



**TELANGANA POWER GENERATION CORPORATION LIMITED**  
(formerly Telangana State Power Generation Corporation Limited)  
VIDYUTH SOUDHA::HYDERABAD-500082  
CIN No.U40102TG2014SGC094070, GST No.36AAFCT0257Q3ZT,  
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**NOTICE INVITING EXPRESSION OF INTEREST FOR EMPANELMENT OF FIRMS OF CHARTERED/COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT INCLUDING PHYSICAL VERIFICATION OF INVENTORY IN TELANGANA POWER GENERATION CORPORATION LIMITED (TGGENCO) FOR THE FINANCIAL YEARS: 2025-26 & 2026-27.**

**No.TGGENCO/Accounts/Internal Audit/2025-26&2026-27/Apptt/01,Dtd.15.11.2025**

Telangana Power Generation Corporation Limited (TGGENCO), a Government of Telangana Undertaking, invites expression of interest (EOI) from reputed Indian Chartered/ Cost Accountants firms for empanelment to conduct Internal Audit including Physical Verification of Inventory in its Thermal & Hydel Power Generating Stations and Tadicherla-I Coal mine (Captive Mine) for the financial years 2025-26 & 2026-27.

The sealed applications containing the Expression of Interest (EOI) shall be submitted in the prescribed formats for Quality-Based Selection (QBS) criteria, along with an unconditional acceptance of the terms and conditions, at the office address mentioned above, **on or before 30<sup>th</sup> November 2025 by 5:00 pm**. Applications received after the due date and time will not be considered under any circumstances. TGGENCO reserves the right to reject any or all applications at its sole discretion without assigning any reason whatsoever. Applicants may raise their queries (if any) on or before **25<sup>th</sup> November 2025 by 5:00 pm** through email to [fa.acts@tggenco.com](mailto:fa.acts@tggenco.com). The detailed EOI document and any corrigendum/addendum, if issued, will be available on the Company's website [www.tggenco.com](http://www.tggenco.com).

  
**Financial Adviser & Chief  
Controller of Accounts (Accounts)&CFO**

**TELANGANA POWER GENERATION CORPORATION LIMITED (TGGENCO)**  
**(formerly Telangana State Power Generation Corporation Limited)**  
**(A Government of Telangana Undertaking)**

**NOTICE INVITING EXPRESSION OF INTEREST FOR EMPANELMENT OF FIRMS OF CHARTERED/COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT INCLUDING PHYSICAL VERIFICATION OF INVENTORY IN TGGENCO FOR THE FINANCIAL YEARS 2025-26 & 2026-27.**

**No.TGGENCO/Accounts/Internal Audit/2025-26&2026-27/Apptt/01,Dtd. .11.2025**

Telangana Power Generation Corporation Limited (TGGENCO), a Government of Telangana Undertaking, was incorporated with the objective of generating reliable and cost-effective power to meet the growing energy demands of the State. TGGENCO operates major Thermal Power Generating Stations across Telangana and also manages the Tadicherla-I Captive Coal Mine to ensure uninterrupted fuel supply for power generation at the KTPP Stage-II unit.

The installed capacity of TGGENCO is 10,422.76 MW (incl.MHS-73.16 MW & Sloar-1MW), comprising Thermal: 7,980 MW, Hydro: 2,441.76 MW, and Solar: 1 MW. The Ministry of Coal, Government of India, has allotted the Tadicherla-I Coal Block to TGGENCO to meet the coal requirements of the Kakatiya Thermal Power Project (KTPP) Stage-II (1 × 600 MW).

S.No.	Audit Unit	Capacity (MW)	Location
1.	CE/KTPS V&VI	2X250 MW & 1 X 500 MW = 1000 MW	Paloncha
	CE/KTPS –VII	1 X 800 MW	
	CE/COE&TD		
2	CE/Bhadradi TPS	4X270 MW	Manuguru
3	CE/KTPP&Tadicherla Captive Coal Mine	1 X 500 MW & 1 X 600MW Tadicherla Coal Mine	Bhupalapally
4	CE/Yadadi TPS	Stage-I-2X800MW Stage-II-3X800MW	Damercherla, Nalgonda District.
	SE/Pulichintala HES	120 MW	Vazinepally, Suryapet District.
5	CE/SLBHES	6 X 150 MW	Domalapenta, Nagarkarnool Dist.
	CE/NSHES	815.6 MW +60MW	Nalgonda
	SE/PJHES & SE/LJHES	6X39MW +6X40MW	Jogulamba Gadwal District.

TGGENCO plays a pivotal role in the power sector value chain of Telangana by ensuring efficient operation, optimal resource utilization, and adherence to sound financial and operational controls. In pursuit of strengthening its internal control systems and enhancing governance standards, TGGENCO invites sealed Expressions of Interest (EOI) from reputed Indian firms of Chartered Accountants/Cost Accountants having not less than 10 years of post-qualification experience for empanelment to conduct Internal Audit including Physical Verification of Inventory for its Thermal and Hydel Power Generating Stations and Tadicherla-I Coal Mine (Captive Mine) for the Financial Years 2025–26 and 2026–27.

**Terms & Conditions of the Notice Inviting Expression of Interest (EOI) for Empanelment of Firms of Chartered Accountants/Cost Accountants for Conducting Internal Audit including Physical Verification of Inventory in TGGENCO for the Financial Years 2025-26 & 2026-27:**

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## FORMAT OF APPLICATION

1. Name of the Firm:
2. Registration No. of the Firm:
3. Date of Registration of the Firm:
4. No. of years of establishment of Firm:
5. Details of Partners who are FCA/FCMA:

Sl.No.	Name of the Partner(s)	Membership No.	Qualification (FCA/FCMA)	Date of joining the firm as Partner	Supporting document
1.					(Form 18 of ICAI or Form M-5 of ICMAI needs to be submitted)
2.					
...					

6. Details of Partners who are ACA/ACMA:

Sl.No.	Name of the Partner(s)	Membership No.	Qualification (ACA/ACMA)	Date of joining the firm as Partner	Supporting document
1.					(Form 18 of ICAI or Form M- 5 of ICMAI needs to be submitted)
2.					
...					

7. Details of Branch Office(s) including Head Office(HO):

Sl.No.	HO/Branch	Address	Date of Establishment	Contact Person	Mobile number/other contact Nos.	E- mail ID
1.						
2.						
...						

8. Details of Partners/Qualified Assistants with DISA /DISSA certification from ICAI/ICMAI respectively:

Sl. No.	Name of the Partner(s)/ Qualified Assistant	Members hip No.	Details of Certification course details -DISA/ DISSA	Date of joining the firm	Supporting document
1.					Relevant Qualification Experience Certificate
2.					

9. Details of Qualified Assistants:

Sl.No.	Name of the Assistant	Members hip No.	Qualification (CA/CMA)	Date of joining the firm as Qualified Assistant	Supporting document
1.					Relevant Qualification Certificate and proof of joining date
2.					
...					

10. Details of Semi-Qualified Assistants:

Sl.No.	Name of the Assistant	Whether CA-Inter /CMA-Inter	Date of joining the firm as a Semi-Qualified Assistant	Supporting document
1.				Relevant Qualification Certificate and proof of joining of Firm
2.				
....				

11. Details of Experience of firm in PSUs in Thermal/Hydel Power Generation as Statutory / Internal Auditors:

Sl. No.	Name of the Company/ Unit	Turnover in Rs. Cr	Year of Audit	Type of Audit (Statutory / Internal Audit)	Supporting doc
1.					Relevant experience certificate/email from company confirming work completion along with appointment letter
2.					
....					

12. Details of Experience of firm in PSUs in other than Thermal/Hydel Power Generation as Statutory / Internal Auditors:

Sl. No.	Name of the Company/ Unit	Turnover in Rs. Cr	Year of Audit	Type of Audit (Statutory / Internal Audit)	Supporting doc
1.					Relevant experience certificate/email from company confirming work completion along with appointment letter
2.					
....					

13. Details of Experience of firm in PSUs other than Point No.11&12 above as Statutory / Internal Auditors:

Sl. No.	Name of the Company/ Unit	Turnover in Rs. Cr	Year of Audit	Type of Audit (Statutory / Internal Audit)	Supporting doc
1.					Relevant experience certificate/email from company confirming work completion along with appointment letter
2.					
....					

14. Details of Experience of firm in other Companies (having Turnover around Rs.500 crores.) in Thermal/ Hydel Power Generation as Statutory/Internal Auditors:

Sl. No.	Name of the Company/ Unit	Turnover in Rs. Cr	Year of Audit	Type of Audit (Statutory / Internal Audit)	Supporting doc
1.					Relevant experience certificate/email from company confirming work completion along with appointment letter
2.					
....					

15. Details of Experience of firm in all other companies(having Turnover around Rs.500 crores) other than Point No.11,12,13 &14 above as Statutory / Internal Auditors:

Sl. No.	Name of the Company/ Unit	Turnover in Rs. Cr	Year of Audit	Type of Audit Statutory / Internal Audit	Supporting doc
1.					Relevant experience certificate/email from company confirming work completion along with appointment letter
2.					
....					

16. Details of Experience of firm in Physical Verification of Inventory in Power Generation Sector entities:

Sl. No.	Name of the Company/Unit	Turnover in Cr	Year of Audit	Supporting document
1.				Relevant experience certificate/email from company confirming work completion along with appointment letter
2.				
....				

17. Details of Experience of firm in conducting statutory/internal audit in SAP environment:

Sl. No.	Name of the Company /Unit	Turnover in Cr.	Year of Audit	Type of Audit (Statutory / Internal Audit)	Supporting document
1.					Relevant experience certificate/email from company confirming work completion in SAP environment
2.					
....					

18. PAN No. of the Firm:

19. GST Registration No. of the Firm :

20. Is the firm subject to Peer Review by ICAI/ICMAI: YES/NO (If Yes, Please provide Latest Peer Review Report).

21. Is the Firm having AQMM level 4 certification issued by ICAI: YES/NO ((If Yes, Please provide the certificate issued by ICAI).

22. Whether ever associated with any of TGGENCO's Audit Assignments : YES/NO (If Yes, Please provide the details of audit assignments).

23. Certificate

It is confirmed that all the requirements of the EOI have been complied with. We hereby confirm that all terms & conditions as specified in the EOI and annexures thereto have been accepted by us.

This is to certify that all the information given above are accurate and any misstatement will be liable for rejection of our participation in EOI and blacklisting by TGGENCO as per Company's procedures.

None of our partner(s) or qualified employee(s) is a partner in any other audit firm which is applying for the current empanelment in TGGENCO.

Signature of Partner with  
Name & Seal of the  
Audit Firm

Note: All the documents submitted should be signed by a Partner with his / her name and under the seal of the firm.

**Annexure – A**

**SELECTION CRITERIA (POINT ALLOCATION) FOR EVALUATION AND EOI RANKING OF AUDIT FIRMS:**

<b>S.No.</b>	<b>PARTICULARS (A)</b>	<b>POINTS TO BE ALLOCATED (B)</b>	<b>MAXIMUM POINTS (C)</b>
1.	Is the firm in existence for 10 years or more?		Yes/No
2.	Firm having its Registered Office (HO) in Hyderabad		5 (Five)
3.	Firm having its Branch Office situated within the District Head Quarters near to the Thermal/ Hydel Power Generating Stations of TGGENCO <b>(See the note below)</b>	5 (Five) points for branch location, 2 (two) points per partner and 1 (one) point for Qualified/Semi-Qualified Assistant in that branch subject to a Maximum of 5 (five) Points	10 (Ten)
4.	No. of Partners in the Firm who are FCA/FCMA and who have been with the applicant Firm for a minimum period of one year as on the date of application.	3 (three) points for each Partner who is FCA / FCMA	18 (Eighteen)
	No. of Partners in the Firm who are ACA/ACMA and who have been with the applicant Firm for a minimum period of one year as on the date of application.	2 (two) point for each Partner who is ACA / ACMA	
	Is the Firm subject to Peer Review as per the ICAI guidelines or selected by the ICMAI for peer Review?	1 Mark for Peer Reviewed Firm	
	Is the Firm having AQMM Level 4 certification as per ICAI?	1 Mark for AQMM Level 4 certified Firm	
5.	Number of partners/qualified assistants (Chartered/Cost Accountants) with DISA / DISSA Certification from ICAI/ICMAI	2 (two) points per person	6 (Six)
6.	No. of Qualified Assistants (Chartered/Cost Accountants) employed with the Firm for a minimum period of one year as on the date of application.	1 (one) point per Qualified Assistant	10 (Ten)
7.	No. of Semi-qualified Assistants (CA-Inter /CMA -Inter) employed with the Firm	1/2 (half) point per Semi- qualified assistant	
8.	Experience of the Firm in PSUs in Thermal/Hydel Power Generation as Statutory/ Internal Auditors	3 (three) points per Company	15 (Fifteen)
9.	Experience of the Firm in PSUs in Power Generation other than Thermal/Hydel as Statutory/ Internal Auditors	3 (three) points per Company	9 (Nine)
10.	Experience of the Firm in PSUs other than Point No.8&9 above as Statutory/Internal Auditors	2 (two) points per Company	6 (Six)

<b>S.No.</b>	<b>PARTICULARS (A)</b>	<b>POINTS TO BE ALLOCATED (B)</b>	<b>MAXIMUM POINTS (C)</b>
11.	Experience of the Firm in other Companies (having Turnover around Rs.500 crores) in Thermal/Hydel Power Generation as Statutory/Internal Auditors	2 (two) points per Company	6 (Six)
12.	Experience of the Firm in all other companies (having Turnover around Rs.500 crores) other than Point No.8,9,10 &11 above as Statutory /Internal Auditors	1 (one) point per Company	4 (Four)
13.	Experience of the firm in Physical verification of Inventory in Power Generation Sector entities	1 (one) point per Company	5 (Five)
14.	Experience of firm in conducting statutory/internal audit in SAP environment	2 (Two) points per Company.	6 (Six)
	<b>Total Points</b>		<b>100 (One hundred)</b>

**Note: Power Generating Stations:**

<b>S.No.</b>	<b>Thermal/Hydel Power Generating Station</b>	<b>District Head Quarters considered for weightage in EOI Rankings</b>
1.	Kothagudem Thermal Power Station(KTPS)	Bhadradi Kothagudem
2.	Bhadradi Thermal Power Station(BTPS)	Bhadradi Kothagudem
3.	Kakatiya Thermal Power Project(KTPP)	Jayashankar Bhupalpally, Hanumakonda, Warangal, Mulugu
4.	Yadadri Thermal Power Station(YTPS)	Nalgonda, Yadadri Bhuvanagiri, Suryapet
5.	Priyadarshini Jurala Hydel Project(PJHES)&(LJHES)	Jogulamba Gadwal, Wanaparthy, Mahabubnagar, Narayanpet
6.	Srisaillam Left Bank Hydroelectric Project(SLBHES)	Nagarkurnool
7.	Nagarjuna Sagar Hydel Station(NSHES)	Nalgonda, Suryapet

**Note to Annexure-A:**

- I. Firms will be evaluated as below
  - A. Firms will be initially evaluated for each location and shall be assigned **Total Points** based on valid submitted data of firm for each criterion as given in column A multiplied with Points per criteria as given in Column B for each of the 14 items of evaluation of **Annexure A**.  
(Total Points=Valid firm data in column A x points per criterion in column B).
    1. Total Points assigned to each of the 14 items of evaluation shall be further restricted to **Maximum Points** as given in Column C to calculate **Evaluated Points** out of a maximum of **100 points**. Firms shall be Ranked (**EOI Ranking**) for audit location in the descending order of Total of **Evaluated Points**.
    2. In case of tie of **Evaluated Points**
      - (i) Firm having higher **Total Points without restricting to Maximum Points** as given in Column C will be placed higher in **EOI Ranking**.
      - (ii) In case of tie even after consideration as per point 3(i) above, firm with older registration date shall be placed higher in **EOI Ranking**.
- II. Cutoff date for consideration of FY in Firm's Experience is 31.03.2025.
- III. Sl. No. 8 to 12– Points for company experience shall be awarded only once for a particular company, irrespective of the number of audits conducted in different financial years.
- IV. In cases where firm's experience at Sl. No.11&12 above, auditee entities with minimum turnover of Rs 500 Crores in the respective financial years in which assignment was done, would only be considered.
- V. Selection for the Internal Audit assignment shall be made separately for each unit. Interested firms shall submit a separate application for each unit under a single covering letter addressed to the signatory mentioned in the Notice Inviting EOI.

To Do List

**(A) Instructions to Audit Firms:**

1. Format of Application must be completely filled in. Incomplete applications will be out rightly rejected.
2. Please ensure that date of opening of Registered Office, Branch Office(s), entrance dates of all Partners into the firm, date of joining in firm as qualified & semi-qualified assistants are invariably indicated in the application.
3. The Application in the Prescribed Format must be submitted by Registered Post/Speed Post/Courier to the following address:  
**Financial Adviser & Chief Controller of Accounts (Accounts) &CFO,  
TGGENCO, 'A Block, Room No.319B, Vidyut Soudha, Khairatabad,  
Hyderabad, Telangana-500 082.  
Mob-: 9347508883, Mail Id: fa.acts@tggenco.com**
4. All EOIs will be evaluated on the basis of the documents attached along with applications submitted to the office mentioned above.
5. Since, all the applications will be evaluated strictly on the basis of Quality-Based Selection Criteria as per Annexure-A and note to Annexure-A, please avoid attaching unsolicited information/ documents for processing applications expeditiously.
6. All the documents submitted should be signed by a Partner with his / her name and under the seal of the firm.
7. Any communication must be addressed to the aforesaid office only.
8. Any application received after the stipulated date & time, due to any reason whatsoever, will be rejected.

**(B) List of documents to be submitted along with the applications/ EOIs:**

Interested firms are advised to go through the terms& conditions of the notice inviting EOI carefully and submit self-attested copies of the following documents in proper sequence along with the application.

1. Latest registration certificate of the firm issued by ICAI/ICMAI w.r.t the information related to the year of establishment of Head Office, Branch Office(s), address(es), details of partners along-with their membership nos. etc. Particulars as indicated in the Certificate(s) will be treated as conclusive and used for the purpose of evaluation of EOIs.
2. Certificates of DISA/DISSA issued by ICAI/ICMAI respectively.

3. Membership certificates of the qualified assistants issued by ICAI/ICMAI.
4. Certificates/ Mark sheets issued by the respective Institutes in evidence of qualification of semi- qualified assistants.
5. A declaration must be submitted by each audit firm that none of its partner(s) or qualified employee(s) is a partner in any other audit firm which is applying for the current empanelment in TGGENCO. Any EOI without such declaration in this regard shall be summarily rejected.
6. Copies of appointment letters for Statutory Audit/Internal Audit/Physical verification along with work completion certificate/email as evidence of experience.
7. Copies of appointment letters and experience certificate/email from company confirming work completion in SAP environment.
8. Firms with experience of Statutory Audit/Internal Audit/physical verification of inventory in power sector entities, have to submit a certificate to the effect that the average annual turnover of the auditee for the relevant financial years is Rs 500 Crores or more along with self-attested copies of published accounts showing turnover for the relevant years/CIN and other relevant web sites links to verify the turnover.
9. Copy of PAN card of the Firm.
10. Copy of GST Registration of the Firm.
11. Copy of AQMM level-4 certificate issued by ICAI if any.
12. Copy of latest peer review report if any.

## **TERMS OF REFERENCE FOR EMPANELEMENT OF FIRMS OF CHARTERED / COST ACCOUNTANTS IN TGGENCO**

The terms and conditions for conducting Internal Audit in TGGENCO are detailed hereunder:

- The period of audit is for the Financial Years 2025-26 and 2026-27 only, subject to review after six months from the date of appointment. The appointment as Internal Auditor will be initially for a period of two years, i.e. for the Financial Years 2025-26 and 2026-27 only.
- The internal audit shall be conducted on a quarterly basis, and the audit report shall be submitted by the 20th day of the month following the end of the respective quarter. However internal audit for the financial year 2025-26 shall be conducted for three quarters at once in the 4<sup>th</sup> quarter and for the 4<sup>th</sup> quarter in April'2026. From the FY:2026-27 onwards, the audit report shall be submitted by the 20th day of the month following the end of the respective quarter.

### **1. AUDIT TEAM**

Auditors would deploy a suitable team for undertaking the audit, after a thorough perusal of the requirements of the appointment letter, terms & conditions contained therein and the Detailed Guidelines for Internal Audit, ensuring that the size of the audit team is commensurate with the size of the auditee unit and the volume of work involved. The audit team shall consist of one qualified chartered accountant/cost accountant having at least 5 years experience and two semi-qualified Chartered accountants or Cost accounts. If the partner is not member of the audit team, one senior partner shall associate with the audit team to finalize the audit programme and to supervise the audit work/finalize the internal audit report.

The audit team shall conduct audit for a minimum period of 80 working days in a year or 20 working days in a quarter. If the audit team fails to comply with this condition, the remuneration shall be reduced proportionately.

The Financial Adviser & Chief Controller of Accounts (Audit) will coordinate with the Audit Team and issue necessary instructions to the unit for smooth functioning of the audit.

The audit team is preferably headed by a Partner/Qualified Assistant with a team member having DISA/DISSA Certification and prior experience of auditing on the SAP platform.

## **2. AUDIT REPORT**

The auditor should give a report at the end of each quarter as per the requirement of **Annexure - E**.

## **3. AUDIT FEE PER YEAR OF AUDIT**

Details of Audit fee for the financial year 2026-27 are given in **Annexure - F**.

## **4. PAYMENT OF AUDIT FEES**

Audit fee indicated in Annexure-F is exclusive of out-of-pocket expenses and GST, which shall be payable additionally. Firms will be paid 20% of the annual audit fee upon completion of each quarter of the audit, and such fee shall be released only after submission of the quarterly report. Out-of-pocket expenses shall be paid at the rate of Rs.1,500/- per day for the entire audit team during the audit period. Bills shall be submitted to the respective Thermal Station/Units with a copy to the Financial Adviser & Chief Controller of Accounts (Audit) for reimbursement of out-of-pocket expenses. The audit fee for FY 2025–26 shall be paid at 50% of the proposed audit fee for FY 2026–27, as two quarters of FY 2025–26 have already elapsed.

## **5. GENERAL TERMS AND CONDITIONS**

- i. This is EOI only and does not guarantee/assure allotment of Internal Audit/any other assignment in TGGENCO.
- ii. The Company reserves its right to accept or reject any application(s) without assigning any reasons thereof. The decision of the Company for empanelment of Firms shall be final and binding upon the firms participating in the process of empanelment.
- iii. The Internal Auditor will ensure that the information obtained in respect of the working/operation of the unit is always maintained in strict confidence and secrecy, including after the completion of the assignment. All such information shall remain exclusive property of TGGENCO at all the times. A certificate towards maintaining confidentiality is to be provided by the Audit firm at the time of acceptance of Audit assignment.
- iv. On assignment of work in subsequent years after the first year, TGGENCO may rotate the Audit Firms from one unit to another within the Company at its sole discretion.
- v. If progress/performance of the audit firm is not found satisfactory, TGGENCO's management reserves the right to terminate the appointment of the Firm including non-assignment of work in subsequent years, without assigning any reason whatsoever.
- vi. The Audit Firm will be debarred from getting, in future, Internal Audit assignments in TGGENCO in the following cases :

- a. If the Firm obtains the appointment based on misrepresentation of information / misstatement of facts at the time of submission of application/documents along with EOI.
- b. The Audit Firm is found to have sub-contracted the work.
- c. If the Firm does not take-up audit in terms of the appointment letter.
- d. If the Firm does not submit the Audit Report, complete in all respects in terms of the appointment.
- e. If the CA/CMA Firm is debarred by the respective Institute for any reason.

**MAJOR AREAS TO BE COVERED DURING THE INTERNAL AUDIT**

The Internal auditors shall carry out a comprehensive verification of records, processes, and compliance across all operational and administrative units of TGGENCO as per the internal audit standards and shall cover all without any omission. The internal auditors have to essentially see whether the transactions or decisions are within the policy parameters of the Company and that are within the delegated authority and in compliance with the conditions for such authority. The internal auditors shall mainly focus on the core and main activities of the Company i.e. Purchase of inventory and awarding of contracts, Purchase orders and agreements etc. The audit programme will be finalized in consultation with the FA&CCA (Audit), who will coordinate all matters relating to the internal audit. The scope includes, but is not limited to, the following areas:

**Physical Verification of Inventory****Fuel and Oil Management**

- 1) Verification of procurement, transportation, receipt, and storage records for coal, oil, and other fuels, ensuring compliance with clause of Fuel Supply Agreements (FSA).
- 2) Verification of transportation agreements, excess/due wagons, windage and shrinkage losses, and transit losses.
- 3) Evaluation of quality assurance processes for coal, including sampling, third-party test reconciliation, and calorific value assessment/GCV.
- 4) Review of coal/oil stock registers, consumption sheets, and logbooks, with cross-verification of SAP records.
- 5) Scrutiny of Coal and Oil invoices, payment documentation, and statutory charges for accuracy and timely settlement.
- 6) Examination of demurrage, loading/unloading, and other penal charges from coal suppliers and transporters.
- 7) Review of volumetric analysis and stock verification reports of Stocks of coal and oil to ensure proper methodology and regularity.
- 8) Review of pursuance of excess and due wagons for their settlement by Railways and proper accounting thereof.

### **Fly Ash Management**

- 1) Review the efforts made to comply with MOEF & CC notification dated 31.12.2021 as amended from time to time on ash disposal.
- 2) Review the efforts made to MOP notification 15.03.2024 as amended from time to time on ash disposal.

### **Purchase and Contracts**

- 1) Evaluation of reasonability of cost estimates with reference to SSR, previous purchase orders, Cost Data, PWD, I&CAD, etc. While evaluating the reasonability of the estimates, TGGENCO manual provisions and provisions of the Department of Expenditure Manuals, Govt of India are to be kept in view.
- 2) Review of material purchase proposals, service/work contracts, bid documents, evaluation reports, price analyses, negotiations, and contract finalization with reference to the manuals as amended from time to time which include TGGENCO Purchase Management Manual, TSDSS, GFR, DOE manuals for Procurement.
- 3) Assessment of compliance with tender norms, statutory provisions, and departmental guidelines for procurement under open, limited, nomination, and proprietary basis.
- 4) Review of reasonability of PQB conditions and duration of tender and adherence to the standard General Conditions of Contract.
- 5) Review of supplier/contractor performance evaluations, penalty levies, and extensions of time, review and closing of purchase orders/agreements including obtaining no claim certificate.
- 6) Identification of MSM enterprises and process of their bills within due dates to comply with rules and regulations of MSME Act 2006.

### **Property Plant and Equipment**

- 1) Review of Physical verification records of Property, Plant and Equipment and proper accounting of discrepancies if any in the books of account.
- 2) Reconciliation of movable assets with the SAP records to safeguard the assets and ensure proper accounting of discrepancies if any in the books of account and also to ensure that sap asset code (with sub code | case of more than 1 item) is displayed on movable asset.
- 3) Review of maintenance of T&P Register.

### **Stores and Inventory**

- 1) Review of Purchases Requisitions to ensure they are in line with Stores Management Manual. Review the preservation of materials and maintenance and updation of Bin Cards (with material codes and description) in line with the Stores Management Manual.
- 2) Physical verification of inventory/Stock taking in stores including in sub stores and updation thereof in SAP.
- 3) Physical verification of inventory/stock taking shall be planned and completed in year. Audit programme for physical verification of inventory shall be submitted in advance to the Station head with a copy to FA&CCA(Audit).
- 4) Internal Auditor obtain stock taking sheets from the physical custodian in Appedix-31 (Daily Report on Physical verification and Stock Taking Discrepancies Report in Appendix-32 of Stores Management Manual and a copy of Stock Taking Discrepancies Report shall be sent to FA&CCA (Audit) and FA&CCA(Accts).
- 5) Review of stock ledgers, goods receipt notes, issue slips, and movement documentation, with SAP. Abnormal delays, discrepancies and improper usage movement codes in SAP to be reported.
- 6) Physical verification of inventory and assets, highlighting discrepancies and improver accounting.
- 7) Review of inventory management practices, including classification, stocking levels, ABC analysis, and storage safety.
- 8) Ensuring gate passes (internal/external) in line with stores Management Manual.
- 9) Verification of store accounting and documentation accuracy.
- 10)Upkeeping and preservation of inventory in accordance with the stores Management Manual.

### **Accounts and Financial Records**

- 1) Complete vouching of cash book, bank book, vouchers, receipts, journal entries, and payment authorizations.
- 2) Proper classification of Account Heads.
- 3) Scrutiny of ledger balances, ageing reports, receivables/payables, and bank reconciliation records.
- 4) Review of closure and settlement of Plant Maintenance (PM) orders and cost centers.

**Payroll and Personnel**

- 1) Verification of payroll calculations, statutory deductions, increment orders, and anomaly corrections.
- 2) Examination of service books, HR compliance records, leave encashment, EPF/ESI documents, pensions, and terminal benefits.
- 3) Review of staff loans, advances, and recoveries.
- 4) Review of Revision of Pay Scales (PRC)

**Township, Hostel, Guest House**

- 1) Inspection of administrative records, maintenance logs, expense documentation, and guest utilization.
- 2) Verification of maintenance expenditure against contracts and schedules.
- 3) Review of Rent collections, remittance, related vouchers, and statutory compliance.
- 4) Review stay of non-employees and dependents beyond the stipulated period.

**Project Hospitals and Dispensaries:**

- 1) Review of hospital administrative and maintenance records, purchase orders for medicines/equipment, and medical register compliance.
- 2) Examination of medical purchases and consumption records.
- 3) Review of maintenance charges of project hospitals as per MoU.

**DAV Schools:**

- 1) Review of DAV School Receipts and Expenditure records, Bank Accounts and as per MoU.
- 2) Review of appointments of DAV school employees', their service records and salary bills.
- 3) Review of the allotment of the budget, fees structure and the deficit.
- 4) Review of PRC

**Banking and Commercial Activities/Power Bills.**

- 1) Review of banking transactions and reconciliation.
- 2) Examination of loans, sanction documents, interest calculations, and repayments.
- 3) Raising of power bills, fund realisation, and compliance with Power Purchase Agreements.
- 4) Verification of LOA/LOC authorizations and working capital loan records.

**Loans Section**

- 1) Scrutiny of loans from financial institutions, their utilization, interest computation, repayments, and accounting procedures.
- 2) Review of interest during construction (IDC) charges.
- 3) Verification of asset charges/mortgages.

**Pay and Accounts**

- 1) Review of payment processes with reference to purchase/service orders/Agreements.
- 2) Verification of cheque preparation and fund transfers to vendors.

**Statutory Payments and Compliance**

- 1) Compliance with statutory payments, i.e. GST, Income Tax, EPF, and other statutory requirements.
- 2) Verification of timely submissions, calculation methods, and supporting documentation.

**Accounting Standards Compliance**

- 1) Review of adherence to applicable Indian Accounting Standards
- 2) Verification of related party disclosures, accounting treatment of transactions, and statutory presentation formats.

**Internal Controls and Internal Checks.**

- 1) Evaluation of internal controls, financial delegation systems, and compliance with the Companies Act and Rules thereunder.
- 2) Review of budget vs. actual expenditures, risk-control matrices, cost control measures, and process improvements.
- 3) Regulatory compliances.

**Any other item.**

- 1) TGGENCO reserves the right to include or modify any of the above items as per the requirements of the Company from time to time.

**REPORTING REQUIREMENTS**

The Internal audit Report should be given against the each stations/office provided in the Annexure-F.

**Internal Audit Reports should be divided into Eighteen paras, namely:**

**PARA- 1 SIGNIFICANT OBSERVATIONS, OBJECTIONS AND RESERVATIONS:**

This para should contain the auditor's comments on all such irregularities or occurrences which the auditors desire to bring it to the notice of management, along with their financial implications, if any. This part should also bring out deviations (non-compliances) by units from (with) policies, systems and procedures prescribed by TGGENCO. The observations should be arranged in self-contained paras, preferably with suitable titles.

**PARA – 2 to 17 DETAILED REPORT:**

These paras shall comprise auditor's detailed observations regarding areas specified in the Annexure-D against the Stations/Offices provided in the Annexure-F. However, non-compliance with the matters/areas specified in the Guidelines which are identified in Para 1 of the report, should also be invariably detailed in these paras.

**PARA – 18 REPORT ON TESTING OF EFFECTIVENESS OF INTERNAL CONTROLS:**

An element of risk-based auditing has been made a part of the scope of Internal Audit. This has been done by the inclusion of a checklist w.r.t the Internal Control Framework in vogue in TGGENCO. Auditors are required to test the effectiveness of internal controls and include their findings in this para.

**The following may also be kindly ensured:**

- (a) The report should be supplemented, in each quarter, by a statement indicating:
  - (i) Particulars of records checked along with their volume and value as compared to the total volume and value of the transactions. Auditors should also mention the entry date of the last document verified by them in the SAP system.
  - (ii) A statement indicating the audit staff deployed, their designation and the period of deployment in each quarter.
- (b) The report should also contain references to areas where no adverse observations have been noted. In respect of other areas, specific suggestions for improvement, if any, may also be highlighted for each area.
- (c) The results of audit should be discussed with Head of unit and FA&CCA(Audit) at the Head Quarter in each phase and important observations should be brought to their notice so that timely corrective actions may be taken. The report should be prepared after duly considering the additional information that may be provided / obtained at such discussions.

(d) The Unit-wise reports are to be submitted in single hard copy for each quarter of audit to the concerned head of the unit and FA&CCA(Audit) at the Head Quarter at Hyderabad. Soft Copy of Internal Audit Report have also to be submitted through email to the concerned persons email ids.

**Annexure – F**

**List of Auditee Units and tentative Audit Fees for Internal Audit:**

SNo.	Station/Office	Auditee Unit	Fee (FY:2026-27 (in Rupees)		
1	Hydel Stations	CE/O&M/SLBHES (incl. DAV School)/Srisailam	2,50,000/-		
		CE/O&M/NSHES (incl. NSHES & Puttamgandi DAV Schools)			
		CE/MHS/POCHAMPAD			
		SE/O&M/PJHEP & SE/CIVIL/LJHEP (incl. DAV School)			
2	Thermal Station(KTPP), Bhupalapalli	CE/O&M/KTPP ( incl. SE/A&P, DAV School)	2,50,000/-		
		Dy.CCA/O&M/KTPP			
		SE/Civil/O&M (stage I & II)			
		SE/O&M-I & II			
		SE/CHP			
		SE/O&M/RTS a) General Audit b) Voucher Audit			
3	Thermal Station/BTPS/ Manuguru	CE/BTPS ( incl. SE/A&P, Security & Vigilance)	2,50,000/-		
		SE/STAGE I & II/BTPS			
		SE/CIVIL-I & II/BTPS			
		SE/CHP/BTPS			
		Dy.CCA/BTPS a) General Audit b) Voucher Audit			
4	Thermal Stations Stage/ Paloncha	CE/O&M/KTPS/VII Stage (incl. JS (Adm., & DAV School)	3,50,000/-		
		SE/CIVIL/KTPS VII Stage			
		SE/O&M-I & II/KTPS VII Stage			
		DYCCA/KTPS VII STAGE a) General Audit b) Voucher Audit			
		CE/CETD/KTPS			
		CE/O&M/STA-V & VI (incl. SE/Adm. & MM)			
		SE/CHP/STA-V & VI			
		SE/O&M/STA-V & VI			
		SE/CIVIL/STA-V & VI			
		Dy CCA/ STA-V & VI			
5	Yadadri Thermal Power Station, Damaracherla, Nalgonda Dist	CE/Constructon/YTPS	2,50,000/-		
		CE/O&M/YTPS including SE/Adm.			
		SE/O&M Stage-1 & 2			
		SE/CHP/YTPS			
		Dy CCA/Construction/YTPS			
		Dy CCA/O&M/YTPS			
		SE/Civil/Construction/YTPS			
		SE/Civil/O&M/YTPS			
		Pulichintala Hydro Electric Station		SE/O&M/PCHEs/Pulichintala	

**Note:**

1. The corresponding Purchase Orders and Work Orders issued by the Head Office pertaining to the respective Audit Station/Office shall also be audited and reported.
2. The number of auditee units may vary due to the formation of new divisions, merger of existing divisions, or closure of divisions.
3. The above audit fee is exclusive of GST and Out of pocket expenses.