

Key Details and Programme of the NIT

S.No.	NIT No.	HIL/IA/2020-21/01
1	NIT Type	Open NIT – Physical submission
2	Date of issue of NIT Notification	01st January, 2021
3	Name of Work	Engagement of Internal Auditor
4	Contract period of the Work	1 year, renewable every year depending on the satisfactory performance upto maximum 3 years.
5	Cost of NIT Document (Fee Non Refundable)	INR 590/- (Five Hundred Ninety Only) inclusive of GST in the form of Demand Draft in favor of “HIL (INDIA)LIMITED, New Delhi”
6	Last date and time for submission of physical, filled in NIT Document by Audit Firms.	15th January, 2021- 2.00 PM
7	Date and time for Opening of NIT	15th January, 2021- 3.00 PM
9	Contract Person for any clarification	Mr.Rajesh Kr.S Choubey GM(Finance)
10	Bid to be submitted to	Mr. Rajesh Kr. S Choubey General Manager(Finance) HIL (INDIA) LIMITED Core-6,2 nd Floor, Scope Complex, 7, Tel: 011-24360398 Website: www.hil.gov.in e-mail: gmfinance@hil.gov.in
11	Language of Bid	English

Please note carefully the requirements for submitting bids, and the date and time for submission as furnished above. Late submission (received after the due date and time of submission of bid) shall not be accepted under any circumstances.

HIL (INDIA) LIMITED formerly known as Hindustan Insecticides Limited invites Notice Inviting Tender (NIT) for engagement of firms of Chartered/Cost Accountants of India for conducting Internal Audit in HIL HO/Units/RSOs.

HIL (INDIA) LIMITED (HIL), a Govt. of India Enterprise, under the Deptt. of Chemicals & Petrochemicals, Ministry of Chemicals & Fertilizers, Govt. of India, was incorporated in March, 1954 with the objective of supplying DDT for National Malaria Eradication Programme launched by the Government of India. Subsequently, the company diversified into agro pesticides to meet the requirements of agriculture sector and has grown manifold. Presently the company is also operating in agro inputs namely agro-chemicals, seeds and fertilizers so that all the requirement of farming community can be met under one roof. The company is having 3 manufacturing units located at Udyogamandal, near Kochi (Southern India), Rasayani near Mumbai (Western India) and Bathinda in Punjab (Northern India). The company has wide network of marketing throughout the country through its five regional Sales Offices viz. North at Gurgaon, Kolkata, Hyderabad, Ahmedabad, & Coimbatore.

Tender Objective

The Internal Audit has to be conducted on quarterly basis. For the current Financial Year (i.e. 2020-21) due to corona pandemic audit is to be conducted in two parts. For first 3 quarters from April'20 to Dec'20, report is to be submitted by 28th February 2021 and for last quarter from January'21 to March'21 report is to be submitted by 30th April 2021. From next year onwards, Audit Report is required to be submitted within 15 days of the end of each quarter.

The focus is changing from "compliance" to improve the quality of business processes and managing risks in the ever changing business environment. The key purpose of the Audit will be to install an independent on-going and effective review and feedback mechanism. This function would support to complement the statutory audit function and established proper internal control on operational and financial activities.

The Primary objectives of the internal audit will be to:

- a) Support and Assist the Board and the Management in discharging Corporate Governance Responsibility.
- b) Provide Control Assurance of losses for all key Risks through validation of internal controls, systems and processes.
- c) Independent evaluation of compliances with policies, procedures/guidelines and applicable laws including compliance of the provisions of the Companies Act, 2013 and other applicable laws.
- d) Assess integrity and reliability of data for use in various decision processes including phased Reporting.
- e) Assist in enhancing Operational Efficiency involving
 - I. Cost Reduction/Revenue Maximization
 - II. More Effective Utilization of Resources/Assets/Investment
 - III. Recommendation of Best Practices

2. The audit approach should be such that the focus is on improving efficiency and performance of all activities and operations besides ensuring and effective risk assurance process. The Audit should be more oriented towards Business Processes rather than mere routine transaction and recommendation for improvement/corrections required, if any.

A) SCOPE OF WORK

1. The audit team will conduct audit on quarterly basis, throughout the year, as per the scope of work enclosed as Annexure-A.
2. The auditor should comment in respect of following points:
 - i) Systems & Transactions.
 - ii) "Report of Exception" on the points, as per scope of work, as modified from time to time, where the system is failing.
 - iii) Action Taken Report (ATR) on previous Audit Reports.
 - iv) Critical comment and recommendations for improvement.
 - v) Any other matter, which may be required/prescribed under Companies Act, 2013/Notification issued by the Ministry of Corporate Affairs with respect to Internal Audit.

B) AUDIT TEAM

1. The audit team should consist of at least one partner or qualified person.
2. The audit team members should carry Photo ID issued by the Audit Firm.
3. Partner of the firm if not member of the audit team should be available once, each quarter during the Audit period, to guide the audit team and for discussion with the management.
4. The Audit team will conduct the audit as per Manual, rules and regulations, guidelines, instructions, delegation of power etc. and in consultation with concerned officials at HO/Units/RSOs.
5. The GM(F) of the HO, Unit Head of Units, and RSMs of RSOs will coordinate the Audit Team through Head of the Finance of the Units and RSOs for smooth functioning of the audit.

C) Eligibility

Selection criteria.

Sl. No.	Criteria	Basis of marks	Maximum marks
1	Years of Establishment of the firm/LLP since the date of registration	2 mark per year (fraction of the year to be ignored)	20
2	Number of partners in the firm/Limited Liability Partnership who is with the firm for a minimum period of 1 year as on the date of application.	3 marks for each partner who is ACA/ACMA. 4 marks for each partner who is FCA/FCMA. 5 marks for each partner who is FCA/FCMA with DISA/CISA/ISA	30
3	Number of qualified assistants who is an ACA/ACMA & is working with the firm for minimum period of 1 year as on the date of application.	1.5 marks for every qualified assistant	10
4	Number of semi qualified assistants (Inter Cost/Inter Chartered – IPCC – both group) & is working with the firm for minimum period of 1 year on the date application.	0.75 marks per semiqualified assistant	5
5	Experience of the firm in conducting Internal audit in other PSUs and Govt./Scheduled Bank for statutory/internal audit.	2 marks per year of audit per client.	15
6	Audit firms having Registered Office/Branch Office within the state for a minimum period of 1 year on the date of application in which company unit/RSO is situated.		20
		Total:	100

Qualifying marks 50

Eligible firms may send their application, with details as mentioned below, in sealed envelope superscribed "**Notice Inviting Tender (NIT) for engagement of Internal Auditor for the year 2020-21**" through registered/speed post or courier services only as elaborated in clause H, so as to reach GM(Finance), HIL (INDIA) LIMITED, Scope Complex, Core- 6,2nd Floor, 7, Lodhi, New Delhi-110003 on or before **15th January, 2021 up to 2.00 pm.**

i) Year of establishment of the firm enclosing photocopy of latest constitution certificate issued by the Institute of Chartered/Cost Accountants of India.

ii) Details of the partners, qualified and semi-qualified assistants and the date from which they are with the firm along with proof of membership (Associate/Fellow), professional qualifications viz ., DISA/CISA/ISA etc.

iii) Experience of the firm in conducting Internal/Statutory Audit in other PSU/Govt./Scheduled Bank (photocopies of appointment letter should be enclosed) .

iv) Details about the Registered and Branch Offices viz. date of opening, address etc.

The applicants should enclose self-attested documentary evidence in support of their credentials under Sl. No. 1 to 6 above chronologically and separately.

In absence of documentary evidence, the marks assigned to a particular criterion will not be accorded, without assigning any reason.

D) AUDIT REPORT

1. The Audit teams, after completing the audit for the quarter, should discuss their observations/findings with the Unit Head or RSM in case of manufacturing/production units or RSOs respectively and with GM(F) in case of HO before finalization of the quarterly Audit Report. The findings of the current quarter together with the earlier quarters points under compliance by the management should be discussed with the said officials. The quarterly Audit Report shall be submitted to the Unit Head & RSMs in case of units and RSOs respectively with a copy to GM(F) of HIL, HO. In case of Head office the report will be submitted to GM(F) of HIL Head office.
2. The Quarterly Report in respect of unresolved observations along with management replies/comments shall be submitted to GM(F) of HIL HO along with Unit Head /RSMs . The last Quarter's Report shall include a concise executive summary.
3. Time is the essence for submission of report by auditor. Audit team should be equipped to submit the report both the hard copy and soft copy. The quarterly Audit Report is required to be submitted by the Auditors within 15th day from the end of the quarter.
4. Flash Report should be submitted by the Internal Auditors immediately detection of major irregularity in the course of audit, to GM(F) of HO in respect of any of the units/RSOs and also to Unit Heads/RSMs in case of production units and RSOs respectively.
5. The Internal Auditor should also give their observation about the effectiveness of internal control system exists in the Company.
6. Internal Audit Report should be signed by the partner of the Firm.

E) AUDIT FEE

1. Audit fee for the team payable to Audit firm as per the awarded rate, on quarterly basis.
2. No accommodation will be provided or TA/DA will be paid for conducting the audit.
3. GST as applicable will be paid as per relevant Act.

F) PAYMENT OF AUDIT FEES

1. The bill for Professional Service rendered by the audit firm will be paid on quarterly basis. The Audit Firm will raise the bill only after acceptance of the Audit Report by -Unit Heads/RSMs/GM(F) of HIL, HO as the case may be. No advance payment will be made.
2. The bill in duplicate duly certified by Unit Heads/RSMs/GM(F) of HIL HO as the case may be or his authorized representative regarding acceptance of report and attendance, shall be submitted to the concerned Units/ RSO's/ HO for processing the payment.
3. Payment shall be released within 21 days from the date of submission of the bill (without any deficiencies) subject to fulfillment of other terms & conditions of the contract.

G) GENERAL TERMS AND CONDITIONS.

1. The Audit Firm must not sub-contract the work.
2. The Audit team will work in strict confidence and will ensure that the information in respect of the operation of the Unit is dealt in strict confidence and secrecy . A Certificate towards maintaining confidentiality to be provided by the Internal Auditor before commencement of Audit.
3. If progress/performance of the audit team is not satisfactory, the management reserves the right to terminate the appointment of the Firm with prior notice of one month.
4. Dispute/Difference, if any, shall be mutually settled with Unit Heads/RSMs/GM(F) of HIL, HO as the case may be. If the dispute could not be settled at that level, it will be forwarded to the CMD for decision, which will be final and binding to all concerned.
5. The appointment of the Audit Firm will be for one year for Financial Year 2020-21 and further renewable for next two financial years i.e. 2021-22 and 2022-23 respectively, subject to satisfactory performance of the Firms in the same terms & conditions.
6. The audit firm will be debarred from getting, in future, the internal Audit in, HIL and its units/RSOs in the following cases.
 - a) If the firm obtains the appointment on the basis of false information/false statement.
 - b) If the firm does not take up audit in terms of appointment letter.
 - c) If the firm does not submit the Audit Report, complete in all respect, as per terms of appointment.

H) Instructions to Bidders

1. The bid processing fee as specified in this document must be remitted along with the bid.
2. The bidder must sign and write page no. on all the papers.
3. Financial offer should be in the same form as specified in this document. It must be submitted in separate sealed envelope.
4. HIL reserves the right to cancel any or all of the bids without assigning any reasons.
5. HIL reserves the right to cancel whole Bid process at any stage. HIL CMD's decision will be final and abide to all the Bidders.
6. All correction/addition/deletion shall require authorized countersign.
7. Bidder may remain present at the time of bid opening as per the schedule decided by HIL. All bids should reach at our office within time limit as mentioned below:
8. There shall be 2 sealed envelopes in the sealed main cover with the heading "Notice Inviting Tender (NIT) for engagement of Internal Auditor for the year 2020-21".
"Notice Inviting Tender (NIT) for engagement of Internal Auditor for the year 2020-21".
 - (a) A first separate envelop with the heading "Technical Bid including NIT Fees - NIT for "Internal Auditor" containing the Bid Processing Fee in the form of Demand Draft in the name of "HIL (INDIA) LIMITED, New Delhi". Any technical information, also should be enclosed in this envelope.
 - (b) The second envelope marked as financial bid with heading "**Financial Bid -NIT for Internal Auditor**" with properly sealed and marked. Each and every page of the bid must be signed and stamped by the bidder. In financial bid the amount quoted must be mentioned in figures and words. Overwriting and cutting is not allowed. In case of difference between amount of words and figures, amount written in words will be considered as final. The Financial bid shall be submitted in the format enclosed at **Annexure-B**.
9. Proposals after due time period will not be accepted.
10. Submit your quotation in sealed envelope only (Do not simply Staple).
11. Offer through e-mail will not be entertained.

I) Evaluation of Bid

Bid will be evaluated as per following process:

- a) Submission of Bid processing fee.
- b) Proof of Eligibility criteria.
- c) Correctness of the bid as per all the terms and conditions.
- d) Price bid shall be opened for the bidder who obtains qualifying marks of 50 in the technical bid.

- e) Appointment for Internal audit will be given to the qualified bidder, who has offered the lowest price after qualifying in the technical bid.
- f) In case of tie, the firm with higher marks in technical evaluation will be considered and in a Situation of a tie in technical evaluation also, a firm with longer experience will be preferred based on the year of establishment. If still there is a tie, a firm with higher number of partners will be considered
- g) If all above documents are submitted and match as per criteria, then only bidder will be Considered

FORMAT FOR QUOTATION OF PRICE

Annexure-B

Sl. No.	Audit unit	Amount
1.	<u>Production unit</u> Rasayani (Near Panvel, Maharashtra, 70 km from Mumbai).	
2.	<u>Production unit</u> Udyogamandal (20 km from Kochi Airport)	
3.	<u>Production unit</u> Bathinda (Punjab)	
4.	RSO- Kolkata (includes Patna, Bhubaneswar & Guwahati)	
5.	RSO-North at Gurgaon (includes Bathinda, Karnal , Lucknow, Jaipur, Sriganganagar)	
6.	RSO- Hyderabad (includes Vijayawada & Bellary)	
7.	RSO-Ahmedabad (includes Indore, Nagpur & Raipur)	
8.	RSO-Coimbatore (includes Kochi)	
9.	Head office – Delhi	

Note:

Internal Audit in respect of RSOs will be conducted in the office of RSOs e.g. Kolkata, North at Gurgaon, Hyderabad, Ahmedabad, & Coimbatore respectively. Other Sales offices mentioned within brackets are Sales offices under the administrative control of RSO. Invoicing and other transactions in respect of these Sales offices will be audited in the RSO offices only. However, physical verification of stock and checking of expired materials lying with the godowns of these Sales offices or with the C&F agents will be conducted by Internal Auditors once at the year-end for which no accommodation will be provided or TA/DA will be paid.

Price bid will be opened for the firms who have secured **qualifying marks 50** and L1 status will be determined individual audit unit wise amongst the qualified firms.

HIL (INDIA) LIMITED

New Delhi - 110003.

SCOPE OF WORK FOR INTERNAL AUDIT AT UNITS

(A) GENERAL

1. Evaluation of existing policies, rules systems, procedures, orders, schemes (including welfare schemes) and to suggest amendments/modifications to make them more purposeful and effective.
2. Suggestions for improvement in financial results of the company from Management Audit point of view.

(B) PERSONNEL AND ADMINISTRATION

- (1) Checking of compliance of (a) statutory provisions under the Factories Act and other Labour/Industrial Laws (b) Compliance under ESI and PF (c) compliance to the Instructions/Directions of Ministry i.e., instructions under MSME, E procurement etc (d) compliance to the Instructions/ Directions of Head Office.
- (2) Checking of the records of the following and observations thereon.
 - i) Sanction of the following advances to employees :
(a) Vehicle (b) House Building (c) Festival
 - ii) Attendance and leave (particularly treatment of EOL)
 - iii) Leave encashment cases.
 - iv) Recovery of rent and electricity on account of accommodation in company's colony
Canteen/Canteen Subsidy
 - vi) Dispensary
 - vii) Movement of vehicles
 - viii) Control of stationary
 - ix) Communication expenses
 - x) Overtime/Holiday payments (made with justification of the unit)
 - xi) L.T.C. claims
 - xii) Reimbursement of medical expenses including payment to Hospitals
 - xiii) Security
 - xiv) Guest House Contracts

- xv) Hiring of Taxi
- xvi) Checking of Proposals on purchase of Uniform, Safety Shoes, Soap etc for employees
- xvii) Checking on capital expenses (a) purchase of computers, furniture and fixtures , vehicles, software, (b) Repairs and Maintenance, AMCs, procurement of spares etc (c) maintenance of Fixed Asset Register (d) numbering of Fixed Assets (e) procedure on scrapping of above assets
- xviii) Review of CSR and welfare activities in the unit
- xix) Other contracts in connection with P&A
- xx) Checking of compliance in respect of eligibility of employees under Medical, LTC, and other benefits to dependents
- xxi) Retired Employees - (a) KYC requirements and Data bank to be maintained in the unit (b) Medical Insurance (c) Arrears and any other payments made/ payable.
- xxii) List of office orders issued from the unit.

Checking of records of Recruitment and Establishment section, particularly :-

- h) compliance of recruitment rules and regulations
- ii) Temporary hands including apprenticeship - procedures, rules and regulations followed in the unit.
- iii) Pay fixation at the time of promotion/revision/joining
- iv) Status of disciplinary proceeding/enquires and imposition of penalty, if any.

C) FINANCE AND ACCOUNTS

1. Variance analysis of Budget with actuals and examination of reasons for variations, if any.
2. Review of implementation of Accounting policies and other guidelines.
3. Evaluation of Fund Management, Particularly:-
 - i) Priorities given/discretions made in payments
 - ii) Advance payments (security and adjustment)
 - iii) Utilization of fund as per Head Office instructions
 - iv) Timely payment of Statutory dues
4. Reconciliation of Bank, inter unit, Purchases and sales accounts on monthly basis and see all the necessary adjustment entries are done on monthly basis.
5. Report on cheque return/bounce cases an stale cheque cases
6. Checking of the followings :-
 - i) Cash book - Maximum, Minimum balances and Monthly Average
 - ii) Sales Register I Purchase Register
 - iii) Journal
 - iv) Payroll and other related records (including Over Time).
 - v) Costing Section (including

- a) Valuation of material received
 - b) Valuation of material issued.
 - c) Calculation of Cost of Production
 - d) Major variations on cost of purchase/Service with reasons
 - vi) Report on all charges levied by banks including interest on monthly basis.
 - vii) Report on compliance to all statutory - Excise, Customs, Service Tax, Income Tax, ESI, PF and GST
 - viii) All final payments to employees on superannuation on account of:-
 - a) Salary and Wages.
 - b) Gratuity .
 - c) Others e.g., Leave Encashment
 - ix) Payment to suppliers/contractors
 - x) Report on outstanding EMD and SD with Ageing and reasons for non payment.
 - xi) Report on Cash Purchases made during the period under review.
7. Review and Analysis of:-
- i) Advances to Staff including non interest bearing advances
 - ii) Checking the Interest Subsidy paid to employees
 - iii) Medical related payments.
 - iv) Advances to Suppliers/Contractors.
 - v) Arrear related payments - working , payments and outstanding
 - vi) Review of Sundry Creditors with Ageing Report
 - vii) Review of Sundry Debtors with Ageing Report
 - viii) Scrutiny of General Ledger
8. SAP - (a) review of online entries (b) List of unattended Purchase Requisition more than 6 months old with reasons (c) pending Purchase and Work Orders more than 3 months old with reasons (d) List of entries in FI without MIRO/Service entry with reasons (e) Report on delay in inspection and preparation of GRS with reasons (f) Any other areas which requires the notice of the management.

D) PURCHASES (INCLUDING CAPITAL PURCHASES):

1. Analysis and examination of material planning for production and its actual implementation.
2. Checking of Purchase Proposals - (a) Review of tendering procedure followed on all proposals including capital (b) All the proposals are financially concurred before putting up for approval and got approved by the competent Authority.(c) All the directions like MSME, E procurement are complied with along with statutory and safety related requirements.(d) Report on procurement made on urgency and the procedure followed .(e)Report on proprietary purchases made with procedure followed.(f) Report on purchases made on Single quotation with reasons(g) Report on Cash Purchases and the procedure followed .(h) Any other areas which require the notice of management.
3. Checking of the records to examine:-
 - i) Unplanned procurement and accretion of stores (particularly with reference to actual

- production pattern) .
- ii) Slow and non-moving items and reasons thereof .
 - iii) Consumption pattern of the material procured on cash basis/urgent requirement basis.
 - iv) Procurement pattern of spare-parts, maintenance items etc . and its utilization.
 - v) Treatment of rejected materials & sale of scrap.
 - vi) Development of Vendors/alternate sources.
- 4. Checking of proposals - whether all the directions of HO are complied with and to see the process to award the contracts of :
 - i) Transportation
 - ii) Labour
 - iii) Canteen
 - iv) Any other periodical Contract
 - 5. Review of stock records of Raw Material, Packing Material, Fuel, General Stores - (a) Opening, Purchases, Receipts, Adjustments and closing (b) Physical Verification of all the above

E) PRODUCTION

- 1. Analysis of production planning and its correlation with Sales Planning.
- 2. Comparison of monthly production targets with actuals and analysis of reasons given for short fall in the actual production.
- 3. Analysis of actual raw-material and packing material consumption with the standard norms.
- 4. Examination of the reasons given for excess consumption of materials.
- 5. Analysis of Labour Utilization and Plant utilization idleness if any.
- 6. Examination of percentage of rejection & reasons for rejection.
- 7. Checking of recovery of by-products and the action on sale of the same with the procedure followed
- 8. Checking of utilization of power and fuel with reference to production.

F) ENGINEERING (INCLUDING CIVIL)

Review of system and procedure for the following:-

- 1) Proposal and estimates prepared by Civil Department/Maintenance Deptt. - Review the basis of estimates prepared.
- 2) Process and issue of work order/contract - whether proper procedure followed and reasonableness of rates ascertained.
- 3) Final bills of work order/contract.
- 4) Manpower and their utilization/work justification.
- 5) Efficiency of Boiler.

G) FIXED ASSETS

- 1) Checking of Accounting of Fixed Assets and the compliance to Accounting Standards

- 2) Checking of Depreciation under companies Act and income Tax Act
- 3) Numbering of Fixed Assets
- 4) Physical verification of Fixed Assets – Annual
- 5) Procedure followed in scrapping of obsolete Fixed Assets and report on scrapped assets along with the details of sale of scraps and procedure followed in sale of scraps during the period under review
- 6) AMC requirements and List of Proprietary items.
- 7) Review the procedure followed in removing the Fixed Asset from the' FA Register

H) INSURANCE

- i) Review of coverage of insurance.
- ii) Review of pending insurance claims and follow-up for settlement of the same. In case, full amount of claim is not received in final settlement, examination of reasons for the same.
- iii) Employee insurance claim and Mediclaim policies
- iv) Review of insurance requirements on import and export consignments of the unit
- v) Any other areas which requires the notice of the management.

I) All STATUTORY PAYMENT including PF,ESI, TDS, TCS, Profession Tax /GST

- (i) To check correctness and timeliness of deduction & payment including GST under reverse charge mechanism.
- (ii) To check whether all returns are being furnished in time .

J) Review of AUDIT on EDP - implementation of Software and Hardware along with AMC requirements

- K) Any other points asked by management from time to time.
(The above scope of work is only illustrative not exhaustive)**

SCOPE OF WORK FOR REGIONAL SALES OFFICES

1. SALES

Review, analysis and reporting on:

- i) Monthly targets of sales with actual and reasons for variance .
- ii) Order Booking Register.
- iii) Stock Register/Ledger .
- iv) Sales Register & invoices
- v) Compliance/implementation of sales related rules, orders, circulars/schemes.
- vi) Analysis of sales returns, reasons for the same and corrective actions taken.
- vii) Price structure of competitive products .
- viii) Appointment of new dealers.

- ix) Inspection of C&F godown - Physical verification of stocks as per stock register/ledger records.
- x) Comments of delay in raising invoices on dealers.

2. **FINISHED GOODS**

Analysis and reporting on:

- (i) Physical verification of stock in hand & fixed assets at the year end.
- (ii) Physical verification of cash on quarterly basis.
- (iii) Basis of requisition of stock.
- (iv) Maintenance of the stock on first in first out (FIFO) basis.
- (v) Expired Stock, reasons and timely corrective actions taken.
- (vi) Quantity wise reconciliation.
- (vii) Inter unit/office transfer of finished products.

3. **STORAGE & TRANSPORT ARRANGEMENT**

- i) To check reasonability of rent being paid for warehouses/storage space vis-a-vis prevalent market rate/its utilisation and maintenance of stock register.
- ii) To check the procedure of appointment of clearing & handling agents, transporter, storage agents and report whether payments are released after completion of their obligations.
- iii) Inspection of C&F godown - physical verification of stock as per stock register/ledger records.

4. **SUNDRY DEBTORS**

- i) Appointment of new dealers.
- ii) Review of performance of all dealers .
- iii) Compliance of company's credit policy.
- iv) Review and analysis of sundry debtors.
- v) Review of actions taken:
 - (a) To realize the outstanding .
 - (b) In the case of dishonor of cheques.
 - (c) For periodical balance confirmation.

5. **SEED**

- i) Checking of records related to procurement and sales of seeds.
- ii) Checking of records related to payment of subsidy of seed.

6. **OTHERS**

- i) Review and analysis of financial records & checking of online entry in SAP.

- ii) Analysis of controllable expenses .
 - iii) Review of sales promotion expenses .
 - iv) Checking of leave records .
 - v) Checking of Personal files of staff.
7. Any other points asked by management from time to time .

SCOPE OF WORK FOR HO

A. PERSONNEL AND ADMINISTRATION

- (1) Checking of the records of the following and observations thereon.
- i) Sanction of the following advances to employees :
 - (a) Vehicle (b) House Building (c) Festival
 - ii) Attendance and leave (particularly treatment of EOL)
 - iii) Leave encashment cases.
 - iv) Recovery of rent and electricity on account of accommodation in company's colony
 - vii) Movement of vehicles
 - viii) Control of stationary
 - ix) Postage and Telephone
 - x) Overtime.
 - xi) L.T.C. claims
 - xii) Medical reimbursement including payment to Hospitals.
 - xiii) Security
 - xiv) Contracts

Checking of records of Recruitment and Establishment section, particularly :-

- i) compliance of recruitment rules and regulations
- ii) pay fixation at the time of promotion/revision/joining
- iii) Status of disciplinary proceeding/enquires and imposition of penalty, if any.
- iv) Arrangement of manpower through outside agencies.

B) FINANCE AND ACCOUNTS

1. Variance analysis of Budget with actuals and examination of reasons for variations, if any.
2. Review of implementation of Accounting policies and other guidelines.
3. Evaluation of Fund Management (Particularly:-
 - i) Priorities given/discretions made in payments
 - ii) Timely payment of Statutory dues)
4. Status of Online entry of transaction in SAP & timely inter-unit reconciliation at least on quarterly basis.

5. Checking of the followings:-

- i) Cash & Bank book
- ii) Journal
- iii) Pay-roll and other related records (including Over Time) .
- iv) Bank Reconciliation Statements to verify whether reconciliation is carried on monthly basis and adjustments are made in the books of accounts.
- vi) Interest on loan from Bank if any.
- vii) All final payments to employees on superannuation on account of:-
 - a) Salary and Wages .
 - b) Gratuity .
 - c) Others e.g., Leave Encashment.
- viii) Payment to suppliers/contractors .

6. Review and Analysis of:-

- i) Advances to Staff including non interest bearing advances .
- ii) Advances to Suppliers/Contractors .
- iii) Sundry Creditors