



## **TENDER DOCUMENT**

**Tender for Appointment of CA, CA Firm or Cost Accountant to Undertake Internal Audit (Zone-wise) of Karnataka Food & Civil Supplies Corporation Limited and its subordinate offices for the Financial Year 2024-25**

**Tender No.: KFCSC/IAW/A.I.A/20/2024-25**

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**KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED  
(GOVERNMENT OF KARNATAKA UNDERTAKING)**

#16/I, Millers Tank bed area,  
Bangalore-560052. Ph:080 22096603,22096606

No:KFCSC/IAW/A.I.A/20/2024-25

Date: 25-06-2024

**SUB: Tender Notification for Appointment of Internal Auditors.**

The Karnataka Food and Civil Supplies Corporation Limited (KFCSC) Bangalore, invites tenders through E-Procurement portal from practicing Chartered Accountants, CA firms or a Cost Accountant (As per KTPP Act 1999) for Zone-wise Appointment of Internal Auditors to take up monthly Internal Audit of the District Offices and Head Office of KFCSC for the period **1<sup>st</sup> July -2024 to 31<sup>st</sup> March-2025**

The applications are invited for the **6 Zones** consisting of 31 Districts and one Head Office List of Zones and Districts offices having the units' offices as below.

<b>Zones</b>		<b>Districts office</b>		
<b>Sl.No</b>	<b>Zone Numbers</b>	<b>Sl No</b>	<b>Name of Districts</b>	<b>No of Units</b>
<b>1</b>	<b>Zone-I</b>	1	Bidar	1
		2	Kalaburgi	1
		3	Bijapur	1
		4	Yadgiri	1
		5	Bagalkote	1
			<b>Total</b>	<b>5</b>
<b>2</b>	<b>Zone-II</b>	1	Belgaum	1
		2	Dharawad	1
		3	Gadag	1
		4	Haveri	1
		5	Uttara Kannada (Karwar)	1
			<b>Total</b>	<b>5</b>
<b>3</b>	<b>Zone-III</b>	1	Dakshina Kannada (Mangalore)	2
		2	Shimoga	1
		3	Chikkamangalore	2
		4	Hassan	2
			<b>Total</b>	<b>7</b>
<b>4</b>	<b>Zone-IV</b>	1	Raichur	1
		2	Koppala	2
		3	Bellary	1
		4	Vijayanagara	1
		5	Davanagere	1
		6	Chitradurga	2

			<b>Total</b>	<b>8</b>
<b>5</b>	<b>Zone-V</b>	1	Mysore	1
		2	Chamarajanagar	2
		3	Mandya	1
		4	Ramangara	1
		5	Tumkur	1
			<b>Total</b>	<b>6</b>
<b>6</b>	<b>Zone-VI</b>	1	Kolar	2
		2	Chikkaballapura	1
		3	Bangalore North	3
		4	Bangalore South	3
		5	Bangalore Head Office	1
			<b>Total</b>	<b>10</b>
		<b>30</b>	<b>Grand Total</b>	<b>41</b>

Tender Reference Number	No: KFCSC/IAW/A.I.A/20/2024-25
EMD for each zone	1,00,000.00 (One Lakhs Only)
Date of publishing	25-06-2024.
Last date & time for submission of Bids	02-07-2024 at 17.00 hours
Date/Time of opening of Technical Bid.	03-07-2024 at 17.00 hours
Date/Time of opening of Financial Bid	05-07-2024 at 11.00 hours
Address for communication	Karnataka Food and Civil Supplies Corporation Ltd, No.16/I, Millars Tank Bed Area, Vasanthanagar, Bangalore-560052 Telephone No.22096603/22096615 <a href="https://kfcsc.karnataka.gov.in">https://kfcsc.karnataka.gov.in</a> E-kfcscfinance123@yahoo.com

The Detailed Tender documents can be obtained/downloaded from e-procurement portal <https://eproc.karnataka.gov.in>. The Managing Director reserves the right to accept or reject any or all bids without assigning any reason whatsoever.

  
25/6/24  
**Managing Director**



**KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED**  
**(GOVERNMENT OF KARNATAKA UNDERTAKING)**  
**#16/I, Millers Tank bed area,**  
**Bangalore-560052. Ph:080 22096603, 22096606**

No:KFCSC/IAW/A.I.A/20/2024-25

Date: 25-06-2024

**SUB:-TENDER NOTIFICATION FOR APPOINTMENT OF INTERNAL AUDITORS.**

The Karnataka Food and Civil Supplies Corporation Limited (KFCSC) Bangalore, invites tenders through E-Procurement portal from practicing Chartered Accountants, CA firms or a Cost Accountant (as per KTPP Act 1999) for **Zone-wise** appointment of Internal Auditors for the period **1<sup>st</sup> July-2024 to 31<sup>st</sup> March-2025**. Last date for submission of Bids on 02-07-2024, 17.00 hrs. Date/Time of opening of Technical Bid on 03-07-2024, 17.00 hrs and Financial Bid on 05-07-2024, 11.00 hrs. For further information kindly see <https://kfcsc.karnataka.gov.in> and visit e-procurement portal <https://eproc.karnataka.gov.in>. The Managing Director reserves the right to accept or reject any or all bids without assigning any reason.

  
**Managing Director**

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**KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED**  
**(GOVERNMENT OF KARNATAKA UNDERTAKING)**  
**#16/I, Millers Tank bed area,**  
**Bangalore-560052. Ph:080 22096603, 22096606**

No: KFCSC/IAW/A.I.A/20/2024-25

Date: 25-06-2024

**SUB: TENDER NOTIFICATION FOR APPOINTMENT OF INTERNAL AUDITORS.**

**SECTION-1**

**INVITATION FOR BIDS**

1. The Managing Director, KFCSC, Bangalore invites tenders from eligible practicing Chartered Accountants, CA firms or a Cost Accountant for **Zone-wise** appointment of internal auditor for carrying out the monthly Internal Audit including MSP operations **and any other assignments assigned** of District offices & Head Office of KFCSC Ltd,. For the period **1st July-2024 to 31st March 2025**. The Bidders are required to submit details of their capability to undertake the work stating that they shall abide by all rules and regulations, terms and conditions as per tender documents. Opening pre-qualification bid or technical bid will be followed by opening of financial bid of qualified bidders. The Chartered Accountants, CA firms or a Cost Accountant shall quote the audit fee per month for all the work stated in tender document per Zone. The same will be valid for the entire period.
2. Bidders are required to apply separate bid for **each Zone. No escalation in professional fee will be paid.**
3. Bids must be accompanied By EMD of Rs.1,00,000.00 per Zone to be paid online through e-Procurement portal.
4. Bid documents may be downloaded through Government of Karnataka e-procurement website, <https://eproc.karnataka.gov.in>

*lw 23/6/24*  
**Managing Director**

## **SECTION-2**

### **TERMS AND CONDITIONS**

#### **1) SCOPE OF SERVICE:**

Internal auditing is an independent, objective assurance and consulting activity designed to add value to and improve an organization's operations. It may help an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes. Internal auditing might achieve this goal by providing insight and recommendations based on analyses and assessments of data and business processes. With commitment to integrity and accountability, internal auditing provides value to governing bodies and senior management as an objective source of independent advice.

Further, pre-audit is the first part of the auditing process. During pre-audit, a company's financial documents are examined to ensure that all information is correct at the first instance and a continuous process of monitoring finances throughout the year.

#### **The main objectives of Internal Audit are as below:**

1. To advise the management on whether its major operations have sound systems of risk management and internal controls.
2. The prime objective is to examine and evaluate whether corporation's framework of risk management, internal control and governance processes are adequate and functioning properly.
3. Advising and recommending the management for improvements in internal control and internal financial Controls on Financial Reporting.
4. Understanding and assessing the risks and evaluate the adequacies of the prevalent internal controls.
5. Identifying areas for systems improvement and strengthening controls.
6. Ensuring optimum utilization of the resources of the entity, for example human resources, physical resources etc.
7. To carry out routines testing (Pre-audit), this includes examining and analyzing many transactions.
8. Internal auditors should cover all the organization's operations that have a bearing on the information relevant for management reporting and decision making
9. Internal auditors are charged with developing value-for-money initiatives that provide savings and/or increased efficiencies within the organization.

10. Internal auditors are charged with submission of monthly viability report for each unit.
11. Pre-auditing enables corporation to detect errors or frauds at early stages and take the corrective measure on the same.
12. Submission of flash report of the financial losses in the event of misappropriation
13. Internal Auditors are required to certify and issue the year end (31.03.2025) physical stock verification statements of the concerned districts with March 2025 reports
14. Annual accounts of districts, unit wise has to be certified.
15. Risk management processes are effective and significant risks are appropriately identified and managed;
16. Financial and operational information is accurate, reliable, and timely;
17. Employee's actions are in compliance with policies, standards, procedures, and applicable laws and regulations;
18. Resources are acquired economically, used efficiently, and adequately protected;
19. Quality and continuous improvement are fostered in the organization's risk management and control processes;
20. Significant legislative or regulatory compliance issues impacting the organization are recognized and addressed properly;
21. Coordination of activities and communication of information among the various governance groups occur as needed;
22. The potential occurrence of fraud is evaluated and fraud risk is managed;
23. Information technology governance supports strategies, objectives, and the organization's privacy framework; and
24. Information technology security practices adequately protect information assets and are in compliance with applicable policies, rules, and regulations.
25. Examination and evaluation of adequacy and effectiveness of the internal control and risk management system at various operations and activities.
26. Review of the accuracy and reliability of accounting records and financial reports with a view to ensure robustness of Internal Financial Controls on financial Reporting.
27. Checking both transactions and functions of specific internal control procedures at various departments/ offices.

28. Evaluation of adherence to legal and regulatory requirement covering Acts related to Finance, Banking and Taxation laws such, GST, Income Tax Act, etc. and approved policies and procedures.
29. Examine that the resources are acquired economically, used efficiently and safeguarded adequately.
30. Carrying out special assignment as directed by the senior management/ Audit Committee.
31. Value addition; improve operational efficiency and internal control systems.
32. To ensure the compliance of company Risk Management policies by respective projects/ units/ regions/Corporate Office Evaluation of Management Information System (MIS) Reports.

To achieve above broader goals organization has intended to appoint professionals called internal auditors to perform the pre-audit & internal auditing activity.

Therefore, interested Chartered accountants, CA firms or Cost accountant shall participate in bidding. Successful bidders are bound to carry out the monthly pre-audit & internal audit work zone wise as per the scope of audit given in **Annexure-III** for district unit offices and in **Annexure IV** for Head office.

**Note:**

Bidders are requested to note that the above mentioned scope is issued only as illustrative guideline and should be construed as a part of the internal audit exercise and should not be considered as exhaustive or restrictive in any manner.

The scope for appointment of internal auditor is inclusive and may be modified, revised, updated based on the notifications of Companies Act 2013, Income Tax Act 1961, GST Act 2017 and any other situation based needs in concurrence with Internal Auditor.

**2) ELIGIBILITY CRITERIA:**

- (a) Chartered accountants, CA firms or Cost Accountants shall participate in bidding.
- (b) CA/CA firm, or Cost Accountants shall bid Zone wise. There are 6 Zones applicant has to apply to each zone separately.
- (c) Bids must be accompanied By EMD of Rs. 1,00,000.00 for each Zone which should be paid online through E-Procurement portal.
- (d) CA/CA firm, or Cost Accountants shall quote monthly audit fees for each zonal. Bid price shall contain Zone wise details of fixed & variable cost, in prescribed format.
- (e) The CA/CA firm, or Cost Accountants must have its head office/branch office in the Zonal districts to which Zone they are going to apply.
- (f) CA/CA firm, or Cost Accountants shall have sufficient number of chartered accountants and auditing staff to be deployed as per requirement of the organization. Details of staff deployed has to be submitted in prescribed format
- (g) CA/CA firm, or Cost Accountants shall bid zone wise.
- (h) CA/CA firm, or Cost Accountants has to participate individually for each Zone. However, if any CA/CA firm becomes successful bidder for more than two Zones, the appointment of such CA/CA firm will be restricted to one Zone and the decision taken by management will final.
- (i) CA/CA firm, or Cost Accountants required to have minimum of 3 years experience.

- (j) CA/CA firm, or Cost Accountants should ensure that only qualified and experienced chartered accountants/Auditing staff are posted as internal auditors of the Districts office and their staff data has to be submitted to the office in prescribed format.
- (k) Authorization letter on behalf of the partner to have correspondence with the Corporation.
- (l) The terms and Conditions/scope of audit is to be signed (on every sheet) and to be enclosed while submitting the bid.
- (m) A set of hard copies of the required documents for the technical bid should be submitted to the General Manager as per the dates earlier.

### **3) DOCUMENTS COMPRISING THE TECHNICAL BID**

- a) Attested copy of ACA/FCA/CMA Certificate of Practice.
- b) Attested copy of PAN CARD.
- c) Attested copy of GST Registration.
- d) Attested copy of Income Tax assessment orders for the last three financial years.
- e) Attested copy of address proof for having office at any one of the district head quarter to which applicant is bidding.
- f) Attested copy of experience certificate past 3 years' experience certificate in execution of similar contracts, if any.
- g) Attested copy of partnership agreement, in case of partnership firm.
- h) Attested copy of man power description number of CAs and number of other staff in prescribed format
- i) Attested copy of affidavit for non-conviction:-Affidavit from the CA/CA firm, or Cost Accountants declaring that they have not been convicted for any offence for having any criminal cases under any act or orders there under regarding any conviction in previous years/present. (In Rs.20/-stamp paper and to be attested by the notary)
- j) The bidders should upload the entire bid documents i.e., complete tender document (Section 1, Section2, Annexure I to V) duly signed and stamped bid form etc., as a token of acceptance of all terms and conditions.
- k) Filled & signed copy of Annexure-1 (Application form) the applicant should upload Annexure -I to wherever the firm applied.
- l) EMD Copy

### **4) BID FORM**

- a) Technical details should be submitted along with documentary proof otherwise evaluation will be done ignoring that item as not available. This format should not be changed in any manner. Addition/deletion/alteration of the text will automatically render the tender invalid and therefore, will be summarily rejected.
- b) Bidders shall furnish all the documents as specified in tender document. The bidders should upload the entire bid documents i.e., complete tender document duly signed and stamped including all Annexure, bid form etc., as a token of acceptance of all terms and conditions.
- c) Audit fees should be quoted in Financial bid format for rendering service of audit work. This format should not be changed in any manner. Addition/deletion/alteration of the text will automatically render the tender invalid and therefore will be summarily rejected.
- d) The bidder is requested to examine all instructions, forms, terms and specifications in the Bid documents, failure to furnish all the information required as per Bid Documents or submission of the bids not substantially to the Bid Document in every respect will be at the bidder's risk which may result in rejection of the Bid.
- e) At any time, prior to the date of submission of bid, KFCSC may, for any reason, whether on its own initiative or in response to a clarification required by a prospective bidder, modify the bid documents by amendments.

- f) The amendments shall be notified in e-procurement portal and these amendments will be binding on them.
- g) The tenders will undergo evaluation at every stage of processing and any tender found at any stage not in conformity with the stipulated tender conditions including specifications/found to have uploaded defective and incomplete documents or found defective will be rejected.

**5) BID PRICES**

- (1) The CA/CA firm/Cost Accountants shall quote the price as per Annexure-II attached to bid document. The composite price shall indicate all the types of Taxes, including GST etc., as applicable from time to time.
- (2) The price quoted by the bidder shall be **inclusive** of TA, DA any Conveyance to the visit to the audit places.
- (3) The price quoted by the bidder shall remain fixed during entire period of contract & shall not be subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as non-responsive and rejected.
- (4) The minimum fee to be quoted for each zone will be Rs.1,000/-

**6) EMD & BANK SECURITY DEPOSIT**

- (A) Applicant CA/CA firm, or Cost Accountants shall pay the Earnest Money Deposit (EMD) of Rs.1,00,000.00 per Zone they apply. In the e-procurement portal using any of the following payment modes:
  - a) Credit Card
  - b) Direct Debit
  - c) National Electronic Fund Transfer (NEFT)For details on e-Payment services, refer to e-procurement portal.
- (B) Any bid not secured in accordance with Terms and conditions will be rejected by KFCSC as non-responsive.
- (C) The successful bidder's EMD amount may be forfeited if the bidder fails to sign the contract.
- (D) EMD of unsuccessful bidders shall be returned after the tender is awarded and accepted by the successful bidder.
- (E) Format and signing of Bid.  
Bidder shall submit the Bid electronically within due date. The bid document shall be signed by the bidder.
- (F) Deadline for submission of bids.
  - (a) Bids must be submitted online in the e-Procurement in time.
  - (b) KFCSC may extend the deadline for submission of bids by issuing an amendment, which in case all rights and obligations of the KFCSC and the Bidders, previously subjected to the original deadline, will then be subject to the new deadline.
- (G) Late Bids.  
In online e-procurement system, Bidder will not be able to submit the bid after the deadline.
- (H) Bid validity
  - (a) The bids shall remain valid for 90 days after the date of opening of bids. A bid valid for a shorter period shall be rejected as non-responsive.
  - (b) A bidder, accepting the request of KFCSC for an extension to the period of bid validity in exceptional circumstances, will not be permitted to modify their bid.
- (I) Process to be confidential  
Information relating to the examination, clarification, evaluation, and comparison of Bids and recommendations for the award of a contract shall not be disclosed to Bidders or any other persons not officially concerned with

Such process until the award to the successful Bidder has been announced. Any effort by the Bidder to influence the KFCSC's processing of Bids or award decisions may result in the rejection of their Bid.

(J) **Clarification of Bids**

During evaluation of Bids, KFCSC may, at their discretion, ask any Bidder for clarification of their Bids, including breakup of charges. The request for clarification and the response shall be in writing or through email, but no change in the price or substance of the Bid shall be sought, offered or permitted.

**7) FINANCIAL BID:**

The bidder shall quote the rate in the financial bid as per Annexure-II Zone wise, monthly. Separate financial bid to be quoted for individual Zone.

**8) TENDER EVALUATION**

The tender submitted by the bidder will be opened by the Tender Opening Committee constituted. If the documents in technical bid are found to be in order, as specified above, only then the financial bid will be opened. Incomplete documents in the Technical qualification will result in rejection of the entire tender and the financial bid. The 'Procurement Entity', after due evaluation, selection in the order of priority and call upon Lowest Tenderer to furnish Security Deposit and execute the agreement.

The "Procurement Entity" before passing the order accepting a tender may negotiate with Lowest Tenderer.

In the event of any discrepancy in respect to the rates quoted, the "Procurement entity" reserves the right to accept the lowest rate, at its discretion.

If there is no bidder for a particular Zone, then it is discretionary power of MD to appoint an Internal Auditor to that district Zone.

**9) AWARD OF CONTRACT**

The KFCSC shall consider placement of Letter of Acceptance (LoA) to those bidders (in duplicate) whose offers stands L1 in the tender process. The bidders shall sign and return one copy of the LOA in token of their acceptance along with the performance security within three days.

**10) KFCSC LTD., RESERVES RIGHT TO ACCEPT ANY BID AND TO REJECT ANY BIDS:**

The KFCSC shall not be bound to accept the lowest or any tender and reserves to itself the right to accept or reject any bid or to accept whole or a portion of tender, as it may deem fit, without assigning any reason there-off and without incurring any liability to the affected bidder(s) for the action of KFCSC.

The KFCSC reserves the right to remove any Internal Auditor, if his work is not satisfactory (if audit observations are superficial & reports are not submitted on time). Further if the performance/conditions of the work of the auditor of a particular zone is not satisfactory such CA/CA firm, or Cost Accountants will be replaced with L-2 tenderer of the same Zone existing CA/CA firm, or Cost Accountants.

**11) SIGNING OF CONTRACT**

Signing of Agreement shall constitute the award of contract on the bidder.

**12) ANNULMENT OF AWARD**

Failure of the successful bidder to comply with the requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security in which event KFCSC may make the award to any other bidder at the discretion of KFCSC or call for new bids.

**13) TERMS OF PAYMENT**

**Payment will be made at Head office of "Procurement Entity" after deducting the applicable taxes etc. The payment will be made after timely submission of the internal audit report of a particular month and receipt of the bill.**

Further, the Zone wise monthly audit reports should be submitted **20<sup>th</sup> of next month** to concerned District Manager and a copy shall be sent to the Managing Director KFCSC. The audit report will be scrutinized in internal audit wing at head office. The Internal Audit at Head Office may ask auditor any information/clarification about the audit. For delay in submitting audit report, 20% of the admissible bill amount, for that month will be deducted.

**14) VIOLATIONS OF CONTRACT**

The Internal Auditor shall conduct physical verification of stock as per mandatorily. Failure in reporting the same, will amount to violation of contract. In this Juncture if any financial misuse/stock misuse occurs the concerned auditors shall be held responsible partly and action under Section 21 of Chartered Accountant Act 1949 will follow.

**15) TERMINATION OF CONTRACT**

In case there is any continuous delay in submitting the audit report for 3 months (quarter) and any default by the CA/CA firm, or Cost Accountants in any of the terms and conditions (whether General, special, statutory), KFCSC may, without prejudice to any other right/remedy which shall have accrued or shall accrue thereafter, terminate the contract, in whole or in part, and KFCSC will forfeit the security deposit by giving one month's notice in writing to the service provider.

All instructions, notice and communications under the contract given in writing and if sent to the last known place of business, shall be deemed to be served on the date, even in ordinary course of post these would have been delivered to the service provider.

Notwithstanding anything contained herein, KFCSC also reserves the right to terminate the contract at any time or stage during the period of contract, by giving one month notice in writing without assigning any reason and without incurring any financial liability whatsoever to the service provider.

**16) OTHER OBLIGATIONS**

- a) KFCSC prior to the expiry of the tender validity period shall notify the bidder whose tender is accepted for the award of the contract. The terms of the accepted offer shall be incorporated in the acceptance letter issued.
- b) Notwithstanding the above KFCSC reserves the right to accept or reject any tender and to cancel the bidding process at any time prior to the award of the contract.
- c) The undersigned reserves the right to select CA, CA firms or Cost Accountant proposed by the successful bidder and also the right to ask for replacement at any time.
- d) The replacement shall be given within three days and for delay of each day, a penalty of Rs.150/- will be levied.
- e) TDS shall be made in the bills of successful bidder.
- f) Security deposit will not carry any interest and will be refunded on cessation of agreement.
- g) The Auditor shall audit the pending pre audit bills if any left in the previous year if requested by the District office.

*Handwritten signature: [Signature] 25/6/24*  
**Managing Director**

**KFCSC LTD**

We agree to the above terms and conditions.

CA/CA firm/CMA  
Name & sign.

**ANNEXURE-I**

**APPLICATION FOR APPOINTMENT OF INTERNAL AUDITORS FOR KFCSC,  
BANGALORE FOR THE PERIOD FROM 1st JULY 2024 TO 31st MARCH 2025**

To,  
The Managing Director,  
Karnataka Food & Civil Supplies Corporation Ltd.,  
# 16/I, Millers Tank Bed Area, Vasanthnagar,  
Bangalore-560052.

Dear Sir,

With reference to your letter dated ..... After going through the Scope of audit of district offices we are interested to take up Internal Audit work of Zone No.....(Consisting of ..... District offices & ..... No of Units) of your esteemed organization for the period from **1st July-2024 to 31st March 2025** at the rate monthly remuneration of Rs.----- (Details attached)

I/we furnish herein below the particulars as required by you.

- 1) Name of the CA/CA firm, or Cost Accountants and address  
With Telephone and e-mail
- 2) Membership No., and PAN No.
- 3) Year of establishment
- 4) Head office/Branch Address located at the above zone for which we want to take up the internal audit.
- 5) Experience of last three years:  
Years as Internal Auditor/Statutory Auditors of any Karnataka Government Under takings. (Enclose documents) if any
- 6) No of accounting staff of the CA company/CA firm/Cost Accountant
  - a) Chartered Accountants/Cost Accountants
  - b) Paid Assistant
  - c) Article Assistant

Place:

Date:

Signature with Seal

**ANNEXURE -II**

**FINANCIAL BID**

Financial Bid should be in form-B indicating audit fees after going through the Scope of Audit. Bidder shall quote audit fees per month.

SIGNATURE OF THE TENDERER

*H*

**Form-B (FINANCIAL BID)**

I/We hereby offer to take up the Internal Audit work of below Zone of your Corporation at the fees indicated against the Zone.

Zone Number	Period	Audit fees per month <b>(inclusive of all applicable taxes)</b>
	1 <sup>st</sup> July 2024 to 31 <sup>st</sup> March 2025	Rupees in figures and in word
1) Zone No		
2) Zone No		
3) Zone No		
4) Zone No		
5) Zone No		
6) Zone No		

Date:

Address:

*25/6/24*

SIGNATURE OF THE TENDERER

*H*

WITH SEAL

### **Activity to be taken up by the auditor**

1. Pre audit of payments more than Rs.10,000/- Rupees.
2. Preliminary review (before due date) and reporting of monthly statutory obligations
3. Final review (after due date) of monthly statutory obligations. If any deviation the same needs to be escalated.
4. Submission of flash report of the financial losses in the event of misappropriation
5. Submission of monthly detailed audit report.
6. Hand book regard financial transactions.
7. Working hour details,
8. Manpower details.
9. Monthly updating annual accounts formats.
10. Monthly compliance to be discussed in VC.
11. Certification of annual accounts of FY 2024-2025
12. Physical stock verification statement as on 31.03.2025

### **Zone wise Details of Man Power/Working Hours to be engaged - Monthly**

<b>Zone</b>	<b>Designation</b>	<b>Man Power Required</b>	<b>No of Staff Required</b>
Zone - I (5 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant /Articles (B.Com Graduate)	Weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	2
Zone - II (6 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant/Articles (B.Com Graduate)	Weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	2
Zone - III (7 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant/Articles (B.Com Graduate)	Weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	3
Zone - IV(7 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant/Articles (B.Com Graduate)	Weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	3
Zone - V(6 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant/Articles (B.Com Graduate)	Weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	3
Zone - VI(9 Units)	Chartered Accountant/ Cost Accountants	One CA/ Cost Accountants	1
	Paid Assistant/Articles (B.Com Graduate)	All working days at head office unit and weekly two days for each district for each staff for pre audit and monthly submission of audit reports.	4

### **Basis of calculation of manpower requirement for paid assistant/articles**

1. Weekly paid assistant/articles should visit head office in all working days and district offices two days in a week.
2. In every month it is assumed to have 24 working days (excluding 4 Sunday and 2 Saturday). Every day seven working hours is considered (10.00 AM to 5.30 PM.)

**Annexure-III**

**KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED, BANGALORE  
LONG FORM OF MONTHLY INTERNAL AUDIT REPORT OF THE DISTRICT OFFICE**

**INTERNAL AUDIT REPORT FOR THE MONTH OF:**

DISTRICT OFFICE:

<b>SL No</b>	<b>PARTICULARS</b>	<b>Remarks</b>
<b>I</b>	<b>Physical verification of cash</b>	
a)	Date and Time of physical verification of cash, discrepancies to report	
b)	DM to verify the physical cash every day and close the cash book entries in FIST.  The internal auditors to verify and report.	
<b>II</b>	<b>Cash Book Verification</b>	
01	To verify proper classification is made of all the transactions and recorded in respective head of accounts in FIST.	
02	Whether cash payment is made by complying with IT Act 1961. Is there any payment of cash for Rs.10,000/- and above for single transaction on particular day of the month)	
<b>III</b>	<b>Bank Book Verification</b>	
01	Whether :- 1. District Office is entering all transactions in bank book in the FIST Software on day to day basis (BP, BR, and Contra) bank account wise. 2. To verify proper classification is made of all the transactions and recorded in respective head of account in FIST. 3. Transactions are recorded on day-to-day basis in FIST 4. If bank levy bank charges reversal and follow up on refund on bank charges	
02	Whether	
a)	Cheque books are kept in joint Custody.	
b)	Cheques are being signed jointly or severally by District Manager and Assistant Manager.	

03	Whether a) DDs/ Cash/Cheques received from WP/RP/ Govt are deposited within 24hrs with the bank. b) Any delay has been observed in remittance. Details to be furnished in <b>Annexure - 01</b>	
04	Whether payments a) Vouchers/Receipts are supported by Bills. b) Whether District Manager has authorized the payment Voucher and approved the bills for payment.	
05	After payment whether paid & cancelled seal is marked on the bills/vouchers	
06	If banks are charged Bank charge the same has to be reversed in subsequent months.	
07	<b>Bank Remittance by Depots</b> Any delay in DD remittances when compared to Daily Sales Abstract, is to be reported and interest on such delay to be calculated and to be collected from Depot Manager for collection.	
<b>IV</b>	<b>BANK RECONCILIATION</b>	
1	Whether: a) Bank Reconciliation Statement (BRS) is to be completed by 10 <sup>th</sup> of next month, for all the bank accounts. b) Whether the Bank Reconciliation statement is done through FIST software: Yes/No: c) If BRS is not done for any account POM to be issued and reconciliation to be completed within stipulated time. d) Check for unclaimed cheque /DD or unrealized payment due for more than 3 months as per BRS. Verify if these unclaimed cheque are moved to Cheques Unclaimed, Head of Account( HAO) e) Provide BRS Details in <b>Annexure -02</b> <b>WST Collection:</b>	
2	WST Collection in FIST should be zero a) Pre Observation Memo (POM) to be	

	<p>b) issued for any difference in WST collection</p> <p>c) If the District Office fails to rectify after POM, amount of excess/short remitted to be calculated in <b>Annexure - 02A</b> for recovery</p>	
<b>V</b>	<b>JOURNAL ENTRIES</b>	
1	<p>Auditors mandatorily to verify the stock statement like receipts, issues and balances (allotment wise) <b>.Diff. cost (Month wise)</b></p> <p>a)</p> <p>Commodity wise details of Differential Cost Claimed to be provide in <b>Annexure -03</b></p> <ol style="list-style-type: none"> <li>1. Quantity Should tally with Stock Account (Purchase Column)</li> <li>2. Total Claim amount should tally with CTB</li> <li>3. Details of any unclaimed DC at the month end to be provided with reason for delay.</li> </ol> <p>Corresponding JE's (HO and other district offices.)(JE wise)</p> <p>(If the above entries are not updated please comment.)</p>	
<b>VI</b>	<b>Inward and outward Register</b>	
1	Whether Inward and outward register is maintained properly.	
2	In ward Letters/ HO Circulars/ Govt. Instructions are entered in the inwards Register serially and properly delivered to the concerned.	
<b>VII</b>	<b>Purchase Register</b>	
1	Whether Purchase Register is maintained properly and all the details are entered in the Register on day to day basis in the First software- <b>Annexure-04</b>	
2	Whether You have verified Purchase invoices/R.O & have been kept safely and being serially numbered.	
3	The purchase should be booked only for Stock Receipt Quantity. Not for the allotment/R.O/ Quantity.	

4	While entering in to the software the purchase entry should be verified to the costing sheet.	
5	Whether Register is being maintained for the difference between the quantities lifted at FCI Godown by the Transport Contractor and the quantity received at WSP. Furnish details. And steps taken by DO in this regard such as recovery for shortages	
6	Whether adequate control of movement of stock from FCI godown to WSP has ensured. Offer your specific comments.	
7	Whether the full quantity is received against the payment made by DO if part stock received, the balance to be ascertained from FCI	
8	In case of delay/short/excess, supply of stock from NCDEX/NAFED/Others, to be reported.  If so, is any penalty is deducted out of payments.	
9	E-auction stock issued to Other WSP nominees, DOs are ensure that the entries to be made in purchase and sales in the FIST (district PC) Invoice wise. <b>Annexure - 05</b>	
10	Whether full amount is received in advance before Stock issued to other whole sales nominees/MSP, if not comment on such cases.	
11	Offer your comments whether Paditara Khatri implemented or not, provide details in <b>Annexure -06</b>	
<b>VIII</b>	<b>MSPO Procurement Audit</b>	
1	Whether Procurement Register is maintained by procurement point wise properly.	
2	Whether Grain voucher has been passed according to documents produced by Farmers.(Qty./Rate as per H.O. Circular) in FIST	

3	Whether payment is tallied with the stock receipts of procurement center wise	
4	Whether Scrutiny of Transport Contract Bill on MSPO payment has been made. Ensure Separate register to be maintained.	
5	Whether imprest bills, handling & labour charges have been scrutinized according to Circular issued by Head Office. & Register is maintained for such payments.	
6	Whether market cess is paid & Register is maintained for such payments.	
7	Scrutiny of Storage charges on MSPO bills has been done & whether a separate payment register is maintained or not.	
8	Scrutiny of Hulling charges on MSPO bills has been prepared & a separate register is maintained or not.	
9	Whether Quality checking as per FAQ has been done.	
10	<b>Issue of Stock: MSP</b> Are the below parameters met for issuing of MSP stock  1) Allotment Copies, Release order copies & Truck chit No.	
11	MSP payments for that year wise check the correctness and gentility of MSP expenditure compare it with costing sheet. Offer your comments. <b>Annexure-07</b>	
<b>IX</b>	<b>Sales Register</b>	
1	Any Commodity having the value is sold at Zero cost at whole sale point, that should be accounted at DO with passing journal entries for sale value.	
<b>X</b>	<b>Stock Register</b>	

1	a) Whether District Office is receiving monthly physical verification. Stock report of WP/RP. From the Physical verification office deputed. b) Cross verification is carried out by District Office with Fist Soft ware c) Any difference is noticed and recorded by DO. Furnish details in quantity/ commodity wise and amount. d) Any surprise physical verification has been conducted by the District manager during the month. Comment.	
2	a) Whether Stock transfer Register is being maintained for transfer of Stock form one scheme to another scheme. As per the Allotment. If not reasons for the same. b) Is there any diversion of stock from MDM to PDS or vice versa in any of the WSP	
<b>XI</b>	<b>Differential Cost</b>	
1	Whether Diff. cost Claim and Received Register is maintained properly.	
<b>XIII</b>	<b>Payment of Admin Charges on Rice/Wheat/Sugar/K oil</b>	
1	Whether you have verified Administrative Charges paid to DC as per Costing Sheet and proper classification of stock under respective scheme and price. At which it is sold.	
<b>XIV</b>	<b>Details of Revenue expenditures during the month.</b> Auditor has to verify the all the expenses incurred.	
<b>XV</b>	Auditor is to verify the viability of the District Office/WSP/RSP/LPG/ PETROL BUNK and offer the comments <b>Annexure - 08</b>	
<b>XVI</b>	<b>ADVANCE OTHER THAN STAFF</b>	
1	Whether Advance paid Register is maintained Properly	
2	Furnish details with regard to age wise outstanding Advances. Whether reasons have been found out for such old Advances. Furnish details. Suggestions for rectification. Whether records are	

	made available for verification What steps DM has taken.	
<b>XVII</b>	<b>Staff Advance Register</b>	
1	Whether Staff Advance Register is properly maintained <b>Annexure - 9</b>	
2	Please furnish the details of irregular account such name of the staff amount since when it has become irregular account what steps have been taken by DM	
3	Whether Outstanding advances of transferred employees have been transferred to concerned districts through J.E. Yes/No If no comment.	
<b>XVIII</b>	<b>Deposit Register</b>	
1	Deposit Register is property maintained	
<b>XIX</b>	<b>Sundry Creditors/ Debtors Register</b>	
1	Whether Sundry Creditors and Sundry Debtors Register maintained properly, records for the same to be furnished in Annexure-10&11 respectively	
<b>XX</b>	<b>Log Book</b>	
1	Whether Log Book is maintained & verified properly in all respect	
2	Whether Vehicle is in the name of the Corporation or taken on monthly hire. What is the amount of hire charges paid. What is the total km traveled in a month.	
3.	What is the expenses incurred by the Do for Repairs and Maintenance for the month	
4	Whether HO permission is taken for the major repair	
5	In case of accident whether insurance claim is lodged Whether amount of claim received What is the present position Whether Vehicle is fully insured,	
<b>XXI</b>	<b>Service Register</b>	
1	Whether service register is up dated Whether It is properly recorded.	
2	Whether leave account, pay scales /	

	increment sanctioned etc. is properly recorded therein.	
3	Whether Attendance Register is checked Whether Leave is noted properly	
4	Whether earned leave account of the official retiring on superannuation or any other case is verified and whether certificate is attested in the Service register for settlement of encashment benefit as per Rule (18(A) of KCSR	
5	Whether Proper job allocation is done. Whether DO is maintaining JOB allocation Register. Attach a copy of the job allocation.	
<b>XXII</b>	<b>Trial Balance, Receipts &amp; Payments</b>	
1	Whether Monthly Trail Balance is extracted. Please attach a copy	
<b>XXIII</b>	<b>Assets Register</b>	
1	Whether Assets Register is properly maintained as per HO instructions. Attach a copy of register to audit report	
2	Whether additions/purchases made during the year and sales made during the year is properly recorded.	
3	Whether number is being done for all the furniture items.	
4	Whether physical verification is carried out. When it is being done.	
5	Whether approval has been obtained from HO for the purchase made during the year.	
<b>XXIV</b>	<b>COMPLAINT REGISTER</b>	
1 a)	Whether Compliance register is maintained. How many complaints received during the month and disposed off.	
b)	Whether monthly statement is being sent to head office	
<b>XXV</b>	<b>MDM Scheme goods purchase under Akshar dasoha programme</b>	
1	Commodity quantity and amount involved as per Fist stock statement.	
2	Whether bills have been promptly submitted to ZP and received the amount from ZP in time. Reasons for the delay.	
3	Check the correctness of the bills claimed.	
4	What is the advance amount received & what is the amount adjusted and what	

	the amount balance is.	
4	What are the total sales. Furnish in quantity, value etc and commission received thereon.	
5	Whether delay is noticed while submitting the bills to ZP and receiving the amount.	
<b>XXVI</b>	<b>STATUTORY MATTERS</b>	
1 a)	Verification of Appropriate computation/deductions for PF, Prof Tax , TDS/TCS under Income Tax Act and also for other liabilities under GST etc. and	
b)	Payment thereof by due dates and Submission of periodical returns/ statements by the prescribed time line and Accounting and documentation thereof.	
c)	Providing data in timely manner to HO. Details of GST to updated in FIST on or before 5 <sup>th</sup> of succeeding month in <b>Annexure-11</b> , the same needs to be intimated to HO If the District has failed to update GST details to HO on or before 5 <sup>th</sup> of the succeeding month. The Auditor has to calculate interest on late payment and penalty for such delays. This should be recovered from the DM.	
<b>XXVI I</b>	<b>Compliance Audit</b>	
a)	No of pending Queries up to last month audit	
b)	No of audit Queries during the month	
c)	Total no of pending QUERIES of internal audit - <b>Annexure - 13</b>	
d)	Offer your comment about the compliance given by the DM for your audit observations.	
e)	Up to which month date of compliance given for the last time.	
f)	Have you verified the same and forwarded it to H.O with yours comments.	
<b>XXVI II</b>	<b>General</b>	
1	Whether DO is compiling with the various instructions, approvals instructions given by Head Office and also directions given by the Government	
2	Whether Accounting Standard complied with. Are you satisfied with internal control System for stock verification Job Allocation is being done by DM as per Ho instructions and Report is sent to HO.	

3	Whether the following Annexure has been enclosed to the report:  a. Annexure 01 b. Annexure 02 c. Annexure 03 d. Annexure 04 e. Annexure 05 f. Annexure 06 g. Annexure 07 h. Annexure 08 i. Annexure 09 j. Annexure 10 k. Annexure 11 l. Annexure 12 m. Annexure 13	
4	Details of Wholesale Points/ LPG etc. reports are enclosed to this report	
<b>XXIX</b>	<b>Audit Details.</b>	
1	Date of post audit carried out	From -----to-----
2	Month	
3	Report to be submitted to MD	
4	Is there any delay in submission of audit report	
5	Reasons for the delay	
6	Whether staff are cooperative	
7	Name of audit staff and qualifications	
8	Have you discussed your findings with DM for rectification.	

Internal Auditor

Date:

Place:

***Auditors are requested to note that the above mentioned scope is issued only as illustrative guidelines and should be construed as a part of the internal audit exercise and should not be considered as exhaustive or restrictive in any manner.***

**Reports:-**

The auditors shall conduct the internal audit based on the data and records available at the accounting units. In the course of audit, it is expected that all queries /doubts pertaining to any area shall get satisfied at field unit only. If any irregularity or misdeed or wrongdoing or unconformities are observed during the audit then, Pre Observation Memo (POM) shall be issued for each observation immediately (on the same day) to the respective unit. The compliance of the same should be ensured during the audit period. If the compliance to the

audit observation is not possible within audit period in that case, time for complying the observation / para should be obtained and suitably mention in the final inspection report. In general, report should comment on the lacuna (gap) observed in the systems and procedures and weak areas where internal control needs to be intensified. The report should contain the entire Pre Observation Memo (POM) issued and observation made during the inspection irrespective of compliance to the Pre Observation Memo (POM). The report should also mention the method and way of working adopted by the field units. The report should also spell out the overall risk the organization/unit is carrying. The report should also give the attendance of the audit persons.

Time is the essence for submission of report by auditor. The audit report is required to be submitted by the Auditors **within 20<sup>th</sup> of next month of audit.**

Flash Report should be submitted by the Internal Auditor immediately on detection of major irregularity frauds, embezzlement, theft, leakages, losses etc

The Internal Auditor should also give their observation about the effectiveness of internal control system prevailing.

Internal Audit Report should be signed by the partner of the Firm.

**Compliances:-**

The compliances to the paras or observations made by units should be submitted to The Deputy General Manager (I/A) with copy to The Managing Director with necessary supporting documents to enable The General Manager to close the para.

**FACING SHEET**

**We have carried out the Internal Audit of -----District Office for the month of -----.**

**We have verified all the necessary documents as per the Scope of Audit and we have made some key observations.**

**AUDIT OBSERVATIONS FOR THE MONTH----- OF -----DISTRICTS.**

<b>SL. No</b>	<b>Para No</b>	<b>Area</b>	<b>Audit Observation</b>	<b>Auditor's Suggestion</b>

The District Manager is required to give the compliance report for the above key Audit Observations within 10 days.

Internal Auditor

-----Districts

General Manager

**Annexure -IV**

**Long form of Internal Audit Report of Head Office KFCSC**

<b>Sl.No</b>	<b>Particulars</b>	<b>Auditors observation</b>
	<b>FINANCE SECTION</b>	
<b>I</b>	<b>Physical verification of cash</b> a) Date and Time of physical verification of cash, discrepancies to report b) DGM/FM/DM to verify the physical cash every day and close the cash book entries in FIST.	
<b>II</b>	<b>Verification of Cash Book</b> a) To verify proper classification is made of all the transactions and recorded in respective head of accounts in FIST. b) Whether cash payment is made by complying with IT Act 1961. Is there any payment of cash for Rs.10,000/- and above for single transaction on particular day of the month.	
<b>III</b>	<b>Bank Book Verification</b> Whether :- a) District Office is entering all transactions in bank book in the FIST Software on day to day basis (BP, BR, and Contra) bank account wise b) To verify proper classification is made of all the transactions and recorded in respective head of account in FIST. c) Transactions are recorded on day-to-day basis in FIST. d) If bank levy bank charges reversal and follow up on refund on bank charges.	
<b>IV</b>	<b>Verification of all vouchers</b> a) Verification of Fund Transfer and payments at HO. b) Vouchers/Receipts are supported by Bills. c) Whether MD/GM/DGM has authorized the payment Voucher and approved the bills for payment. d) After payment whether paid & cancelled seal is marked on the bills/vouchers. e) If any financial irregularities	
<b>V</b>	<b>Bank reconciliation</b> a) Bank Reconciliation Statement (BRS) is to be completed by 10 <sup>th</sup> of next month, for all the bank accounts. b) Whether the Bank Reconciliation statement is done through FIST software: Yes/No: c) If BRS is not done for any account POM to be issued and reconciliation to be completed within stipulated	

	<p>time.</p> <p>d) Check for unclaimed cheque /DD or unrealized payment due for more than 3 months as per BRS. Verify if these unclaimed cheque are moved to Cheques Unclaimed, Head of Account (HAO)</p> <p>e) Provide BRS Details in <b>Annexure -02</b></p>	
<b>VI</b>	<p><b>Journal entries</b></p> <p>a) Auditors mandatorily to verify the Corresponding/Transfer others JE's between HO and other district offices.</p>	
<b>VII</b>	<p><b>Advance others than Staffs</b></p> <p>a) Whether Advance paid Register is maintained properly.</p> <p>b) Furnish details with regard to age wise outstanding Advances. Whether reasons have been found out for such old Advances. Furnish details. Suggestions for rectification. Whether records are made available for verification What steps DM/FM/DGM has taken.</p>	
<b>VIII</b>	<p><b>Staff advance register</b></p> <p>a) Whether Staff Advance Register is properly maintained <b>Annexure - 9</b></p> <p>b) Please furnish the details of irregular account such name of the staff amount since when it has become irregular account what steps have been taken by DM/FM/DGM.</p> <p>c) Whether Outstanding advances of transferred employees have been transferred to concerned districts through J.E. Yes/No If no comment.</p>	
<b>IX</b>	<p><b>Deposit register</b></p> <p>a) Deposit Register is property maintained</p>	
<b>X</b>	<p><b>Fund management system</b></p> <p>a) Details of Borrowings &amp; interest paid</p>	
<b>XI</b>	<p><b>Salary payment</b></p> <p>a) Check whether all salaries made properly.</p>	
<b>XII</b>	<p><b>Sundry Creditors/ Debtors Register</b></p> <p>a) Whether Sundry Creditors and Sundry Debtors Register maintained properly, records for the same to be furnished in Annexure-10 &amp; 11 respectively.</p>	
	<b>ADMINISTRATION SECTION</b>	
<b>XIII</b>	<p><b>Service Register</b></p> <p>a) Whether service register is up dated Whether It is properly recorded.</p> <p>b) Whether leave account, pay scales / increment sanctioned etc. is properly recorded therein.</p> <p>c) Whether Attendance Register is checked Whether Leave is noted</p>	

	<p>properly.</p> <p>d) Whether earned leave account of the official retiring on superannuation or any other case is verified and whether certificate is attested in the Service register for settlement of encashment benefit as per Rule (18(A) of KCSR.</p> <p>e) Whether Proper job allocation is done. Whether HO is maintaining JOB allocation Register. Attach a copy of the job allocation.</p> <p>f) Whether all the instructions of circulars, delegation of powers followed or not.</p>	
<b>XIV</b>	<p><b>Inward and outward Register</b></p> <p>a) Whether Inward and outward register is maintained properly.</p> <p>b) In ward Letters/ HO Circulars/ Govt. Instructions are entered in the inwards Register serially and properly delivered to the concerned.</p>	
<b>XV</b>	<p><b>Assets Register</b></p> <p>a) Whether Assets Register is properly maintained. Attach a copy of register to audit report.</p> <p>b) Whether additions/purchases made during the year and sales made during the year is properly recorded.</p> <p>c) Whether physical verification is carried out. When it is being done.</p>	
<b>XVI</b>	<p><b>Complaint Register</b></p> <p>a) Whether Compliance register is maintained. How many complaints received during the month and disposed off.</p> <p>b) Whether monthly statement is being sent to head office.</p>	
<b>PROCUREMENT SECTION</b>		
<b>XVII</b>	<p><b>Differential Cost</b></p> <p>a) Is Differential cost claimed on food grains during the month</p> <p>b) Is diff cost register is maintained properly</p> <p>c) Is any claims received on food grains from Department/Govt. during the month, if yes</p> <p>d) Differential cost claimed up to the month of</p> <p><b>MSP Section</b></p> <p>a) Details of provisional costing sheet/final costing sheet of previous and current MSP operation.</p> <p>b) Status of claim of MSP from GOI and State Government to be provided for last 3 years. If delay, provide the reason and action for claiming the said amount.</p> <p>c) Details of reimbursement of MSP claims from GOI/State Govt. during</p>	

	the month d) Any Interest claims on government guarantee loans.	
	<b>LEGAL SECTION</b>	
<b>XVIII</b>	<b>Pending Cases</b> a) List of empaneled advocates b) Details of pending cases as on today c) Actions to be taken on staff shortages and recoveries, if yes details to be attached d) Is any misappropriation cases during the month, if yes attach the details	
	<b>TRANSPORTATION SECTION</b>	
<b>XIX</b>	<b>Log Book</b> a) Whether Log Book is maintained & verified properly in all respect. b) Whether Vehicle is in the name of the Corporation or taken on monthly hire. What is the amount of hire charges paid? What is the total km traveled in a month? c) What are the expenses incurred by the HO for Repairs and Maintenance for the month. d) In case of accident whether insurance claim is lodged Whether amount of claim received What is the present position Whether Vehicle is fully insured,	
<b>XX</b>	<b>Statutory matters</b> a) Verification of Appropriate computation/deductions for PF, Prof Tax , TDS/TCS under Income Tax Act and also for other liabilities under GST etc. and b) Payment thereof by due dates and Submission of periodical returns/ statements by the prescribed time line and Accounting and documentation thereof. c) If there is delay in statutory payment by due dates and Submission of periodical returns/ statements by the prescribed time line, interest/penalty to be calculated as per the norms of IT act which is to be recovered from District Manager (Finance)	
	<b>INTERNAL AUDIT SECTION</b>	
<b>XXI</b>	<b>AG's Audit paras</b> a) Details of AG's Pending Paras b) Details of Clearance of AG's Paras	
<b>XXII</b>	<b>Method of books of accounts maintained</b> a) Is maintained Monthly/Quarterly/ Annually books of accounts.	
	<b>ENGINEERING SECTION</b>	
<b>XXIII</b>	<b>Property &amp; Construction</b> a) Details of own properties of the corporation	

	b) Is there any construction work done during the month, If yes details to be record.	
	<b>COMPANY SECRETARY SECTION</b>	
<b>XXIV</b>	<b>Board composition</b> a) Last board meeting conducted on b) Any board meeting conduct during the month	
<b>XXV</b>	<b>Others</b> Accounting System Accounting Policies Accounting Standers	
3	Whether the following Annexure has been enclosed to the report: a. Annexure 02 b. Annexure 09 c. Annexure 10 d. Annexure 11 e. Annexure 13	
<b>XXVI</b>	<b>Audit Details.</b>	
	Date of post audit carried out	From -----to-----
	Month	
	Report to be submitted to MD	
	Is there any delay in submission of audit report	
	Reasons for the delay	
	Whether staff are cooperative	
	Name of audit staff and qualifications	
	Have you discussed your findings with DM/FM/DGM for rectification?	

Internal Auditor

Date:

Place:

***Auditors are requested to note that the above mentioned scope is issued only as illustrative guideline and should be construed as a part of the internal audit exercise and should not be considered as exhaustive or restrictive in any manner.***

**Reports:-**

The auditors shall conduct the internal audit based on the data and records available at the accounting units. In the course of audit, it is expected that all queries /doubts pertaining to any area shall get satisfied at field unit only. If any irregularity or misdeed or wrongdoing or unconformities are observed during the audit then, Pre Observation Memo (POM) shall be issued for each observation immediately (on the same day) to the respective unit. The compliance of the same should be ensured during the audit period. If the compliance to the audit observation is not possible within audit period in that case, time for complying the observation / para should be obtained and suitably mention in the final inspection report. In general, report should comment on the lacuna (gap) observed in the systems and procedures and weak areas where internal control needs to be intensified. The report should contain the entire Pre Observation Memo (POM) issued and observation made during the inspection irrespective of compliance to the Pre Observation Memo (POM). The report should also mention the method and way of working adopted by the field units. The

report should also spell out the overall risk the organization/unit is carrying. The report should also give the attendance of the audit persons.

Time is the essence for submission of report by auditor. The audit report is required to be submitted by the Auditors **within 20<sup>th</sup> of next month of audit.**

Flash Report should be submitted by the Internal Auditor immediately on detection of major irregularity frauds, embezzlement, theft, leakages, losses etc

The Internal Auditor should also give their observation about the effectiveness of internal control system prevailing.

Internal Audit Report should be signed by the partner of the Firm.

**Compliances:-**

The compliances to the paras or observations made by units should be submitted to The Deputy General Manager (I/A) with copy to The Managing Director with necessary supporting documents to enable The General Manager to close the para.

**FACING SHEET**

**We have carried out the Internal Audit of -----District Office for the month of -----.**

**We have verified all the necessary documents as per the Scope of Audit and we have made some key observations.**

**AUDIT OBSERVATIONS FOR THE MONTH----- OF -----DISTRICTS.**

SL. No	Para No	Area	Audit Observation	Auditor's Suggestion

The District Manager is required to give the compliance report for the above key Audit Observations within 10 days.

Internal Auditor

-----District

*lw 25/6/24*  
**MANAGING DIRECTOR**  
H

**Annexure-V**

**Details of WSP/RSP/LPG/Petrol Bunk/Kerosene points district wise**

Sl. No.	District office	No of Wholesale points	MDM units	No of Retail Points	No of Auto Gas Points	No of LPG Points	No of Kerosene Points	No of Petrol Bunks
1	Bagalkot	8	1	-	-	-	-	-
2	Bangalore North	8	-	-	-	2	-	-
3	Bangalore South	7	4	-	1	-	-	1
4	Belagavi	9	2	-	-	-	-	-
5	Bellary	7	-	-	-	-	-	-
6	Bidar	6	-	-	-	-	-	-
7	Bijapur	10	-	-	-	-	-	-
8	Chamarajanagar	8	3	-	-	1	-	-
9	Chikkaballapura	5	1	-	-	-	-	-
10	Chikkamagalore	8	2	-	-	1	-	-
11	Chitradurga	6	2	-	-	-	-	1
12	Davangere	11	-	-	-	-	-	-
13	Dharwad	9	-	-	-	-	-	-
14	Gadag	7	-	-	-	-	-	-
15	Gulbarga	9	-	-	-	-	-	-
16	Hassan	10	-	-	-	1	-	-
17	Haveri	4	3	-	-	-	-	-
18	Karwar	5	7	-	-	-	-	-
19	Kolar	7	-	-	-	-	-	1
20	Koppala	4	-	-	-	1	-	-
21	Mandya	4	3	-	-	-	-	-
22	Mangalore/Udupi	6	4	2	-	1	1	-
23	Mysore/Kodagu	13	2	-	-	-	-	-
24	Raichuru	5	-	-	-	-	-	-
25	Ramanagara	5	-	-	-	-	-	-
26	Shivamogga	9	-	-	-	-	-	-
27	Tumakuru	8	2	-	-	-	-	-
28	Yadgiri	6	1	-	-	-	-	-
29	Vijayanagar	8	-	-	-	-	-	-
	<b>GRAND TOTAL</b>	<b>212</b>	<b>37</b>	<b>2</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>3</b>

*ms 25/6/24*  
**MANAGING DIRECTOR**

A

**Annexure-01**

**Late Remittance/Non Remittance of sales proceeds case wise**

S n	Name of WP/RSP LPG etc	Name of employee	details	Amount in Rs	Interest levied	Total amount to be recovered

District Manager

Internal Auditor

**Annexure-02**

**Bank Reconciliation Statements Account Wise**

Sl No	Bank Name & Location	Acc. No and Name	Balance as per Bank Book	Cheques/DD DEPOSITED BUT NOT CLEARED to clear	Cheques issued but not cleared	Balance as per Pass Book	Difference if any

**Annexure-02A**

**Summary of WST Collection Account**

<b>Karnataka Food and Civil Supplies Corporation Limited.</b>				
				<b>Annexure - 2A</b>
<b>Office Name:</b>				
<b>Head of Account:</b> WST Collection				
<b>Summary of WST Collection Account as of - DD/MM/YYYY</b>				
Difference in WST Collection as per FST				
Sl No	<b>WSP Wise details of Difference</b>			Reason for difference
	Name of WSP	Name of Depot Manager	Amount in Rs	
1				
2				
3				
		<b>Total</b>	-	

**Amount in Rs**

**Note:** Provide the amount to be recovered/excess with details of Depot Manager Name, WSP/RP Name and BR Number individually

**Annexure-03**

**Differential Cost Schedule**

<b>KARNATAKA FOOD &amp; CIVIL SUPPLIES CORPORATION LIMITED, _____ DISTRICT SCHEDULE OF DIFFERENTIAL COST ON _____ FROM DC/JDFS FOR THE MONTH OF _____</b>							
<b>MONTH</b>	<b>TOTAL QUANTITY</b>	<b>TOTAL AMT</b>	<b>AMT RECEIVED</b>	<b>UC RECEIVED</b>	<b>TOTAL AMT</b>	<b>BAL AMT</b>	<b>REMA RKS</b>
	<b>OF CLAIM</b>	<b>OF CLAIM</b>	<b>DURING THE MONTH</b>		<b>RECEIVED</b>	<b>TO BE RECD</b>	
APR 2024 to Mar-2025							
<b>TOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**Annexure-04**

**Purchase Register**

FIST generated statement should be attached

**Annexure-05**

**Stock Book Summary**

FIST generated statement should be attached. From PC login

**Annexure-06**

**Details of Paditara Khatri  
Allotment for the month-----**

<b>Allotment dates from DC</b>	<b>Date of purchase DO</b>	<b>Date of Lifting completion by DO from FCI</b>	<b>Date of Lifting completion by FPD from wholesale points</b>

Offer your comments whether Paditara Khatri implemented or not

**Annexure-07**

**MSP payments paid during the month-----**

<b>Sl No</b>	<b>Head of Account</b>	<b>Pertaining to which period</b>	<b>Amount paid</b>	<b>Whether paid as per norms</b>
--------------	------------------------	---------------------------------------	--------------------	--------------------------------------

1	Towards farmers			
2	Towards storage rent			
3	Towards hulling			
4	Towards transportation			
5	Others			

**Annexure-8**

**DISTRICT PERFORMANCE REPORT FOR THE MONTH OF-----**

S N	Commodity Area category	Wholesale trade sales			Margin		Retail trade sales			Margin	
		Qty sold	Sales rate	Sales amount	Rate margin	Margin amount	Qty sold	Sales rate	Sales amount	Margin rate	Margin amount
1	Controlled commodities										
	HOSTEL										
	NFSA										
	Rice FCI E-Auction										
	Total										
	Wheat APL-IRA										
	NFSA ATDYC										
	Hostel										
	NSFA										
	Non NFSA										
	OMSS (Fire f)										
	Wheat FCI E-Auction non PDS										
	Total										
3											
	MDM Rice 1-5										
	MDM Rice 6-8										
	MDM Rice 9-10										
5	Salt										
	Total										
6	MDM 1.5 wheat										

	MDM 6.8 wheat										
	MDM 9.10 wheat										
7	Non controlled commodit ies										
	<b>Total</b>										
	Grand total										

**ABSTRACT**

SN	DESCRIPTION	Amount
1	Total margin from w/s trade	
2	Total margin from R/Trade	
3	Other receipts	
4	Total margin (1+2+3)	
5	District adm expenses "to be taken from FIST (TB)"	
6	Interest for the month	
7	Total expenses (5+6)	
8	Profit or loss (4+7)	

**B). Petrol bunk**

Statement showing the sales/commission for the month of -----								
SN	Commodity	Sold quantity	Selling rate	Purchase rate	Margin rate	Margin amount	Total margin amount	Sales amount
1	M.S.							
2	H.S.D.							
3	20ML							
3	40ML							
4	60ML							
4	S.S.2T 1/2L;							
5	S.S. 2T1L;							
6	M.G. 1/2L;							
6	M.G.1L;							
7	M.G.5L;							
8	K.P;1/2L;							
8	K.P;1L;							
9	B;F;1/2L;							
10	5L;gear-oil							
11	Servo 4T prmo-1ltr							
12	D;W;1L;							
13	D;W;5L;							
14	S.S.2T 1/2L;							
15	AUTO GAS- OIL-1/2							
16	B;F;1/4L;							
17	M.S.							
18	M.S.							
19	H.S.D.							

20	H.S.D.							
	TOTAL							

	ABSTRACT VALUE	DRIAGE-		
Total income	-----		MS	
Rent income			HSD	
Total expenditure				
Dry-age value				
Net profit/loss			TOTAL	

**A) LPG UNIT**

**VIALBILITY STATEMENT FOR THE MONT-----**

<u>S</u> <u>n</u>	<u>Particulars</u>	<u>Qty</u> <u>Sold</u>	<u>Selling</u>	<u>Amount</u>	<u>Purchase</u>	<u>Net</u> <u>Value</u>	<u>Margin</u>	<u>Amount</u>	<u>Total</u>
<b>1</b>	<b>From LPG cylinders</b>								
	Commercial cylinders 19 kg								
	DOM CYL 14.2 KG								
	DOM CYL 14.2 KG NDC								
	DOM CYL 14.2 KG Non-sub								
	<b>Total</b>								
<b>2</b>	<b>LPG SPARES</b>								
	Suraksha rubber tube								
	Cylinder trolley								
	GAS lighters								
	LPG stove-suryashakthi								
	D.C.G. Cards								
	<b>Total</b>								
<b>3</b>	<b>Other incomes</b>								
<b>4</b>	<b>Transportation charges</b>								
<b>5</b>	<b>Gross income</b>								
<b>6</b>	<b>Total ADMN. expenses</b>								
	<b>Net profit</b>								

**Annexure-9**

**Staff Advance refer excel sheet**

The misappropriation/shortage/late remittance such items raised to staff advance should be verified offers comments.

**Annexure -10**

**Sundry Creditors:**

<b>KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED _____ DISTRICT.</b>							
<b>SCHEDULE OF ABSTRACT SUNDRY CREDITORS AS ON DD/MM/YYYY</b>							
<i>Annexure - 10</i>							
<b>SL NO.</b>	<b>PARTY/ PARTICULARS</b>	<b>OPENING BALANCE</b>	<b>AMOUNT ADVANCED</b>	<b>O.B+ AMT. ADV TOTAL</b>	<b>AMT RECD/ ADJUSTED</b>	<b>BALANCE AMOUNT</b>	<b>OBSERVATION</b>
						0.00	
						0.00	
						0.00	
						0.00	
	<b>GRAND TOTALS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**Note:** Balance amount should tally with CTB

**Annexure - 11**

**Sundry Debtors:**

<b>KARNATAKA FOOD AND CIVIL SUPPLIES CORPORATION LIMITED _____ DISTRICT.</b>							
<b>SCHEDULE OF ABSTRACT SUNDRY DEBTORS AS ON DD/MM/YYYY</b>							
<b>SL NO.</b>	<b>PARTY/ PARTICULARS</b>	<b>OPENING BALANCE</b>	<b>AMOUNT ADVANCED</b>	<b>O.B+ AMT. ADV TOTAL</b>	<b>AMT RECD/ ADJUSTED</b>	<b>BALANCE AMOUNT</b>	<b>OBSERVATION</b>
						0.00	
						0.00	
						0.00	
						0.00	
	<b>GRAND TOTALS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	

**Note:** Balance amount should tally with CTB

**Annexure-12**  
**GST on Purchase refer excel sheet**

**Annexure-13**  
**Pending para details**

S No.	OB	Para for the month	Total para	Para cleared during the month	Pending para balance

(Schedule for the pending paras to be produced by the DM/FM/DGM and same is to be verified by Internal Auditor) and prepare viability report.

Short summary on Month-on-Month difference of more than 5% in viability report to be submitted by Auditor in concurrence with DM/FM/DGM.