audit.
 - a. Scrutiny of accounts.
 - b. Procurement and disposal of stores and capital items.
 - c. Whether classification of expenditure between capital expenditure and revenue expenditure done correctly looking at the nature and size of business, authenticity of expenditure.
 - d. Are the bank accounts of the company reconciled with the bank pass books/statements regularly, if not any deficiencies were reported.
 - e. Examine whether the accounts maintained and finalized are in conformity with accounting policies.
 - f. Whether the company has a system of monitoring for timely recovery of outstanding dues. Highlight the significant instances of failure of system, if any.
 - g. Whether advance made to the contractors/ parties are monitored regularly and adjusted as per the terms of Contract/ Agreement.
 - h. Examine the expenditure in the light of authenticity, nature, utility & accounting etc.
 - i. Maintenance of journal to record the transactions not routed through bank /cash book.
 - j. To report on purchase procedure maintenance of store records/ accounts, for cases exceeding Rs. 50,000/- physical verification and reconciliation with financial books of accounts. Deficiencies, if any, be reported.
 - k. Collection and remittances of statutory dues such as Income Tax Deducted at source, Work Contract Tax, Contributory Provident Fund, GST, WCT, Professional Tax etc.,
 - l. Expenditure incurred on running and maintenance of vehicles and their performance report.
 - m. Whether accounting standards issued by the Institution of Chartered Accountants of India are being followed keeping in view the accepted accounting policies of the management.
 - n. Any other matter which Internal auditor deemed fit to include in his report
 - o. Internal Audit Checklist is attached at ANNEXURE-IV which is only indicative in nature and not meant to be exhaustive. The same should be modified / adapted by the concerned auditor in light of dynamic / varied nature of business environment. Based on the experience during the audit corrections, modifications, additions to the checklist in audit manual if any, the same is to be carried out periodically with due approval.
 - p. Audit firm will also submit executive summary of Quarterly Audit Report.

2. DELIVERY SCHEDULE FOR SUBMISSION OF AUDIT REPORT:

- 2.1 Last Date of submission of firstquarter Audit report is upto 28th September 2024.
- 2.2 Last Date of submission of second and third quarter Audit report is upto 28th of next successive quarter.
- 2.3 Last Date of submission of fourth quarter Audit report is upto second week of April.

3. DURATION OF CONTRACT:

- 3.1 The contract shall be for a period of one year commencing from the date specified in the letter of award.
 - 3.2 Notwithstanding anything stated above MECL reserves the right to terminate the Contract by giving one month notice without assigning any reason whatsoever.

4. TERMS OF PAYMENT:

- 4.1 The payment shall be released to the Audit agency on Quarterly basis. The agency shall submit the quarterly bills after submission of audit report of each Quarter along with Executive Summary of the Quarter at the first month of next successive quarter duly authorized by representative of Finance Division/HOD(IA) in triplicate, within seven days after the submission of Audit report.
- 4.2 All the payments to be made to the Audit agency under the contract shall be made by MECL through RTGS.
- 4.3 Any recovery as per contractual terms shall be made by MECL from the bills of the agency as applicable.

5. SETTLEMENT OF DISPUTES & ARBITRATION:

All the questions and disputes relating to the meaning and instructions under this contract herein before mentioned shall be referred to sole arbitration of the Chairman-cum-Managing Director, MECL, Nagpur. Who himself can arbitrate the dispute or appoint his nominee arbitrator to arbitrate the dispute and make an award in the matter The award of sole Arbitrator shall be final, conclusive and binding on both the parties. Notwithstanding anything any dispute between the parties, the contractor shall not be entitled to withhold, delay or defer his obligations under the contract and it shall be carried out strictly in accordance with the terms and conditions of contract. The arbitration shall be conducted in accordance with the provisions of the Arbitration and conciliation Act, 1996 or any statutory modifications thereof re-enactment OR any scheme, rules made there under and for the time being in force. The venue of the arbitration shall be Nagpur. The courts of Nagpur shall have exclusive jurisdiction in all matters arising out of the contract.

6. AGREEMENT:

Successful bidder is required to enter into a formal agreement with MECL, on a non-judicial stamp paper of Rs.500/- as applicable in Maharashtra State within 15 days from the date of issuance of award letter.

7. GENERAL TERMS & CONDITIONS OF THE CONTRACT:

- 7.1 MECL reserves the right to accept the bid or not even if the bidder qualifies all conditions.
- 7.2 The Successful Bidder will not assign or transfer the work to other firms etc.
- 7.3 Period of audit will be from April 2024 to March 2025 & Audit will be conducted on Quarterly basis i.e. from April to June, July to Sept, Oct to Dec and Jan to March.
- 7.4 The payment of the work undertaken by the bidder will be done as per tender terms and conditions. Delay in submission of report may attract L.D. @ of 0.25% of the price of audit fee not delivered for a week or part of week subject to maximum limit of 2.5% of every Quarter fees.
- 7.5 Income Tax at source will be deducted from the bills raised and TDS Certificates will be issued accordingly.

- 7.6 The Successful Bidder also agrees that all knowledge and information not within the public domain which may be acquired during the carrying out of his duties, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the written permission of the company.
- 7.7 No TA/ DA, boarding & lodging expenses will be paid by the company. All such expenses will be borne by The Successful Bidder. However, conveyance from Corporate Office to Hingna and back shall be arranged by the company.
- 7.8 No advance towards fees etc. shall be paid/ sanctioned at any stage of the audit.
- 7.9 The agreement will become effective upon confirmation letter sent to the Audit firm for the audit.
- 7.10 Visiting audit team will consist of minimum one Qualified Accountant (CA/CMA) & two Assistants having Qualification of CA/CMA Intermediate.
- 7.11 It is mandatory to submit the CA/CMA Certificates Along with their Aadhar Card of the members of the visiting Audit Team Before conducting Audit.
- 7.12 The Minimum duration of audit period for each quarter shall be 10 days @ 8 hours working time per day.
- 7.13 The presence of Partner of the firm is mandatory in the exit meeting of audit of each quarter for discussion.
- 7.14 The head office or the branch office of the firm must be in Nagpur.
- 7.15 In case of any dispute the jurisdiction will be Nagpur court.

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ANNEXURE-III

FORMAT FOR TECHNICAL PROPOSAL FOR INTERNAL AUDIT

1.	Name of the CA/CMA firm & Firm Registration No.	
2.	Head office address	
3.	Telephone / Fax / Email	
4.	PAN No.	
5.	GST Registration No.	

6-A Details of CA/CMA's Partners & Employee (Status as on 01.01.2024 Firm Card)

Sr. No.	Name of Partner/ Employee	Membership No.	Designation Partner/ Employee	Qualification (ACA/FCA) or (CMA/FCMA)	Date of Joining with the firm
1.					
2.					
3.					
4.					
5.					
6.					

6-B Details of Staff members

Sr. No.	Name	Qualification	Experience
1.			
2.			
3.			
4.			
5.			

7 Experience General: ----- years (from the date of Registration of firm)

8 List of Major Audit clients (Last two years)

9 Experience of Internal Audit of multiple location: -----No. of locations simultaneously.

No. of such assignments handled-----

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ANNEXURE-IV

**INTERNAL AUDIT CHECKLISTS
INTRODUCTION**

The following aspects may be considered when using the relevant audit checklists:

1. Before commencement of audit in a given area, obtain and understand the objectives, nature of business, risks and controls in place. For this purpose, preliminary discussion with relevant persons, review of audit reports, understanding applicable policy/ procedures, etc. will be useful.
2. The suggested checklist is only indicative in nature and not meant to be exhaustive. The same should be modified / adapted by the concerned auditor in light of dynamic / varied nature of business environment. Based on the experience during the audit corrections, modifications, additions to the checklist in audit manual if any, the same is to be carried out periodically with due approval.
3. All applicable and relevant Procedures / Manuals / Circulars / Office Orders, etc. must be kept in view when carrying out the audit.

APPROVED INTERNAL AUDIT CHECKLISTS

Table of Contents

Sl. No.	PARA	DEPARTMENT & ACTIVITY
1.		
	1.1	Material Purchase Requisition (MPR) verification
	1.2	Tendering and evaluation process
	1.3	Processing of Purchase Orders
	1.4	Vendor records/data
2.		
	2.1	Receiving stores material
	2.2	Inspection for quality
	2.3	Custody and Disposal Activity
	2.4	Customs and Excise
	2.5	Handling Raw Materials
	2.6	Issue of materials
	2.7	Perpetual Inventory System.
	2.8	Scrap items.
	2.9	General Activities
3.		
	3.1	Processing the proposals
	3.2	Receiving and evaluation of tenders
	3.3	Awarding Contracts.
	3.4	Execution of tendered works
4.		
	4.1	Fixed Assets Accounting
	4.2	Bills Payable
	4.3	Stores Accounting & Control
	4.4	Payroll Accounting
	4.5	Treasury Management
	4.6	Accounts receivable

	4.7	Capital Budget
	4.8	Statutory & Other Transactions
	4.9	Employee related transactions
5.		
	5.1	Recruitment
	5.2	Training & development
	5.3	Promotions
	5.4	Industrial Relation
	5.5	Sanction of Loans & Advances
	5.6	Maintenance of Personal records
	5.7	Final Settlements
	5.8	Welfare activities
	5.9	Overtime Wages Payment
	5.10	Estate division and legal section
	5.11	CSR
6.		
	6.1	Allotment of Co's quarters/ Buildings
	6.2	Recovery of House Rent & Electricity charges
	6.3	Vacation and unauthorized occupation of Company's quarters
	6.4	Maintenance of township
	6.5	Lease hold transaction.
	6.6	Repairs, Construction & General Maintenance Contracts
7.		
	7.1	Access Controls
	7.2	Password Policy & Security
	7.3	Safety & Security of Assets
	7.4	Maintenance contracts
	7.5	Others
8.		Exploration Department
9.		Drilling Department
10.		
	10.1	CMC
	10.2	RMC
	10.3	Projects
11.		Pre - Audit
	11.1	M P R / Administrative approval.
	11.2	Appointment of Consultants.
	11.3	Tendering and evaluation process.
	11.4	Processing bids & Placement of Purchase/ Contract Orders.

1. Purchase Department

Activities:

- 1.1 Material Purchase Requisition (MPR) verification.
- 1.2 Tendering and evaluation process.
- 1.3 Processing of Purchase Orders.
- 1.4 Vendor records/data.

Sl. No.	Particulars	Yes	No	Remarks if any
1.1	Check List for verification of Material Purchase Requisition (MPR):			
1.	Is MPR raised by indenting department in order with respect to specification of the material required, item code, quantity and the estimated cost?			
2.	Is MPR approved by Competent Authority as per Delegation of Powers?			
3.	For Emergency Purchases, whether indenting department has mentioned MPR as 'emergency' with necessary justification and MPR signed by the Competent Authority.			
4.	In case of Capital Equipment, whether there is provision in the capital budget for the year and approval from Competent Authority exists?			
1.2	Check list for verification of tendering and evaluation process :			
1.	Are open / limited tenders invited in all cases as per procedure prescribed?			
2.	Whether e-tender process followed for all procurements above prescribed threshold limit?			
3.	Whether adequate publicity for tenders has been given as prescribed?			
4.	Whether sufficient time given for receiving quotations as per guidelines i.e., 4-6 week's time for Open tender and 3-4 week's time for limited tender.			
5.	If any extension of due date is given?			
	a) If yes, whether the approval from Competent Authority was obtained ;			
	b) Is the reason for extension of date reasonable? (For e.g.. to have a better competition).			
6.	In case of Open/ Global tender, whether tender notice was issued in the newspapers depending on target sources, place of publication and extent of circulation required?			
7.	In case of amendment to tender or modification of tender terms subsequent to pre-bid meeting, whether corrigendum to tender has been issued in the same media with suitable time extension for submission of bids?			
8.	In case of limited tendering method, the basis on which suppliers have been selected is as per the prescribed procedure.			
9.	Is the number of enquiries adequate for getting competitive offers?			
10.	Test check whether suppliers for LTEs have been selected from approved list only?			
11.	In case of single tenders verify whether adequate justification exists for resorting to single tender			

		purchases; the rates obtained were reasonable, and the prescribed procedure has been followed.			
	12.	In case of proprietary items, verify whether the tender was processed in accordance with Delegation of Powers and items procured were from OEMs or their authorized dealers only.			
	13.	Check the NIT conditions to ensure that either the Indian agent on behalf of the Principal/OEM or the Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender.			
	14.	Check the NIT conditions to ensure that if an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product.			
	15.	In case of repeat order, whether ;			
		a) The orders had been placed within six months of the original order with same rate, terms & conditions.			
		b) There was no downward trend of price.			
		c) Quantity of repeat order did not exceed 50% of the original order.			
	16.	In case of two bid systems, whether price bids were opened only after technical bids opened and accepted as per the requirement of indenting department.			
	17.	In case of cash purchases, verify whether the same has been made only in cases of emergent and exceptional and unavoidable circumstances. Cash purchase may be made in following circumstances:			
		a) When the value of purchase is low			
		b) When the item is not regularly purchased and/or not generally included in Annual Indent/Materials Budget			
		c) When the item is available ex-stock from show rooms or specially shops dealing with the item of such nature.			
		d) When the item is urgently required by the user and When the item is branded/packaged in original packing or may be accepted based on standard warranty of the manufacturer.			
		e) Cash Purchase will be made on cash payment basis from dealers/show rooms after obtaining proper cash memo, money receipt and warranty certificate, if any, against any manufacturing defects.			
1.3	Check list for processing of Purchase Orders (PO):				
	1.	Whether lowest tenders were accepted?			
	2.	In cases of acceptance of other than lowest (L1), adequate justifications for rejection of lower tenders have been recorded and approved by the Competent Authority. (Rejection of lower tenders may be due to different specification, different make, not as per required standard, not accepting MECL terms and conditions etc.)			
	3.	Comparative statements were correctly prepared taking into consideration the elements of taxes, duties, freight etc. and also the make and specification as stipulated in the tender notice and those offered.			

4.	Whether negotiations, if any were held after obtaining approval from Competent Authority.			
5.	Verify the particulars of EMDs submitted by the tenderer? If any vendor is exempted from submission of EMD (SSI or registered vendor) then verify whether proper documents (proof) have been submitted by the vendor.			
6.	The applicability of GST with respect to material and its evaluation in tender process.			
7.	Whether the MPR's were splited up to avoid obtaining the sanction of the higher authorities?			
8.	Verify that prompt action was taken in finalizing the orders within the validity period of quotation to avoid price increase.			
9.	Check whether all the Purchase orders got vetted by the Finance Department before it is issued to avoid any mistakes in preparation of purchase order.			
10.	Review the purchase requisitions pending for a long time without placing any orders.			
11.	Review in respect of emergency purchases, the actual usage or consumption of such materials after procurement to ascertain whether the emergency procurement was justified.			
	Review the reports from the plant regarding the complaints of materials and action taken by the purchase department.			
12.	Review the arrangement existing for inspection of quality and quantity of incoming materials and settling discrepancies between the quality of materials received with invoice/PO/contract.			
13.	In respect of issued purchase orders, ascertain whether important terms and conditions such as, terms of payment, price variation clause, liquidation damage clause etc; are as per NIT terms.			
14.	Check whether amendment of the purchase orders has been made as per the laid down policy.			
15.	Check whether extension of the delivery period and waiver of liquidated damages have been allowed as per the approved guidelines.			
16.	Check the scope of escalation clause if any given in Purchase order.			
17.	Verify whether purchase department is ensuring that all consignments are insured properly, having regard to the terms of delivery in the orders, nature of goods and mode of transportation.			
18.	Verify whether the Integrity pact agreement and fraud prevention policy of the company has been included in tenders as approved by the Management from time to time (in respect of the order values exceeding Rs.30 Lakhs)			
19.	Ensure the compliance / adherence with CVC guidelines issued from time to time.			
20.	Review the arrangement existing for inspection of quality			

		and quantity of incoming materials and settling discrepancies between the quality of materials received with invoice/PO/contract.			
1.4	Check list for processing of Purchase Orders (PO):				
	1.	Is item wise approved vendor list maintained by the purchase department?			
	2.	The registration of suppliers is as per the prescribed procedure?			
	3.	The lists are up-dated periodically by weeding out non-performer and including fresh entrants.			
	4.	Is procedure followed in eliminating unreliable suppliers is adequate?			

2. Stores Department

Activities:

- 2.1 Receiving stores material.
- 2.2 Inspection for quality.
- 2.3 Custody and Disposal Activity
- 2.4 Customs and Excise.
- 2.5 Handling Raw Materials.
- 2.6 Issue of materials.
- 2.7 Perpetual Inventory System.
- 2.8 Scrap items.
- 2.9 General Activities.

	Sl. No.	Particulars	Yes	No	Remarks if any
2.1	Check list for verification of Stores Receipts:				
	1.	Verify LR/RR register and ascertain the lag between LR date and GRN date.			
	2.	Whether the above lag is reasonable?			
	3.	Is there any delay in actual receipt of material and Goods Receipt Note?			
	4.	Are all GRNs prepared during the period contain the signature of inspection officer?			
	5.	Verify instances of LR/RR collected but not entered in Materials Inward Register (MIR)?			
	6.	Whether transit insurance obtained covers normal risks and policies and validity is not expired?			
	7.	In case of deliver of the materials through the Bank, whether the clearance of materials has been done with in due date to avoid penalty charges from Bank?			
	8.	Verify the Daily Receipt Register (DRR) and ascertain any abnormal delays?			
2.2	Check list for verification of Inspection activity:				
	1.	Is time lag between date of arrival of the materials and issue of inspection certification reasonable?			
	2.	Are all rejected items segregated and handed over to DDR section for further action?			
	3.	Are rejected goods suitably tagged and kept separate in the stores to avoid mix up with accepted items?			
	4.	Verify any materials pending for inspection for more than 7 days?			
2.3	Check list for verification of Custody & Disposal activity:				

	1.	Are there cases of direct delivery of materials at the consuming departments? a) If so, whether the direct delivery regularized by issue of GRNs, SIVs and IUT.			
	2.	Are claims have been properly lodged for all shortage/damages in materials?			
	3.	Check the records of claims pending settlement to know the status of claim against carrier or transporter in cases of wrong handling of materials, external damages of packing or any damage found when the package case is opened.			
	4.	Verify Stores Dispatch Vouchers to check the stock of materials sent for repair/ reconditioning/ replacements to the repair agency/ supplier from stores through "onward dispatch note" from user department. Whether the materials have been received with in reasonable time after repair.			
	5.	Verify Material return vouchers to ascertain that the MRV control registers are maintained properly to record used but serviceable items, unused items and scrap.			
	6.	Whether regular correspondence and follow up is made by receipt section regarding DDR items to get short received items/ damaged items?			
	7.	Verify whether the rejected items have been sent back before receipt of replacement? If so, whether proper indemnity bond has been obtained from the supplier?			
	8.	Whether materials to be returned have been dispatched through an authorized agent on freight to pay basis & uninsured at the risk & cost of the vendor			
2.4 Check list for verification of Taxes:					
	1.	Verify that all documents relating to GST has been sent to concerned department for obtaining Input Tax Credit. Also check there is no delay in sending the document.			
2.5 Check list for verification of handling of Raw materials by Stores:					
	1.	In respect of raw material received;			
		a) Whether material shifted within time allowed.			
		b) Any demurrages incurred and the reasons thereof:			
		c) Is Total quantity of material received equal or more than Bill of Lading.			
		d) Weighment slips matching with the quantity received.			
2.6 Check list for verification of Taxes:					
	1.	Are materials issued only against duly authorized Stores Issue Vouchers (SIV)?			
	2.	Whether the material gate pass has been signed by security officer when the material is going out for repair or other purpose?			
	3.	Check the issue of printing and stationary materials and other stores for which PSL is not maintained are made on proper requisitions and the entries in stock records are correctly made?			
	4.	Review the system of stocking and accounting of used materials returned to stores?			
	5.	Verify the procedure of recording and return of empty containers to the suppliers for reusing/refilling.			

	6.	Verify whether the stores items issued to contractors on chargeable basis for particular work have been advised for recovery from payment?			
	7.	Whether all adjustment vouchers (AV) are duly approved by Competent Authority? Verify the entries in AV control register with the BIN card to tally the physical quantity.			
	8.	Receipted copies, of I V s (Material - serviceable, unserviceable, scarp and assets issued to other MECL establishment duly acknowledged by the receipt.)			
2.7	Check list for verification of Perpetual Inventory System:				
	1.	Whether perpetual inventory system followed for physical verification of stores covers all major items?			
	2.	Check the periodicity of perpetual inventory system, whether all items are covering with in that period of checking?			
	3.	Whether discrepancies observed during physical verification has been rectified immediately.			
2.8	Check list for verification of Scrap items :				
	1.	Whether the scrap register is maintained and regularly updated.			
	2.	In respect of unserviceable items accounted as scrap, whether approval from competent authority has been taken?			
	3.	Check physically the scrap items to ensure that the scrap items have been kept separately from regular stores items.			
	4.	In respect of capital items proposed as scrap, whether competent authority approval exists?			
	5.	In respect of highvalue items returned through MRN, scrutiny the cases from MPR stage to MRN stage to ascertain the reasons.			
	6.	Whether the items proposed for disposal include all scrap items which were marked as unserviceable and unrepairable.			
	7.	In respect of repairable and reconditionable items, whether proper actions has been proposed within time to get it repaired or serviced.			
	8.	Verify the accounting and valuation of all repairable items which have been repaired and taken in to stores as MRN receipts.			
	9.	In respect of disposal of scrap, verify whether all items have been proposed including unsold items during the last auction, leftover/excess quantity in the previous sold lots and newly generated scrap materials.			
	10.	Verify whether the scrap items proposed for sale only include the scrap/obsolete materials returned by user departments as unserviceable through MRNs.			
	11.	Verify the items proposed for sale as scrap had been sent to all departments for identifying of any items required by their use in the department or elsewhere.			
	12.	Whether the items identified and recommended by the departments as surplus circulated to other units for any			

		requirement? Are the items not required by all the units initiated for dispose off after approval of the Competent Authority?			
	13.	Verify the action taken on disposal of scrap/waste generated during production process, replacement of worn outs. Check the formation of lots, approval of disposal etc. in scrap register.			
	14.	Whether the scrap sale has the approval of competent authority including the recommendation of Survey Committee, if any.			
2.9	Check list for verification of Stores-general activities:				
	1.	Are materials stocked properly so as to minimize deterioration and also to facilitate physical verification?			
	2.	In respect of receipt of POL,			
		a) Verify the shift wise log book to ensure the proper handing over from one personnel to another from one shift to another shift. b) Comparison of actual consumption of POL with predetermined norms.			
	3.	Study the system of inclusion of items in the category of AR items i.e...e, items which are required regularly and by more than one department. Whether the items included in AR category are proper?			
	4.	Is the periodical inspection of materials with a view to identifying deteriorated and damaged items carried out?			
		a) Whether the items identified have been included for dispose off?			
	5.	Are lists of non-moving and slow-moving items obtained and analyzed periodically?			
	6.	Study the basis of fixing minimum level, reordering and maximum levels and test check for some of AR items?			
	7.	Is the posting in the bin card with reference to original documents on sample check?			
	8.	Is hazardous items like chemicals, acids, lubricants, gases in cylinders stored separately in special storages?			
	9.	Whether Items not accounted through GRN are recorded regularly in No-action-GRN-register?			
	10.	Whether bin cards are maintained properly and kept posted up-to-date and the location of the bin noted therein tallies with actual location?			
	11.	Review the adequacy of fire protection measures?			
	12.	Verify whether review of surplus and unserviceable items has been made with a view to their actual usage by change in specification or use for a different purpose other than that for which it was originally intended. Review effectiveness of steps taken to dispose them of in the best interest of the company either by auction sale or scrap sale.			
	13.	Discrepancy, if any found during stock verification has been rectified.			
	14.	Test check the quantitative balances in the physical Bin card and Computer and physical stock from time to time.			

15.	Whether the BIN cards are regularly updating after change of location of material?			
16.	Verify whether materials have been transferred from one unit to other through stock transfer voucher (STV)/IUT after approval from Competent Authority.			
17.	Whether the inspection, testing and re certification of tools, tackles and mobile equipments of stores equipments has been done periodically?			
18.	Whether any stock balances have negative balances in PSL requiring adjustment, if any?			
19.	Whether all samples and prototype materials are kept separately?			
20.	Whether the items of high value kept under safe custody?			

3. Contracts Department (B D & Commercial Department)

Activities:

3.1 Processing the proposals.

3.2 Receiving and evaluation of tenders.

3.3 Issuing of tenders.

3.4 Post tendering works like deviation in work, extension of time etc.

Sl. No.	Particulars	Yes	No	Remarks if any
3.1	Check list for verification of Processing of proposals:			
1.	Examine the basis adopted for computing schedule of Rates (SoR).			
	a) Does the basis seem reasonable?			
	b) Are the rates reviewed and revised periodically?			
	c) Has the approval of the Competent Authority obtained as per Delegation of Powers?			
2.	Whether the indenting department has taken proper approval from the Competent Authority as per Delegation of Powers?			
3.	In case of limited tenders, whether the names suggested by the indenting department are included?			
4.	Verify the mode of tendering adopted with a view to ascertain whether the guidelines given in this regard by the CVO have been followed?			
5.	Whether the reasons for adopting limited tendering or single negotiated tendering have been recorded?			
6.	Whether the copy of the LOI is sent to tenderers with in time?			
7.	Whether action for extension of the period of the contract has been initiated well in advance in order to avoid stoppage of work and whether factors which necessitated the extension have been recorded?			
8.	Has approval of the Competent Authority been taken for the time overrun?			
9.	In case of amendment to tender or modification of tender terms subsequent to pre-bid meeting, whether corrigendum to tender has been issued in the same media with suitable time extension for submission of bids?			
10.	Whether sufficient time given for receiving quotations as			

		per guidelines (as per CVC guidelines)			
	11.	If any extension of due date is given? If yes, whether the approval from Competent Authority was obtained ;			
	12.	Verify whether all the tenderers have submitted EMDs?			
	13.	If no, verify whether exempted parties given proof of documents to exempt EMD (registered with NSIC) submitted by the contractor.			
	14.	In case of limited tendering method, the basis on which tenderers have been selected is as per prescribed procedure.			
	15.	Is the number of enquiries adequate for getting competitive offers?			
	16.	In the case of single tenders, verify whether adequate justification exists for resorting to single tender; the rates obtained were reasonable, and the prescribed procedure has been followed.			
	17.	In case of emergency contract, whether the Competent Authority approval has been obtained after completion of work and the reasons recorded for the nature of work and rates claimed by the contractor are reasonable?			
	18.	In case of nominated tender (without calling for tender), whether justification is given in the proposal with respect to award of the work and rates?			
	19.	In case of repeat order, whether ;			
		a) The orders had been placed within six months of the original order.			
		b) There was no downward trend of price.			
		c) Not more than one repeat orders for 50% of the original order had been placed against a specific order.			
3.2	Check list for Receiving and Evaluation of tenders:				
	1.	Verify whether tender documents have been issued after deposit of tender application fee in Accounts Dept?			
	2.	Whether adequate time has been allowed to the intending tenderers?			
	3.	Whether EMD collected from the tenderers has been deposited with F&A without delay?			
	4.	Verify the cases of EMD exempted and are they eligible for exemption as per rules?			
	5.	Verify whether NIT documents are prepared as per requirement of indenting department and drawings included (as required)?			
	6.	Verify whether tenders received later than the declared date and time are rejected?			
	7.	In case of two bid systems, whether price bids were opened only after technical bids opened and accepted as per the requirement of indenting department.			
	8.	Verify whether the signatures of tender opening officials obtained and changes/corrections recorded are authenticated by the officers?			
3.3	Check list for verification evaluation of tenders and awarding work:				
	1.	Examine whether adequate internal check system exists for ensuring correctness of the comparative statements?			

2.	Whether negotiations with tenderers, wherever necessary, have been conducted as per recommendation of Tender Evaluation Committee and as per laid down guidelines.			
3.	Whether the value of the tender recommended by the tender committee for acceptance is within 10% of the estimate cost. If not, whether the reasons have been recorded in the relevant minutes of the meeting.			
4.	In case of two bid system, whether price bids were opened only after qualifying technical bids in all cases?			
5.	Whether sufficient reasons for acceptance of the tender other than lowest have been recorded?			
6.	In all contracts above Rs.1 crore, is integrity programme been included?			
7.	Is Comparative statement correctly prepared taking in to consideration the elements of GST and also the make and specification as stipulated in the tender notice and those offered.			
8.	Whether negotiations were held after obtaining the approval from Competent Authority and as per CVC guidelines?			
9.	Verify whether recommendation from tender committee exists for awarding the work to L-1?			
10.	In case of retendering, is approval from Competent Authority obtained?			
11.	Is contractor's signature obtained in the work order (office copy) on every page, as acceptance of the award, before commencing the work?			
12.	Check whether all the Work orders got vetted by Finance Department before it is issued to avoid any mistakes in preparation of work order.			
3.4	Check list for verification of Post tendering works:			
1.	Analyze the deviation statements with a view to ascertaining the extent of cost overrun and the reasons there for. Has approval of the Competent Authority been taken for the deviation?			
2.	Verify the stage payments certified by the contract section and verify the basic documents on the basis of which certificate have been issued?			
3.	Examine whether there is an efficient system of monitoring the progress of work as per approved time schedule?			
4.	Verify the reports sending to the Management regarding progress of work highlighting shortfall compared with approved plan.			
5.	Whether measurements in MB are certified by the engineer-in-charge?			
	Check that in case of works which are not executed according to time schedule reasons for such delay have been investigated and management actions have been taken out at the appropriate level.			
6.	Whether samples of concrete etc. are taken and tests conducted to ensure quality as per terms of the contract?			
7.	Whether proper records of materials (including cement and steel) issued and consumed, contract/work-wise are			

		maintained?			
	8.	Verify whether each item of materials consumed for each work is in conformity with the stipulation in the contract.			
	9.	Whether the cost of the materials issued on recoverable basis has been recovered from the contractors' bills at the correct rates as per the terms of the contract.			
		In case of capital jobs, it may be verified that the total expenditure has not exceeded the sanctioned amount. If there is an excess, whether it has been fully justified and section obtained from the competent authority.			
	10.	Whether the excess material issued to the contractors is returned to the stores and in the event of the contractor failing to return the materials, the cost thereof together with penalty, as per terms of the contract, is recovered from the contractors' bills.			
	11.	In case of delay in execution of works contract, ensure that the penalty/liquidated damages as per terms of contract are recovered; in case of waiver, sanction has been obtained from the competent authority.			
	12.	Is work wise approved contractors list maintained by the contracts department?			
	13.	The registration of new contractors is as per the prescribed procedure?			
	14.	The lists are up-dated with reference to the performance of contractors.			
	15.	Verify and report after completion of the project whether the desired benefit / performance have been achieved as projected at the time of obtaining the approval of the competent authority.			

4. Finance & Accounts Department

Activities:

- 4.1 Fixed Assets Accounting.
- 4.2 Bills Payable.
- 4.3 Stores Accounting & Control.
- 4.4 Payroll Accounting.
- 4.5 Treasury Management.
- 4.6 Accounts receivable.
- 4.7 Capital Budget.
- 4.8 Provident Fund & Pension Scheme.
- 4.9 Statutory & Other Transactions.
- 4.10 Employee related transactions.

	Sl. No.	Particulars	Yes	No	Remarks if any
4.1	Check list for verification of Fixed Asset Accounting:				
	1.	Review the assets register for correctness and completeness of recordings and reconcile with financial accounts.			
	2.	Check whether the depreciation has been charged correctly according to the Company Act 2013 and Company Accounting policy?			
	3.	Check the entries with supporting documents like completion reports for buildings, commissioning reports			

		for plant and machinery, purchase invoices for furniture and fixtures?			
4.		Verify whether all capital expenditure relating to project construction grouped under 'Capital work-in-progress', project wise.			
5.		Verify whether the work-in-progress has been transferred to capital account after receipt of 'completion certificate' and 'asset put to use' certificate from the department.			
6.		Is the depreciation charged proportionately from the date of installation for the assets capitalised during the year?			
7.		Whether all entries of transfers, sale or retirements are supporting by sanctions issued by the Competent Authority?			
8.		Whether all the assets have been physically verified at the prescribed intervals by the concerned departments?			
9.		Whether unserviceable items have been identified and action taken for their retirement under the order of Competent Authority?			
10.		Whether all missing items have been investigated and action taken to adjust under the orders of the Competent Authority?			
11.		Whether the system of numbering of each asset to enable identification and facilitate stock verification is being intimated and the location of the assets have been recorded in the asset register?			
12.		Review whether any assets have been retired before their life and the reason for the same?			
13.		Review the impairment of assets, if any under AS-28.			
14.		Review idle assets and the reasons for their non / under utilization?			
15.		Review asset accounting when an old asset is exchanged for new one with payment of additional cost whether gross cost is accounted for the new one with corresponding entries for the disposal of the old asset or only the net cost is accounted in the books.			
16.		Whether at the end of year, are all departments have sent confirmation letters regarding their verification of fixed assets lying with their departments?			
4.2	Check list for verification of Bills payable:				
	A) Supplier's bills:				
1.		Whether the Bill complies with the rates, quantities, specifications, delivery dates etc. specified in the purchase order?			
2.		Is the receipt, inspection and taking over in stock of material evidenced by GRN?			
3.		Are all necessary certification copies enclosed with GRN?			
4.		Is payment restricted to accepted quantity only as per GRN?			
5.		Check whether a separate note is mentioned in the PO copy regarding receipt of quantity and payment to avoid 'double payment'?			
6.		Whether the supplier has delivered the item in time as per delivery schedule and if not, is Liquidated Damage			

	clause invoked and recovered?			
7.	In case of payment through bank, whether bank intimation has been received and other relevant documents such as Guarantee Certificate, inspection certificate, invoices, copy of GC or LR is furnished by bank?			
8.	Is GC/ LR endorsed in favor of MECL?			
9.	If the item is eligible for GST input tax credit, whether it is booked under separate account code?			
10.	In respect of advance payments, verify the amount paid is as per PO terms and against pro-forma invoice?			
11.	Is Security Deposit in the form of Bank Guarantee has been furnished as per format and validity exists as per Guarantee Clause?			
12.	Verify the value of GRN, whether GST is excluded for those items eligible for GST credit?			
13.	Are all advances given to supplier are adjusted from the invoice?			
14.	Are there any pending invoices for payment for more than 3 months and check the reasons for delay in settlement?			
15.	Is there any outstanding advances made to suppliers and pending adjustment for more than 3 months?			
16.	In case of rejection of material at inspection stage for which payment have already been made whether in all cases the materials have been got replaced at the vendors cost or money recovered?			
17.	Verify the payment with purchase order to check whether the freight, if any paid (included in price) is recovered from bill?			
18.	In case of payments relating to non-GRN cases, whether proof of receipt of material enclosed along with invoices?			
B) Contractor's Bills:				
1.	Are Contractor's stage payment bills certified by the Functional Manager of user department?			
2.	In case of Stage payment, is bill accompanied by Inspection Certificate as to the satisfactory completion of the stage as per terms & specifications of the order?			
3.	In respect of RA (Running Accounting) Bills, whether the bill has been raised for completed portion of the items and rates paid are as per work order and within total contract value.			
4.	Verify that all deviations and extra items have prior approval of Competent Authority.			
5.	Verify whether compliance certificate from the personnel department is enclosed with each RA bill certifying the compliance of local labour laws by the contractor?			
6.	Are all contractual recoveries recommended by the site engineer recovered from the bill?			
7.	Verify the man day wages paid are in accordance with present rates and as per escalation clause in the contract terms			
8.	Whether measurements in MB are certified by the engineer-in-charge and recommended for payment?			

9.	Whether security deposit recovered from bills as per the contract terms.			
10.	Verify the work completion period and applicability of LD clause.			
11.	Verify whether the security deposit has been released to the contractor only after maintenance period is over and certified by user department			
12.	Verify in case of Final bill, all documents (i.e. No demand certificate, check list) are attached?			
13.	If material supplied to supplier on cost basis is it recovered from bill?			
14.	Are all statutory deductions like works contract tax, TDS deducted from the bill?			
15.	Is GST paid to the contractor booked under separate head of account to claim the same as Input Tax Credit if available?			
16.	In case of capital/construction works, whether the material reconciliation statement enclosed			
17.	If SD is recommended for release along with bill, verify whether the maintenance period clause in the contract and recommendation from the engineer/officer-in-charge.			
18.	In case of Repair Order (RO) bills, if job has done outside plant premises then verify the gate pass return vouchers for the movement of items from the plant premises with reference to the date in particulars.			
19.	Are weighment slips issued by the weighbridge enclosed with RO bill and tallied with the material returned.			
20.	In case of vehicle repair bills inside the plant premises, verify the supply of the spare parts along with acknowledgement of the security on the delivery notes/invoice for the receipt of spare parts.			
C) Import payments:				
1.	In respect of letter of credit, verify the requisition given by the purchase department and amendments to the letter of credit, if any given. Verify, whether the same is matching with purchase order terms & conditions.			
2.	Verify the release of documents from the banks after payment, with letter of credit register and copy of Bill of entry/ Airway Bill submitted to bank.			
3.	In case of advance payment, verify the payment with requisition from purchase department, proforma invoice submitted by the supplier and with purchase order terms.			
4.	In respect of ocean freight payment, verify the requisition from the purchase department along with chartered party agreement, invoice and PO terms and freight register.			
5.	If demurrages incurred, verify the concurrence for demurrages at load port and discharge port based on lay time statement, statement of fact and bill of lading, approval from Competent Authority for payment.			
6.	In case of air freight, verify the payment with requisition from purchase department along with consolidation agent contract, invoice, airway bill and PO terms.			
7.	Verify the records maintained in respect of imports by			

		the concerned for claiming benefits/rebates under EXIM policy.			
4.3	Check list for verification of Stores accounting & Control :				
	1.	Verify whether the quantitative balances as per Stores Ledger reconciled with balances as per Bin Cards in frequent intervals?			
	2.	Verify whether the accounting of GRN is valued as per Purchase order and GST is excluded if it is eligible for input tax credit.			
	3.	If freight and handling expenses are borne by the company, check the cost as per bill along with the freight & handling (F & H) charges paid has been taken for valuation of GRN.			
	4.	Are capital and revenue items segregated to account capital items separately.			
	5.	Verify the SIT ledger reconciliation to identify the long pending transactions and the reasons for not settling the same?			
	6.	Verify whether all used and serviceable items returned through MRN are taken to stock with nil value and unserviceable items returned to stores are treated as scrap.			
	7.	In respect of accounting of shortage, verify the approval from Competent Authority.			
	8.	Verify AAV (Accounts Adjustment Vouchers) passed during the period to ascertain the errors occurred while posting GRN, SIV,AV.			
	9.	Verify STR (Stock Transfer Receipts) and STI (Stock Transfer Issues), whether the same has been valued and posted in time to reconcile with other units.			
4.4	Check list for verification of Payroll Accounting:				
	1.	Are attendance sheets received from departments have been reconciled with the leave data and daily absentee reports sent by the departments? Check attendance as shown in the Attendance Data Statement with the records of actual attendance.			
	2.	Check that leave records are maintained properly and test check certain entries in leave record with supporting documents.			
		Check the input documents sent by Payroll Section to Systems Department for the preparation of Payroll Master to verify the change of flag of increment, the grant of allowances, basic pay, D.A., promotion order etc.			
	3.	Is fixation in all cases done by Personal Departments in accordance with the Rules in consultation with F&A department?			
		Check the fixed deduction statement and variable deduction statement with the basic records and payslips to ascertain the correctness of the deductions made through payroll.			
	4.	All deductions and recoveries like rent, electricity charges etc. are made as per the orders and as per advice from the concerned section like Estate office for rent,			

	electricity charges from electrical maintenance department, personal telephone charges from admin department?			
5.	For all recoveries/deductions made in salary/wage bill, whether necessary journal entries have been passed?			
6.	Final settlement of dues to employees on account of resignation, termination, death and retirement are made as per rules and guidelines prescribed by Service rules?			
7.	In case of final settlement to the retired employees, Verify whether dues were paid only On receipt of the “No dues certificate” from the all departments?			
8.	Check the overtime hours paid with overtime statements received, ensure that overtime work was duly authorised such work was actually done and computation of overtime wages is in accordance with the provisions of Factories Act.			
9.	Verify whether the updation of basic pay in case of promotions is being made only after getting confirmation of the employee?			
10.	Whether the schedules in respect of Festival advance, Pay advance, Rent advance, Tour advance, LTC advance, are prepared on monthly basis and up-to-date?			
11.	In verifying telephone bill payments, verify whether the charges towards usage of telephone by the employees for their personal use as advised by the administration department have been recovered from the salaries of employees?			
12.	Verify EL encashment with respect to the Company Rules.			
	a) Last Pay drawn (Basic pay and DA) has been taken as a basis for Encashment.			
	b) Employee has not encashed Leaves during the same calender year.			
	c) Verify the encashment of Earned leave.			
13.	Verify Leave accounting as per Rules of the company			
	a) Whether any leaves other than SL, c/off, RH are combined with CL?			
	b) Verify C/off availed by the employee in lieu of duty performed on closed holidays/weekly offs are authorised by the sanctioning authority?			
	c) Test check the leave letters during audit period to ensure that all leaves are accounted properly and in accordance with company leave rules.			
14.	Verify the savings submitted by the employees and the amounts fed for exemption in payroll are as per Income Tax Act.			
15.	Verify the recovery of all loans from the employees including car, scooter, computer, rent advance, pay advance, festival advance and house building advance and reconcile with the schedule prepared.			
16.	Verify in case of transferred employees, whether all recoveries effected and compare with advise received from other transfer units.			
17.	In respect of newly joined employees, verify the salary			

		paid for the first month comparing with the date of join.			
	18.	Ensure that the statutory deductions on salary have been deposited with the appropriate authority within the stipulated time limits.			
	19.	In respect of resigned employees, whether all recoveries are effected and notice period pay, if any to be paid by the employee has been remitted.			
4.5	Check list for verification of Treasury Management:				
	1.	Review the duties and responsibilities of the staff to verify whether adequate internal control is built in to the system for avoidance of fraud, misappropriation etc.			
	2.	Review the system for fund transfer mechanism and adhere to the balance in current account retention limit by the various units.			
	3.	Whether Funds transferred to other locations based on the requirement of individual units?			
	4.	Whether Cash Management Section has maintained a register in prescribed form and chronologically entered the securities (including Bank guarantees) received with full particulars regarding the security and the date of expiry?			
	5.	Whether transfer certificates sent to such location on transfers of funds?			
	6.	Whether all cheque payments other than cash withdrawals have been paid by means of Crossed "Account Payee" Cheques or RTGS/NEFT mechanism.			
	7.	Is Authorisation for advising Banks for transfers of fund from one bank to another by Competent Authority?			
	8.	Verify whether all cheques signed by authorised signatories only as per Delegated Power?			
	9.	Whether fidelity insurance coverage is up-to-date and covered all the persons dealing with cash?			
	10.	Verify whether any day cash exceeded the maximum amount of cash that should be maintained as per fidelity insurance?			
	11.	Verify whether any cash payments made in excess of limit prescribed in the Income Tax Act,1961 (at present Rs. 10,000)?			
	12.	Whether stale cheques are transferred to 'stale cheque' account after three months of cheque date?			
	13.	Whether spoiled cheques retained and filed and voided in manner prescribed?			
	14.	Whether approvals for disbursal of foreign currency been given by authorised officials as per DOP?			
	15.	Whether Statement showing Investments outstanding at the end of each month is prepared?			
	16.	Statement showing interest earned including accrued interest as on last day of the month?			
	17.	Review the surplus fund available from time to time and their investment as per the established policy.			
	18.	In case of maturity of deposit, verify the amount received along with interest from the Bank.			
	19.	In case of bank guarantees whether appropriate action for extension has been initiated at least one month before			

		their expiry.			
4.6	Check list for verification of Accounts Receivable:				
	1.	Verify the letter of credits received from parties comparing with the Contract/Agreement entered.			
	2.	Review the L.C. Terms and conditions with respect to terms & Conditions of agreement.			
		a) LCs should be confirmed, irrevocable, unrestricted for negotiation without recourse to drawer.			
		b) Opened by bank acceptable by sellers Banker.			
		c) It should be for 100 % estimated value of shipment for guaranteed/ indicative Fe. Content.			
		d) Verify the validity of the L.C. as per agreement.			
		e) Verify Bank Charges in respect of L.C. opening and confirmation are for buyer's Account.			
	3.	Verify the invoices prepared based on MPR/ JMC within 7 days from the date of receipt of the same.			
	4.	Verify whether the invoice amount includes penalty /bonus and taxes clearly mentioned in the invoice.			
	5.	Reconciliation of billing done with activities to be undertaken as indicated in work order.			
	6.	Reconciliation of billing done with value of work done statement.			
	7.	Whether age analysis of sundry debtors is done.			
	8.	TDS deducted from bills is properly accounted for and reconciled with Form 26AS.			
	9.	Provision for doubtful debts is made as per the accounting policy.			
4.7	Check list for verification of Capital Budget:				
	1.	In respect of Capital Expenditure proposals, verify whether the proposal is having capital budget approval?			
	2.	In case of budget approved proposals, verify the standard CAPEX form, whether the reason for procurement, specific brand & manufacturer with explanation there for the techno commercial benefits of acquisition/replacement has been enclosed.			
	3.	Verify whether the CAPEX proposal cleared and recommended by the Functional Head of the respective indenters.			
	4.	Check that all proposals for capital expenditure were initiated on the basis of cost benefit studies and duly approved by competent authority.			
	5.	Is proposal having approval of CMD/BOD depending upon Delegation as per DOP.			
	6.	Verify whether payments are released as per the terms of work order and analyzing the progress of work as per approved time schedule?			
	7.	Verify the stage payments certified by the contract section and verify the basic documents based on which certificates have been issued?			
	8.	Verify the system of monitoring the expenditure and progress of work compared with approved plan.			
	9.	Verify the measurements in MB and ensure that the same are certified by the engineer-in-charge?			
	10.	Whether proper records of materials (including cement			

		and steel) issued and consumed, contract/work-wise are maintained and verified before processing the bills?			
	11.	Verify whether each item of materials consumed for each work is in conformity with the stipulation in the contract.			
	12.	Whether the cost of the materials issued on recoverable basis has been recovered from the contractors' bills at the correct rates as per the terms of the contract.			
	13.	Verify that the total expenditure has not exceeded the sanctioned amount. If there is an excess, whether it has been fully justified and section obtained from the competent authority.			
	14.	In case of delay in execution of works contract, ensure that the penalty/liquidated damages as per terms of contract are recovered; in case of waiver, sanction has been obtained from the competent authority.			
4.8	Check list for verification of Statutory & other transactions:				
	1.	Verify whether all statutory recoveries like GST TDS & TDS are remitted to the respective authorities every month with in stipulated dates.			
	2.	Verify the EMD and SD release as per the advice of contracts department by certifying the payment and whether it is tallied with the register maintained for the purpose.			
	3.	In respect of insurance payments, verify whether the policy covers all the assets as per requirement of user departments.			
4.9	Check list for verification of employee related transactions:				
	1.	In respect of payment to employees towards stitching charges, whether receipt is enclosed along with claim form.			
	2.	Verify festival advance payments to employees, whether advance is paid only once in the calendar year.			
	3.	Verify TA claim by the employees as per company TA rules.			
	4.	In respect of annual maintenance contracts, is payment released as per terms and rates of contract against departmental in-charge certification.			
	5.	In case of medical reimbursement claim, verify the claim is submitted in the prescribed format, sanctioned by the controlling officer and the reimbursement is as per the Company's rules.			
	6.	Verify whether the Medical reimbursement has been allowed based on the prescription given by Doctor'.			
	7.	Whether the reference for 'Specialist Consultation' has been made by Consulting physician?			
	8.	In case of reference to 'Approved Specialist' whether the fee receipt with specialist signature has been attached with reimbursement form?			
	9.	In case of in-patient treatment, is the amount released to the recognised hospital as per employee entitlement?			
	10.	Whether in case of treatment from other than Authorised Hospital, approval of Competent authority is exists for reimbursement?			
	11.	Verify that travelling allowance has been paid to			

		employee as per eligibility.			
	12.	Verify in case of transfer of employee, the transportation charges for personal effects has been reimbursed based on actual expenses subject to limits prescribed			
	13.	Ensure that suitable records are maintained to check against double payment of L.T.C. claims, leave encashment, festival advance etc.			
	14.	Check correctness of payments like payment of gratuity, payment under the Workmen's Compensation Act. Company's Contribution to Provident Funds etc. with reference to the respective rules and orders.			

5. Personnel Department

Activities:

- 5.1 Recruitment.
- 5.2 Training & development.
- 5.3 Promotions.
- 5.4 Industrial Relation.
- 5.5 Sanction of Loans & Advances.
- 5.6 Maintenance of Personal records.
- 5.7 Final Settlements.
- 5.8 Welfare activities.
- 5.9 Overtime Wages Payments.
- 5.10 Allotment of Co's quarters/ Buildings.
- 5.11 Recovery of House Rent & Electricity charges.
- 5.12 Vacation and unauthorized occupation of Company's quarters.
- 5.13 Maintenance of township.
- 5.14 Lease hold transaction.

	Sl. No.	Particulars	Yes	No	Remarks if any
5.1	Check list for verification of Recruitment :				
	1.	Verify whether, the rules /guidelines /policies in respect of employees are complied with of the Company.			
	2.	Compare the actual employee strength against the sanctioned strength for any variation and report variation, if any.			
	3.	Check that all rules and regulations for recruitment of all categories of employees are strictly followed and that all records in this regard are properly maintained.			
	4.	Check whether the instructions for reservations and de-reservation of the posts have been complied with.			
	5.	Check the roaster maintained for recruitment to reserved posts.			
	6.	Check whether the offers and terms and conditions of appointments issued are in accordance with the recommendations of the selection committee			
	7.	Review the personal files to verify whether all the declarations, nomination form etc., have been obtained, the files are kept up to date and all the records evidencing the events during the employment are kept			
	8.	Review whether all the formalities required i.e., verification of antecedents, medical examinations had			

		been completed in respect of new recruits.			
	9.	Review the cases of pay fixation, sanction of special allowance, advance, increments, special pay, honorarium etc., with reference to the rules and regulations formed and the delegation of power.			
	10.	Whether the Management Trainees get adequate institutional and on-the-job training?			
5.2	Check list for verification of Training & development:				
	1.	Are Development/ Refreshment training courses conducted for keeping employees abreast of new Technologies/ management techniques?			
	2.	Check how many such courses have been conducted and how many employees have been covered during the year.			
	3.	Whether approval of competent authority has been taken for sending employees for seminar and training program.			
	4.	Whether minimum training hours has been conducted as per MOU / Statutory guidelines.			
5.3	Check list for verification of Promotions:				
	1.	Whether the promotion of 'Executive and Non-executive' are in conformity with the "promotion Policy" of the company?			
	2.	Review whether the promotion of 'Executive and Non - executive' are with the approval of the competent authority. Review cases of pay fixation and grant of special pay/ allowances.			
	3.	Whether basic pays are fixed on promotion?			
5.4	Check list for verification of Industrial Relation:				
	1.	Study the man-hours lost due to strike and other industrial relation problems during the period under audit and the reasons therefore. Could the loss be avoided /reduced by proper action at appropriate time? Has suitable action been taken to avoid similar problem in future? Is the present industrial relation situation cordial and peaceful?			
	2.	How does the existing manpower (particularly in operation Departments) compare with manpower envisaged in the Manpower Plan? Has there been Industrial Engineering study for assessing the manpower requirement? If so, how does the actual manpower in position, compares with the Industrial engineering assessment?			
5.5	Check list for verification of Sanction of Loans & Advances :				
	1.	Review the sanction issued for advances to verify whether any second advance was paid before the due date.			
	2.	Check whether periodical verification of documents for cars, scooters owned by employees and claim for conveyance reimbursements are made.			
	3.	Verify whether the rate of interest chargeable in the case of advance drawn by employee for purchase of car/ scooter is correctly recorded in personal files.			
	4.	Verify whether that the recoveries from the employee resigned /retired are affected correctly.			
5.6	Check list for verification of Maintenance of Personal records:				

	1.	Are service records of all employees containing particulars regarding, date of birth, qualification, date of employment, date of increment, leave etc. being maintained properly?			
	2.	All records under factory Act and other statutory requirement kept properly?			
	3.	Check that all statutory returns and forms under Industrial Disputes Act, Payment of Wages Act, Workmen Compensation Act and other labour laws are regularly compiled and submitted to the authorities concerned.			
	4.	Verify whether suitable records are maintained to show the necessary particulars in regards to LTC claims and other allowances which are regulated with reference to the time interval.			
	5.	Whether the wages paid by contractor has been verified and PF, ESI documents has been collected from contractor?			
	6.	Whether leave record is maintained properly.			
	7.	Whether cases with respect of leave without pay are scrutinized.			
5.7	Check list for verification of Final Settlement in case Resignation/ Retirement :				
	1.	Verify the acceptance of Resignation letter and issue of reliving letter after approval of competent authority?			
	2.	Notice period has been served or if waived it is by the approval of the competent authority?			
	3.	Check correctness of final settlement for retrenched/ terminated employees.			
	4.	In cases of voluntary retired employees the final payment is as per Government notification and as per company policy?			
	5.	Verify from full and final settlement form, whether all dues as per outstanding dues certificate have been recovered.			
	6.	In case of resignation of employees, verify whether any bond amount is due and the same has been collected or recovered from the employee before release.			
5.8	Check list for verification of Welfare activities :				
	1.	All the declaration of dependent, nomination etc. has been taken from employees and it is updated as and when required for Medical claims/LTC claims Purpose.			
	2.	Whether safety appliance issued to the employees are as per Company policy and procedures?			
	3.	Whether the welfare scheme such as incentive scheme for acquiring professional qualification, grant of scholarships for employees children, etc. are being implemented efficiently and fairly?			
	4.	Review and verify whether the records for issue of uniforms, gifts etc. correctly maintained.			
5.9	Check list for verification of Overtime Wages Payment :				
	1.	Review the reasons for overtime working and the procedure for authorising, recording and verification of overtime working.			

	2.	Check whether the statutory rules governing the overtime working and payments being observed?			
	3.	Review the system of control/ monitoring the overtime wages payments.			
	4.	Check whether the overtime working and payments are reasonable?			
5.10	Check list for verification of Estate division and legal section :				
	1.	Whether telephone bills, other communication and office equipment electricity and water bills and there timely payment is monitored.			
	2.	Whether rent, rates and taxes are paid properly.			
	3.	Whether documentation of property of company held at various places is present.			
	4.	Whether rent and other charges are realised from the tenant.			
	5.	Whether Lawyers are appointed and their fees are fixed with prior approval of competent authority?			
	6.	What is the status of legal pending cases and what are the reasons thereof.			
5.11	Check list for verification of CSR Activities :				
	1.	Check the Budget allocated for entire CSR Activity during the year for the company as a whole.			
	2.	Check the number of Tier 1, 2 & 3 level CSR committee meetings held during the period.			
	3.	Check the minutes of these meetings and verify the work carried out as per approved plan.			
	4.	Check the Budget allocated for CSR Activity during the year for each project/ activity and actual expenditure incurred.			
	5.	Check the details updated on MECL CSR website.			

6. Civil Department

Activities:

- 6.1 Allotment of Co's quarters/ Buildings.
- 6.2 Recovery of House Rent & Electricity charges.
- 6.3 Vacation and unauthorized occupation of Company's quarters.
- 6.4 Maintenance of township.
- 6.5 Lease hold transaction.

	Sl. No.	Particulars	Yes	No	Remarks if any
6.1	Check List for verification of allotment of Co's quarters / buildings :				
	1.	Verify whether, Company's quarter allotted to employees are as per the rules of the Company.			
	2.	Verify whether appropriate approval was obtained from competent authority for quarters allotting to employees.			
	3.	Review the quarter register and statement of quarter lying vacant / unallocated for long period and the justification for the same.			
	4.	Review the complaints / suggestion register and verify the action taken on the complaints / suggestion.			
	5.	Verify whether appropriate approval was obtained from competent authority for allotment of quarters / buildings			

		in the estate to any outsider.			
	6.	Verify whether the lease period lease amount in respect of quarters / building leased out to outsiders are not unduly longer period and unreasonably low.			
	7.	Check that the lease terms are for short term only and revised periodically in comparison to prevailing market situation.			
	8.	Check the case of litigation with regard to lease agreement and latest status at the time of review.			
	9.	Check the actual occupants vis-à-vis lease as per agreement to ensure that there is no sub-letting / leasing (quarters/ shops etc.).			
	10.	Check for dues, long outstanding and review the reasons and action taken to recover the same.			
6.2 Check list for verification of House rent & Electricity Charges :					
	1.	A list of occupants of quarters (employees as well as outsiders) may be obtained from estate department and recovery of maintenance charges and electricity charges may be verified from payroll department.			
	2.	Whether in case of retention of old quarters beyond period allowed whether proper sanction is taken from appropriate authority.			
	3.	Verify that no HRA is being paid to an employee occupying quarters.			
	4.	Review whether recoveries due from outside parties towards lease of accommodation from the Company are properly effected.			
	5.	Review the allotment register of township hall and see whether recoveries of maintenance charges, electricity, water charges and cost of damage caused to building etc. have been effected.			
6.3 Check list for verification of Vacation and Unauthorised Occupation of Company's quarters:					
	1.	Review the handing over & taking over reports, whether the recoveries if any for the damage to the building/fittings are made from the occupants.			
	2.	Review whether the recoveries of Electricity bill up to closing reading of meter at the time of vacation is settled by the occupant.			
	3.	Verify whether all the set procedure is being followed to get vacated the Company's quarter from the unauthorised occupants.			
	4.	Check whether the boundaries of Company's land, quarters are properly protected and covered by compound walls of adequate height to avoid any encroachment.			
6.4 Check list for verifying Township maintenance:					
	1.	Review the approved annual budget of Township Maintenance and compare actual performance with the budget.			
	2.	Review whether the repair & Maintenance jobs are carried out as per the approved norms.			
	3.	Check whether the receipt of material drawn from the stores and outside purchases are duly authorised and			

		properly recorded.			
	4.	Are materials from township stores issued against authorised indents only?			
	5.	Are the stores physically verified at least once a Year?			
	6.	Check for the abnormal consumption of consumable items like bulbs, taps etc.			
	7.	Is Property / house tax and other statutory payments are paid within the time?			
6.5	Check list for verifying Lease hold transactions:				
	1.	In Lease hold land transactions, check the title deeds to ensure that they have been duly registered.			
	2.	For Leaseholds, note period of lease and terms of lease.			
	3.	Ensure that the title deeds are maintained in a safe place.			
	4.	Verify the lease rent payable proposed for payment, whether the rates are as per agreement between MECL and Lanlords and prior approval has been taken from competent authority for payment.			
6.6	Check list for verifying Repairs, Construction & General Maintenance Contracts:				
	1.	Whether examination of civil and maintenance contract work has been done in respect to works manual delegation of power and CVC guidelines?			
	2.	Whether any such cases exist where work could not be completed in time resulting in escalation and calculation of escalation bills?			
	3.	Whether bills submitted by parties are checked and verified with respect to scope of work as per work order issued?			
	4.	Whether procedure followed for short notice tender, limited enquiry/tenders, paper tender and acceptance /rejection of offers received is examined?			
	5.	Whether abnormal variation exists in estimated cost at the time of proposal and actual cost at the time of completion of work?			
	6.	Whether there is any time lag in issue of work order and approval of competent authority?			
	7.	Whether there is any time lag in date of actual start of work or date of handing over of site to the contractor and date of issue of work order?			
	8.	Whether Measurement book is updated properly for all types of civil, electrical contracts? And bills submitted by contractor are certified on the basis of such MB?			

7. Systems Department

Activities:

7.1 Access Controls.

7.2 Password Policy & Security.

7.3 Safety & Security of Assets.

7.4 Maintenance contracts.

	Sl. No.	Particulars	Yes	No	Remarks if any
7.1	Check list for verification of Access Controls :				
	1.	Whether the Access Control Policy is documented and implemented to ensure only authorized personnel are			

		allowed access to the information system assets :			
		a) Verify that a formal process exists for creation of user IDs and authorization of users based on functions performed.			
		b) Verify whether the list of users with administrator access for creation, modification and deletion of users and their access rights are defined for all systems.			
		c) Check if passwords are communicated after creation of user ID in a secure manner.			
		d) Review documentation and check logs to see whether only authorized persons are granted access and that the levels of access are adequate			
	2.	Whether all existing access rights given for various systems, user account details (such as Account Expiration, last login date, privileges etc.) are reviewed and modified as per the business and operational requirements.			
	3.	Determine access rights are granted to 'Third Party' on need to know basis and adequately authorized.			
	4.	Whether access to database is regulated.			
	5.	Verify whether exception reports for access violation are generated and reviewed.			
7.2	Check list for verification of Password Policy & Security:				
	1.	Check that password policies are defined and documented.			
	2.	Whether all the applications, database and operating systems have password parameters configured.			
	3.	Whether any written policy that disallows users from sharing passwords exists.			
	4.	Whether user password details are reviewed on a regular basis.			
7.3	Check list for verification of Safety & Security of Assets :				
	1.	Whether access to the data center is restricted to only authorised individuals whose job performance requires access.			
	2.	Whether access to the data center supply facilities (e.g. electrical supply, cooling towers or forms storage) is monitored.			
	3.	Check the availability of portable fire extinguishers.			
	4.	Whether Uninterruptible power systems such as UPS or motor generators are installed. Review their periodic testing.			
	5.	Verify whether the air conditioning system is adequately protected against any disaster.			
	6.	Check whether a list is maintained for all third party software used by the organisation.			
	7.	Check Whether the Original copies of all the licenses are in the custody of an authorised official and is documented.			
7.4	Check list for verification of Maintenance contracts :				
	1.	Check whether the prescribed procedures are followed for awarding the annual maintenance contracts.			
	2.	Check the maintenance contracts are taken on hardware in use and scope and conditions of preventive			

		maintenance are documented.			
3.		Whether service level reports are drawn up regularly.			
4.		Verify the procedure with regard to the following:			
		a) Call monitoring procedures			
		b) Registering the call			
		c) Acknowledgment of call			
		d) Resolution of problem and closure of call			
		e) Updating the solution database			
5.		Check that the Antivirus software is updated and virus wall is built and updated in the entire PCs and Other Servers.			
6.		Check whether the Software audit is conducted by an external agency once in every 3 years.			

8. Exploration Department

Sl. No.	Particulars	Yes	No	Remarks if any
1.	Whether requirement of fund received from project audited and whether they are justified.			
2.	Whether annual work plan of drilling and exploration audited and whether executed as per the terms and conditions.			
3.	Whether suspended borehole (if any) audited.			
4.	Whether the cases of re-drilling of borehole and reasons thereof examined.			
5.	Whether payments of cash incentives to projects checked.			
6.	Whether Geo-Physical logging work audited.			
7.	Whether Geological report is timely submitted.			
8.	Whether sundry debtors are analysed age wise and whether any recovery is made.			
9.	Reconciliation of Chemical & Geophysical work done and bills raised.			
10.	Whether any other matter related to division audited.			

9. Drilling Department

Sl. No.	Particulars	Yes	No	Remarks if any
1.	Whether annual requirement of drilling accessories and consumables considered.			
2.	Whether there is a plan of deployment of drilling machines.			
3.	Whether there are borehole losses and any approval thereof.			
4.	Whether there are any R & D activities of drilling division.			
5.	Reconciliation of Drilling Meter age with B D & P Division and Finance Division.			
6.	Whether there are any other matters related to division.			

10. CMC/ RMC/ Projects

Activities:

10.1 Access Controls.

10.2 Password Policy & Security.

10.3 Safety & Security of Assets.

	Sl. No.	Particulars	Yes	No	Remarks if any
10.1	Check List of verification of Access Controls :				
	1.	Whether all records related to production verified?			
	2.	Whether there are any such cases where machine and manpower are left idle?			
	3.	Whether valuation of job system checked?			
	4.	Whether record of scrap/ rejects generated in manufacturing/ processing of various items at CMC checked?			
	5.	Whether there is any abnormal generation of scrap/ rejects at CMC?			
	6.	Whether there is any other related matter?			
10.2	Check List of verification of RMC Activities :				
	1.	Whether all records related to repair and maintenance of machines and equipments verified?			
	2.	Whether work is completed in given time?			
	3.	Whether there is unreasonable delay in taking up items for repairs? (i.e. Break down machines not taken up for repairs and lying idle)			
	4.	Whether there is any other related matter?			
10.3	Check List of verification of Project Activities :				
	1.	Details of monthly Progress and achievement of Targets.			
	2.	Details of Shifts / Hours utilisation.			
	3.	Details of Borehole losses, if any.			
	4.	Details Re-drilling, suspended boreholes if any.			
	5.	Theft, Accident cases if any.			
	6.	M-5 Report Vehicle Performance Report.			
	7.	Sanction towards the Repairs, exceeding the delegated Powers.			
	8.	Excess consumption of HSD on vehicles - sanctions regarding.			
	9.	Details of hired vehicles, if any - HSD Consumption, Sanction, Billing, TDS.			
	10.	Verification of Running Log Books and History Sheets - Vehicles, Machinery.			
	11.	Payment of Telephone Bills - Regarding.			
	12.	Stores Receipts/ Issues Registers.			
	13.	POL Issue/ Receipt entries - Verification.			
	14.	F C Register			
	15.	Quotations - Purchase formalities.			
	16.	Inventory of stores - Idle inventory, Comparison with average monthly consumption.			
	17.	Stores return reconciliation with accounts booking.			
	18.	Cash Book verification - Physical verification of Cash done on.			

19.	Unpaid Register.			
20.	Verification of Data sent for PC-I Report and reconciling with Cost Sheet.			
21.	Bank Reconciliation statement.			
22.	Details of petty voucher payments.			
23.	Details of expenditure on Printing & Stationery.			
24.	FDA & FHRA Bills - Payments.			
25.	TA/ Imprest Advances and its adjustment.			
26.	Ledger / Trial Balance - Review.			
27.	Salary Data Verification.			
28.	Deposit of income tax recovery in time.			
29.	Attendance & Leave Record account.			
30.	Postage stamp account.			
31.	Payment of Vehicle Taxes, Insurance and Fitness.			
32.	Payment by Cash, amounts exceeding Rs.2000/-.			
33.	Verification of Labour Contractors bills, PF, ESIC.			
34.	Verification of Field Hostel Agreements and expenditure incurred on its maintenance.			
35.	Timely submission of information to CHQ for payment of RCM/ GST Tax and TDS, if any.			
36.	General Observations, Special Notes, if any.			
37.	Status of Audit paras, related to earlier audit, if any.			
38.	Audit Paras No. _____ Handed over on_____.			

11. Pre-Audit

Activities :

11.1 M P R / Administrative approval.

11.2 Appointment of Consultants.

11.3 Tendering and evaluation process.

11.4 Processing bids & Placement of Purchase / Contract Orders.

Sl. No.	Particulars	Yes	No	Remarks if any
11.1	Check List for verification of MPR / Administrative approval:			
1.	Is MPR / Proposal raised by indenting department in order with respect to specification of the material/ works required, item code, quantity based on MOU target and the estimated cost submitted along with justification?			
2.	Check ths basis of Estimates with reference to LPP/ Schedule of Rates/ Others, free issue items, inclusive/ exclusive of taxes and ensure that the same is reasonable.			
3.	Check whether the MPR has been raised when the stock level reaches re-order level (AR items) or after receipt of approved indent from user department in the case of Non-AR items.			
4.	Verify whether the Site Finance Concurrence is available, where ever required.			
5.	Is MPR/ Proposal recommended by Appropriate Authority?			
6.	In case of Capital Equipment/ expenditure, whether there is provision in the capital budget for the year and budget certification exists?			

11.2 Check List for verification of Appointment of Consultants :				
1.	Verify the justification furnished for the engagement of Consultant to ensure that the same is need based and for highly specialised jobs.			
2.	Check whether the Scope of the work and Objective is drafted in simple and concise language.			
3.	Whether transparent competitive bidding process is recommended.			
4.	Check that the Consultants Fees has been estimated in a realistic & scientific way, by ascertaining prevalent market conditions and consulting organization engaged in similar activities.			
5.	Ensure that the role of the Consultants is only advisory and final authority & responsibility rests with the Company Officials only.			
6.	Check whether EMD, BG, Penal provisions for non/poor performance is incorporated in the NIT.			
7.	Check whether open / limited tenders invited in all cases as per procedure prescribed?			
8.	Whether adequate publicity for tenders has been given as prescribed?			
9.	Whether sufficient time given for receiving quotations as per guidelines i.e., 4-6 weeks time for Open tender and 3-4 weeks time for limited tender.			
10.	Check whether Pre-Qualification criteria and evaluation criteria are well defined.			
11.	Verify whether the Finance Concurrence is available.			
11.3 Check list for verification of tendering and evaluation process :				
1.	Are open / limited tenders invited in all cases as per procedure prescribed?			
2.	Whether e-tender process followed for all procurements above prescribed threshold limit (Rs. 2 Lakh) and the L1 party is determined by following composite comparative price system?			
3.	Whether adequate publicity for tenders has been given as prescribed?			
4.	Whether sufficient time given for receiving quotations as per guidelines i.e., 4-6 weeks time for Open tender and 3-4 weeks time for limited tender.			
5.	If any extension of due date is proposed -			
	a) If yes, whether the recommendation from the appropriate Authority is available;			
	b) Is the reason for extension of date reasonable? (for e.g.. to have a better competition).			
6.	In case of Open/ Global tender, whether tender notice was issued in the news papers depending on target sources, place of publication and extent of circulation required?			
7.	In case of amendment to tender or modification of tender terms subsequent to pre-bid meeting, whether corrigendum to tender has been issued in the same media with suitable time extension for submission of bids?			
8.	In case of limited tendering method, the basis on which			

	suppliers have been selected is as per the prescribed procedure.			
9.	Is the number of enquiries adequate for getting competitive offers?			
10.	Test check whether enquiries for LTEs have been sent to all the registered vendors without pick & choose.			
11.	In case of single tenders verify whether adequate justification exists for resorting to single tender purchases; the rates obtained were reasonable, and the prescribed procedure has been followed.			
12.	In case of proprietary items, verify whether the tender was processed in accordance with Delegation of Powers and items procured were from OEMs or their authorized dealers only. Ensure that Proprietary certificate in the prescribed format is enclosed.			
13.	In case of repeat order, whether ;			
	a) The orders had been placed within six months for 50% of the original order with same rate, terms & conditions.			
	b) There was no downward trend of price.			
	c) Quantity of repeat order did not exceed that of the original order.			
	d) Not more than two repeat orders had been placed against a specific order.			
14.	In case of two bid systems, whether price bids were opened only after technical bids opened and accepted as per the requirement of indenting department.			
15.	Check the NIT conditions to ensure that either the Indian agent on behalf of the Principal/OEM or the Principal/OEM itself can bid but both cannot bid simultaneously for the same item/product in the same tender.			
16.	Check the NIT conditions to ensure that if an agent submits bid on behalf of the Principal/OEM, the same agent shall not submit a bid on behalf of another Principal/OEM in the same tender for the same item/product.			
17.	Check whether quality, quantity, place of delivery, delivery period and schedule of payments are specified.			
18.	Check whether the Scope of the work, Objective along with EMD, BG, LD and guarantee clause is drafted in simple and concise language.			
19.	Check whether Pre-Qualification criteria and evaluation criteria are well defined.			
20.	Check whether two bid systems (Technical & Price bid) incorporated in the NIT, otherwise justification.			
21.	Check the scope of escalation clause if any indicated in the NIT.			

	22.	Check whether Integrity Pact Clause (above Rs 30Lakh) and Fraud Prevention Policies are incorporated in the NIT.			
11.4	Check list for processing the bids & placement of PO / WO :				
	1.	Check whether Tender documents are duly signed by the Tender opening committee.			
	2.	Check whether the Tender opening report signed by all the committee member is enclosed.			
	3.	Comparative statements of the offers were correctly prepared taking into consideration the elements of taxes, duties, freight etc. and also the make and specification as stipulated in the tender notice and duly signed.			
	4.	Ensure that determination of L1 party is in accordance with the evaluation criteria of NIT.			
	5.	In cases of acceptance of other than lowest (L1), adequate justifications for rejection of lower tenders have been recorded.			
	6.	Check whether the Finance Concurrence and recommendation of concerned Director is available.			
	7.	Check whether the grounds for rejection of bids are in order.			
	8.	Check whether the Tender Committee recommendation is available and the same is made after verification of compliance with CVC guidelines, NIT terms and reasonability of the price.			
	9.	Whether negotiations / order placement were held after Tender Committee recommendation, Finance Concurrence and with the approval of the Competent Authority.			
	10.	Verify the particulars of EMDs submitted by the tenderer?			
	11.	If any vendor is exempted from submission of EMD (SSI or registered vendor) then verify whether proper documents (proof) have been submitted by the vendor.			
	12.	The applicability of GST with respect to material and its evaluation in tender process.			
	13.	Verify that prompt action was taken in finalizing the orders within the validity period of quotation to avoid price increase.			
	14.	Check whether amendment of the purchase / works orders has been made as per the laid down policy.			
	15.	Check whether extension of the delivery period / completion period and waiver of liquidated damages have been allowed as per the approved guidelines.			
	16.	Verify whether the Integrity pact agreement and fraud prevention policy of the company has been signed by the bidder as approved by the Management from time to time (in respect of the order values exceeding Rs. 30 Lakhs)			

	17.	Ensure the compliance/ adherence with CVC guidelines issued from time to time.			
11.5	Check list for Additional Areas:				
	1.	General Leger / Sub ledgers Scrutiny.			
	2.	Quarterly physical Verification of FDRs.			
	3.	Review reconciliation of form 26 AS with TDS ledgertds certificates.			
	4.	Verification of Debtors ageing.			
	5.	Review of Compliance of Ind As/Sch-III of Co Act, 2013/IFRS.			
	6.	Review of old EMD, retention money.			
	7.	Assistance and review of GST compliance when implemented by the Government.			
	8.	Review of compliance of Delegation of Power (DOP) of the company.			
	9.	To carry out the audit of Guest House facility at CHQ, Nagpur.			
	10.	Review of adequacy of insurance coverage in the Company.			
	11.	Review of the Tax assessments such Income Tax, GST Tax, Professional Tax etc.,			
	12.	Review of the compliance of the yearly Budgetary changes on taxes etc.,			

MINERAL EXPLORATION AND CONSULTANCY LIMITED
(FORMERLY MINERAL EXPLORATION CORPORATION LIMITED)
(A GOVERNEMENT OF INDIA ENTERPRISE)

ANNEXURE-V

AGREEMENT FORM

This agreement made this _____ day of _____ 2024 at Nagpur between MINERAL EXPLORATION AND CONSULTANCY LIMITED FORMERLY MINERAL EXPLORATION CORPORATION LIMITED, Dr. Babasaheb Ambedkar Bhavan, Seminary Hills, Nagpur, Maharashtra State (herewith called the Employer) of the one part and _____ (therein after called "The Contractor") of the other part. Whereas the employer is desirous that certain works should be executed by the contractor viz _____ and has accepted a tender by the contractor for the execution and completion of such work and the remedying of any defects therein.

Now this agreement witness as follows:

1. In this agreement words & expressions shall have the same meanings as are respectively assigned to them in the condition of contract herein after referred to.
2. The following documents shall be deemed to form and be read and construed as part of this Agreement Viz.
 - a) The said tender No. _____
 - b) The letter of intent No. _____
 - c) The letter of acceptance _____
 - d) The work order No. _____
 - e) General conditions of the contract _____
 - f) Special conditions of the contract _____
 - g) The priced bill of quantities. _____
3. In consideration of the payments to be made by the employer to the Contractor as hereinafter mentioned. The contractor hereby covenants with the employer to execute and complete the works and remedy any defects therein in conformity in all respects, with the provisions of the contract.
4. The employer hereby covenants to pay the contractor in consideration of the execution and completion of the works and the remedying of defects therein the contract price or such other sum as may become payable under the provisions of the contract at the times and in the manner prescribed by the Contract.

In witness whereof the parties hereto have caused this agreement to be executed the day and year first before written.

Signed, sealed and delivered by

MINERAL EXPLORATION AND
CONSULTANCY LIMITED
(FORMERLY MINERAL EXPLORATION
CORPORATION LIMITED), NAGPUR

Witness

(1)

Witness

(1)

Signed, sealed and delivered by (contractor)

M/s

(1).

(2).

GENERAL TERMS AND CONDITIONS OF THE CONTRACT

1. Visiting audit team will consist of minimum one Qualified Accountant (CA/CMA) & two Assistants having qualification of CA/CMA Intermediate.
2. It is mandatory to submit the CA/CMA Certificates along with their Aadhar Card of the members of the visiting Audit Team before conducting Audit.
3. The minimum duration of the Audit period for each quarter shall be 10 days @ 8 hours working time per day.
4. The presence of Partner of the firm is mandatory in the exit meeting of audit of each quarter for discussion.
5. The Head Office or the Branch Office of the firm must be at Nagpur.