

# Company Name:- Test | Audit:- Test

# Audit Observations

## 1: Audit\_Area: Legal Compliance

## 1.1: Heading: Income Tax Compliance

## 1.1.1:

**Criteria**:- Whether the unit has incurred any expenditure to a person specified in Clause (b) of Section 40 A (2) of Income Tax Act, 1961. Verify whether they are reasonable and not excessive having regard to fair market value of such goods/ services/ facilities.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.2:

**Criteria**:- Whether the unit has made any cash payments against expenses above Rs. 20,000 which is proposed to be reduced to Rs. 10000 by Finance Bill 2017 (or Rs. 35,000 for goods carriages) in contravention of Section 40A (3)/ 3A of Income Tax Act, 1961, i.e., payment otherwise than through account payee cheque or account payee bank draft.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.3:

**Criteria**:- Whether the unit have certain payables in the form of tax, duty, cess or fees, employer contribution to provident fund and other funds, bonus, interest or loan and borrowings from banks and public financial institutions, etc. Verify whether such payments have actually been made on or before the due date of filing of Income Tax Return otherwise the same will be disallowed under Section 43B of Income Tax Act, 1961.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.4:

**Criteria**:- Whether the unit has repaid loans/ advances/ deposits in cash of Rs. 20,000 and above in contravention of Section 269T of Income Tax Act, 1961.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.5:

**Criteria**:- Whether the unit has received loans/ advances/ deposits in cash of Rs. 20,000 and above in contravention of Section 269SS of Income Tax Act, 1961.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.6:

**Criteria**:- Verify whether the compliance of Section 206AA of Income Tax Act, 1961 has been made with regards to furnishing of PAN.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.7:

**Criteria**:- Deduction of TDS at correct rate.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.8:

**Criteria**:- Deduction and Deposit of TDS within time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.9:

**Criteria**:- Filing of TDS return in time and as per procedure prescribed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.10:

**Criteria**:- Issue of TDS certificate in time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.11:

**Criteria**:- Receipt of Form 15G/ 15H and entry in system.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.12:

**Criteria**:- Filing of Form 15G/ 15H with Income Tax Department as per Rule 29C of Income Tax Rules, 1962.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.13:

**Criteria**:- Verify whether Tax Collected at Source (TCS) at the rate of 1% of sale consideration is to be collected as per sub-section 1D of Section 206C of the Income Tax Act, 1961 when it exceeds Rs. 2 lakhs, in case of bullion, or any other goods/ provision of any service if consideration (or any part of it) is received in cash, however, provisions of sub- section 1D are not applicable where TDS is deducted by the payer under Chapter XVII-B of Income Tax Act, 1961.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.1.14:

**Criteria**:- Verify whether every person being a seller who received any amount as consideration for sale of motor vehicles of the value exceeding Rs. 10 lakhs, shall also collect TCS at the rate of 1% of sales consideration, irrespective of the fact whether payment is made in cash or by cheque or draft otherwise from buyer (other than Central Government, State Government, Local Authority, etc.) (subsection 1F of Section 206C).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2: Heading: ESIC Compliance

## 1.2.1:

**Criteria**:- Whether the unit is registered under ESIC if:Employees drawing wages (excluding overtime) less than or equal to Rs. 15,000 p.m. are covered under the Act (w.e.f. 22.11.2016, this limit has been increased to Rs. 21,000 p.m.).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.2:

**Criteria**:- Unit is to be registered with ESI Corporation within 15 days from the date of applicability of this Act to the unit, and obtain the employers code number.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.3:

**Criteria**:- If security contractors have been registered separately, whether the copies are obtained from them and kept in safe custody.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.4:

**Criteria**:- Whether declaration Forms (Form 1) and return of declaration Form (Form 3) for new employees have been submitted immediately on their day of joining.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.5:

**Criteria**:- Whether the unit has preserved all ESIC payment challan and return. Employer has to furnish a return of contribution along with challan of monthly payments, within 30 days of end of each contribution period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.6:

**Criteria**:- Whether the unit has maintained an Accident Register (Form 15). The employer has to report within 24 hours in case of serious/ fatal accidents immediately.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.7:

**Criteria**:- Whether the unit has reported all reportable accidents (i.e., which prevent an employee to report from duty for a period greater than 48 hours) to the ESIC authorities vide Accident Report (Form 16).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.8:

**Criteria**:- Whether the unit has maintained Form 7 register showing monthly ESIC contributions and all the details of employees covered under the ESIC Act (the company or the contractor, in case he has his own code, needs to maintain Form 7).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.9:

**Criteria**:- Whether the unit has maintained ESIC Records for previous years as inspection can be carried out by authorities any time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.10:

**Criteria**:- Whether the unit has deposited ESIC monthly contributions (both employer and employee) before 21st of the following month.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.2.11:

**Criteria**:- Whether the unit has filed ESIC half-yearly return in Form 6 within 42 days of the half-year ended September 30 or March 31, as the case may be.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.3: Heading: Minimum Wages Act Compliance

## 1.3.1:

**Criteria**:- Whether the unit has displayed a copy of the abstract of the Minimum Wages Act, 1948.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.3.2:

**Criteria**:- Whether the unit has displayed the notice containing the minimum rates of wages applicable.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.3.3:

**Criteria**:- Whether minimum wages has been paid to contract labour/ security personnel, in the presence of company employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.3.4:

**Criteria**:- Whether the unit has filed the annual returns under Minimum Wages Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.3.5:

**Criteria**:- Whether the unit has considered latest notification for calculation of minimum wages (according to area) for unskilled, semi–skilled, skilled, highly skilled and clerical labour.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.4: Heading: Payment of Wadges Act Compliance

## 1.4.1:

**Criteria**:- Whether the unit appropriately maintains records specifying names of employees and wages paid to them.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.4.2:

**Criteria**:- Whether the unit prominently displays the abstract of Payment of Wages Act and Rules.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.4.3:

**Criteria**:- Whether the unit has filed annual returns under Payment of Wages Act, 1936.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.4.4:

**Criteria**:- Whether the unit has complied with new Section 6 which is made effective from 08.12.2016 which provides that wages shall be paid in current coin/ currency notes or by cheque or by crediting the wages in the bank of employee.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5: Heading: Shop & Establishment Act

## 1.5.1:

**Criteria**:- Whether the Shop and Establishment Registration certificate is valid as on date.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.2:

**Criteria**:- Whether the Shop and Establishment registration certificate is prominently displayed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.3:

**Criteria**:- Whether notice of the last change in the unit head has been given to Shop and Establishment authorities.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.4:

**Criteria**:- Whether the unit has submitted notice of weekly holidays and notice of daily working hours to the Inspector under Shop and Establishment Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.5:

**Criteria**:- Whether the unit has displayed a copy of the notice of daily working hours submitted to the Inspector under Shops and Establishment Act, 1953.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.6:

**Criteria**:- Whether the name and address of the local labour inspector is displayed as per Shop and Establishment Act, 1953.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.7:

**Criteria**:- Whether the unit maintains an inspection book for visit remarks of the Inspector.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.8:

**Criteria**:- Whether the unit maintains a muster register as per Shop and Establishment Act for all regular and contracted employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.5.9:

**Criteria**:- Whether the employee leave cards are maintained and updated as on date.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6: Heading: Payment of Bonus Act

## 1.6.1:

**Criteria**:- Whether the unit maintains a register showing the computation of allocable surplus referred to in Clause 4 in Section 2 in Form A.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6.2:

**Criteria**:- Whether the unit maintains a register showing the Set on and Set Off of the allocable surplus in Form B.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6.3:

**Criteria**:- Whether the unit maintains a register showing the details of amount of bonus due to each of the employees, the deductions u/s 17 and 18 and the amount actually disbursed in Form C.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6.4:

**Criteria**:- Wage eligibility limit is increased from Rs. 10,000 p.m. to Rs. 21,000 p.m.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6.5:

**Criteria**:- Calculation of bonus with respect to certain employees- where salary or wage exceeds Rs. 7,000 (increased from existing Rs. 3,500) the bonus payable to such employees shall be calculated as if salary or wage were Rs. 7000 per month or the minimum wage for the scheduled employment, as fixed by the appropriate government, whichever is higher.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.6.6:

**Criteria**:- The above amendments as mentioned Point (iv) and (v) above have been brought by the Payment of Bonus Amendment Act, 2015 effective from 01.04.2014.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.7: Heading: Payment of Gratuity Act

## 1.7.1:

**Criteria**:- Whether the unit has submitted notice of opening of establishment (Form A) to the Controlling Authority within 30 days of starting of the unit (This is applicable only for new units).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.7.2:

**Criteria**:- Whether the unit has prominently displayed the abstract of Payment of Gratuity Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.7.3:

**Criteria**:- Whether the unit has intimated any change in the unit head or address of unit to the Controlling Authority in Form B.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.7.4:

**Criteria**:- Whether the unit has displayed the name of Company’s officer authorized to receive notices under the Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8: Heading: Contract Labour Act

## 1.8.1:

**Criteria**:- Whether this Act is applicable to the unit.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.2:

**Criteria**:- Whether the unit has obtained Registration Certificate under the Act for engaging contract labour.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.3:

**Criteria**:- Whether the unit maintains registers of contractors containing all the names of contract labour staff (from various contractors), the nature of work performed by the contract labour and the rates of wages paid to contract labour.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.4:

**Criteria**:- Whether the wages to contract labour are paid in presence of management’s representative.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.5:

**Criteria**:- Whether the unit has displayed the abstract of the Contract Labour Act/ Rules.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.6:

**Criteria**:- Whether the company has entered into legal agreement with the contractors.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.7:

**Criteria**:- Whether the unit (principal employer) has filed annual returns under the Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.8:

**Criteria**:- Whether the contractors have obtained License under the Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.9:

**Criteria**:- Whether the contractors renew their license every year.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.10:

**Criteria**:- Whether the contractors have taken a separate code number for PF and ESI coverage and contributions are remitted accordingly.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.11:

**Criteria**:- Whether the contractors maintain the records, namely Muster Roll, Register of Wages, Register of Deductions, Register of Overtime, Register of Fines and Register of Advance, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.12:

**Criteria**:- Whether the contractors are keeping the registers/ records relevant to the employment within 3 kms nearer to the work place.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.13:

**Criteria**:- Whether the unit have displayed notice showing rates of wages/ hours of work/ wage period/ date of payment of wages/ date of payment of unpaid wages and the name and address of the inspector having jurisdiction over the unit.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.14:

**Criteria**:- Whether the contractors have issued employment card/ wage slips to their workers.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.15:

**Criteria**:- Whether the contractors have filed half yearly returns under the Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.8.16:

**Criteria**:- Whether the contractors issue service certificate to their workers on termination.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9: Heading: Companies Act

## 1.9.1:

**Criteria**:- Whether any share capital has been raised otherwise than through cheques/ demand drafts or banking channels.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.2:

**Criteria**:- Whether compliance of Section 73 of Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014 has been observed which relates to prohibition/ restrictions for acceptance of deposits from public.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.3:

**Criteria**:- Whether the provisions of Section 185 and 186 of Companies Act, 2013 have been complied with which relates to ‘loans to directors’ and ‘loans and investments by companies’.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.4:

**Criteria**:- Whether the requirements of Companies (Auditors’ Report) Order, 2016 (CARO) has been complied with.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.5:

**Criteria**:- Whether all mandatory Accounting Standards (AS), i.e., AS 1 to 7 and AS 9 to 29 have been complied with. Under Section 133 of Companies Act, 2013, the Central Government has prescribed these Accounting Standards as recommended by the Institute of Chartered Accountants of India in consultation with National Financial Reporting Authority.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.6:

**Criteria**:- Whether the particular of every charge is registered with the registrar of companies within 30 days of its creation, and comply with provisions of Section 77 to 87. It is to be noted that application can be moved to ‘ROC’ for delay in such registration within a period of 300 days and in case of continued default, an extension of time has been sought in accordance with Section 87.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.7:

**Criteria**:- Whether provisions of Section 188 of The Companies Act, 2013, relating to related party transactions has been complied. No company shall enter into any contract or arrangement with a related party with respect to sales, purchase, supply of goods and material, etc. except, with the consent of the board of directors given by a resolution at the meeting subject to conditions as may be prescribed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 1.9.8:

**Criteria**:- Whether company has adequate internal financial control system in place and check operating effectiveness of such controls to comply with Section 143(3)(i) of Companies Act, 2013. Check whether the following policies and procedures have been adopted by the company for ‘Internal financial control’ as defined u/s 134(5)(e) of the Companies Act, 2013 (applicable from 01.04.2015):

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2: Audit\_Area: Sales, Services and Revenue

## 2.1: Heading: General

## 2.1.1:

**Criteria**:- Check for availability of credit policy and adherence of Credit Policy and report deviations, if any.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2.1.2:

**Criteria**:- Whether credit worthiness of all new credit customers has been evaluated and documented for approval (in the credit assessment forms).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2.1.3:

**Criteria**:- Whether customer credit terms and limits has been granted based on the credit ratings. Credit limits of customers must be approved in accordance with the authorisation matrix. The credit assessments should include the following: Analysis of customers’ latest available financial statements.Understanding customers’ management and business.Personal guarantee.Site Visit

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2.1.4:

**Criteria**:- Whether overrides to the credit rules has been approved in accordance with the authority levels.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2.1.5:

**Criteria**:- Whether credit assessments for all major customers has been updated at least annually.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 2.1.6:

**Criteria**:- Check that no delivery order has been generated by the system if the customers had trade debts exceeding their credit terms/ limits. Overrides should require pre-approval as per authorisation matrix before the orders are processed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3: Audit\_Area: Sales & Dispatch

## 3.1: Heading: General

## 3.1.1:

**Criteria**:- Check availability of sales policy and adherence to sales policy and report deviations, if any. Policies and procedures for credit and collections management should be clearly documented and communicated.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.2:

**Criteria**:- Check whether there are any instances of advance invoicing/ late invoicing as compared to dispatch.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.3:

**Criteria**:- Whether pre-shipment inspection has been carried and material has been dispatched as per invoice and contract.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.4:

**Criteria**:- Whether there is appropriate authorisation for free samples. Alternatively, samples are sold based on price approved as per authorisation matrix

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.5:

**Criteria**:- Status of pending overdue sales order, reason and financial implication, if any.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.6:

**Criteria**:- Whether cancellation of sale order are properly approved by competent authority.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.7:

**Criteria**:- Sales Return System: Approval for taking sale return, receipt and inspection of returned goods and issue of credit note, etc. Sales return reason, analysis and comment on sales return material lying in stock and the gain/ loss on resale of returned material.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.8:

**Criteria**:- On time performance trend and any loss caused due to delay in delivery.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.9:

**Criteria**:- Comment on avoidable/ controllable expenses, such as, air freight, demurrage, discount etc.,

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.10:

**Criteria**:- Process of appointment of agents/ sub-agents/ broker, renewal of agreement and payment of commission to agents as per agreement and as defined in sales policy.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.11:

**Criteria**:- In case of non-payment by customer, whether the same has been recovered from agent’s commission. Whether commission payable has been reconciled with respective agents.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.12:

**Criteria**:- Whether commission has been paid net of sales return and on receipt of due payment and requisite forms from customer.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.13:

**Criteria**:- System of creating and maintaining customer master file and list of documents obtained to check KYC norms.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.14:

**Criteria**:- Whether multiple codes have been opened for single customer and reason therefor.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.15:

**Criteria**:- There should be sequential control over all Invoices, Credit Notes, Delivery Orders and Goods Returned Note.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.16:

**Criteria**:- Recorded sales, gross margins, and miscellaneous receipts are compared to budget regularly. Management reviews the same and approves significant variances.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.17:

**Criteria**:- Shipments of goods to customers has been logged.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.1.18:

**Criteria**:- Sales at, before, or after the end of an accounting period has been scrutinized and reconciled to ensure complete and consistent recording during the accounting period, including the recording of the related cash receipt.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2: Heading: customer complaints and claims

## 3.2.1:

**Criteria**:- process for recording classification, ERP usage for complaint recording and processing.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2.2:

**Criteria**:- response time, escalation mechanism, follow up mechanism pending customer complaints, claims, and discount due to late shipment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2.3:

**Criteria**:- adequacy of authority level for approving claim/ discount.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2.4:

**Criteria**:- complaint settlement whether claim settled through ‘’Free of charge’’ replacement/ price reduction in subsequent dispatch, if any.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2.5:

**Criteria**:- whether there is any loss of customer due to quality complaint.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.2.6:

**Criteria**:- loss/ expenses incurred on account of delayed, rejected and short shipment and confirm that amount recoverable from third party for above has been debited and recovered.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3: Heading: IT Controls

## 3.3.1:

**Criteria**:- Goods returned by customers at, before, or after the end of an accounting period are scrutinized and/ or reconciled to ensure complete and consistent recording during the accounting period. Are the returned goods taken into inventory immediately. Procedure for sale of scrap and wastage should be same as of finished goods.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3.2:

**Criteria**:- The information system restricts authorized personnel to create, change, or delete sales orders, contracts and delivery schedules.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3.3:

**Criteria**:- The information system restricts authorized personnel to create, change, or delete sales order return and credit note requests and subsequent credit note transactions.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3.4:

**Criteria**:- The information system does not allow processing of sales orders that exceed customer credit limits.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3.5:

**Criteria**:- The information system restricts authorized personnel to create, change, or delete customer master file.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.3.6:

**Criteria**:- Audit logs are available and monitored for a defined period as agreed by the management.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4: Heading: Recording of Transactions

## 3.4.1:

**Criteria**:- Ensure that proper accounting entry has been recorded in books of accounts.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.2:

**Criteria**:- Recording Transactions as per AS 9 “Revenue Recognition’' and AS 1 “Disclosure of Accounting Policies’’.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.3:

**Criteria**:- Sale of raw material has been booked separately.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.4:

**Criteria**:- Value of sales has been recorded net of CENVAT and VAT credit, if claimed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.5:

**Criteria**:- All the related expenditure, such as, toll tax, cess, freight, etc. are recorded as part of purchase, if borne by entity.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.6:

**Criteria**:- Check Exchange fluctuation has been accounted for as per AS 11. “The Effects of Changes Foreign Exchange Rates.”

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 3.4.7:

**Criteria**:- Check about any entitlement of Government subsidy/ grant, etc. The Government/ third party subsidy/ grant either on capital account or on revenue account should be recognised based on the terms of the relevant agreement.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4: Audit\_Area: Purchase & Procurement

## 4.1: Heading: General

## 4.1.1:

**Criteria**:- The organisation has clear and comprehensive (up to date) procurement policy/ service contract whether purchases/ services are centralised in purchase/ service department or purchases/ services are made from approved authorities.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.2:

**Criteria**:- Internal purchase requisition is properly vetted/ validated and authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.3:

**Criteria**:- The internal requisition clearly mentions the specification and quantity of material/ service to be procured and also the supply date.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.4:

**Criteria**:- Purchases and procurement of services are based on competitive quotations as received from two or more suppliers.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.5:

**Criteria**:- Whether comparative quotation analysis sheet drawn before purchases/ service are authorised .

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.6:

**Criteria**:- If lowest quotation is not accepted, whether the purchases/ services has been approved by senior official.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.7:

**Criteria**:- Whether purchase/ service orders are pre-numbered and strict control exists over unused forms.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.8:

**Criteria**:- Whether list of pending purchase/ service order is complied by purchase/ service department, at least once in every quarter.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.9:

**Criteria**:- Whether quotations are called as per company’s policy from the registered vendors.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.10:

**Criteria**:- Whether quotations are opened and registered and a comparative chart is prepared and authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.11:

**Criteria**:- Purchase/ service order is given to lowest bidder subject to satisfaction of all other conditions/ specifications.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.12:

**Criteria**:- Purchase/ service order is issued as per the requirement of internal requisition and also mention the supply date. It should also contain penalty clause, if supply/ service is not made as per terms and specification of purchase order.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.13:

**Criteria**:- One copy of each purchase order/ service order should be made available to store and accounts department.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.14:

**Criteria**:- Material is supplied as per purchase order and material receipt note (MRN) is prepared after quantity and quality checks and authorisation. Similarly, service is executed as per service order.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.1.15:

**Criteria**:- Bill is passed by accounts department for the quantity as accepted by stores after making deduction for any quality discrepancy and breach of any other term/ condition including delay/ non-supply of material/ service in time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.2: Heading: Recording of Transactions

## 4.2.1:

**Criteria**:- Raw material has been booked as raw material and stores and spares has been booked as consumables (The direct debit items may be booked either as expenditure or as part of project, if the company policy permits) and service has been booked to direct expenses.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.2.2:

**Criteria**:- Procurement for project or capital expenditure is not booked as revenue expenditure.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.2.3:

**Criteria**:- The value of purchase/ service is recorded net of CENVAT/ Service Tax and VAT credit, if claimed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.2.4:

**Criteria**:- All the related expenditure, such as toll tax, cess, freight, etc., are recorded as part of purchase/ service.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 4.2.5:

**Criteria**:- TDS, if applicable, should not be charged to purchase/ service.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5: Audit\_Area: Inventory & Stores Management

## 5.1: Heading: General

## 5.1.1:

**Criteria**:- The organisation has clear and comprehensive policy for store and inventory.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.2:

**Criteria**:- Material requisition is properly vetted/ validated and authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.3:

**Criteria**:- The internal requisition clearly mentions the specification and quantity of material to be procured and also the supply date, especially, in case of direct debit items.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.4:

**Criteria**:- All materials in store are received against purchase order only unless otherwise authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.5:

**Criteria**:- All materials received in stores are kept separately till the inspection.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.6:

**Criteria**:- All rejected materials are kept separately from accepted stock.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.7:

**Criteria**:- No material is issued till the time of acceptance of material.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.8:

**Criteria**:- Material should be stored only after updating the stock records.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.9:

**Criteria**:- Material should be stored as per storage plan only.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.10:

**Criteria**:- Necessary controls are implemented at the gate to check whether all materials entering in the premise are recorded.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.11:

**Criteria**:- The material into warehouse has been accepted only after checking the gate seal.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.12:

**Criteria**:- Goods has been unloaded only after checking of supporting invoice and delivery challan, weight slip, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.13:

**Criteria**:- The quality clearance has been obtained for the material unloaded.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.14:

**Criteria**:- Compliance with excise laws and completeness of statutory records.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.15:

**Criteria**:- The adequacy of insurance cover for the premises and the material.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.16:

**Criteria**:- Updating of bin cards maintained with all receipts and issues accurately.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.17:

**Criteria**:- Issues have been made from the stock register and check if the issues have been tracked to request from various departments.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.18:

**Criteria**:- Issues have been updated accurately in the bin card and in stock register.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.19:

**Criteria**:- In case of material transfers from one job to another job, material transfer note should be prepared.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.20:

**Criteria**:- The following are checked to ensure the adequacy of the stock reconciliation-Frequency.Cut-off procedure.Documentation for store and verification.Authorisation of write off, if any.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.21:

**Criteria**:- Check that non–moving stock and damaged stock is kept separately and is reported to management from time to time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.22:

**Criteria**:- Check if re-order levels are fixed adequately to ensure that ordering of store is accurate.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.23:

**Criteria**:- Control measures, i.e. stock taking and supervision of the material received should be done on periodic basis (monthly, weekly, fortnightly).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 5.1.24:

**Criteria**:- There should be proper control over scrap/ wastage/ damages/ defectives

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6: Audit\_Area: HR & Payroll Processing

## 6.1: Heading: Documentation

## 6.1.1:

**Criteria**:- Whether HR Policy has been framed then collect a copy of the same otherwise check process of employment, training and safety of manpower. Also check any ISO requirements for forming human resource policy.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.2:

**Criteria**:- Whether incentive/ bonus and other benefits to employees has been documented and disclosed to them.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.3:

**Criteria**:- Whether master data of the employees including name, address, cost to the company (CTC), breakup of salary, attendance, etc., has been maintained and scrutinized, accordingly.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.4:

**Criteria**:- Whether hiring is through agency. Check copy of agreement.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.5:

**Criteria**:- Whether list of newly joined employees is updated in the file or system with proper authorisation and as per procedure laid down.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.6:

**Criteria**:- Whether all necessary documents related to employees existing and new are there in the file, like, copy of PAN, qualification certificates, ID proofs, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.7:

**Criteria**:- Whether joining letter, service agreement, terms of employment letter have been issued properly and maintained in the file.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.1.8:

**Criteria**:- Whether time, attendance and payment records are maintained either manually or in computer.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2: Heading: Legal Compliance

## 6.2.1:

**Criteria**:- Whether all documents for compliance with Income-tax like, house rent receipts, medical bills, proof of Chapter VIA deductions, like, LIC, NSC, PPF, tax saver FDs, etc., proof of medical reimbursement, etc. and other documents/ declarations have been submitted by employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.2:

**Criteria**:- Whether payment of salary for more than a specified amount has been made only through account payee cheques/ drafts and other banking channels including direct transfer to the account of the payee.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.3:

**Criteria**:- Whether computation of income tax liability of each employee done correctly and deduction of tax has been made accordingly.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.4:

**Criteria**:- Whether filing of PF and ESIC returns is within stipulated time and data in returns is accurate as per books of accounts and provisions of relevant Act, and correct information in relation to employees is reported to authorities as and when required.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.5:

**Criteria**:- Whether insurance policies have been reviewed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.6:

**Criteria**:- Whether medical polices and medical claims have been reviewed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.7:

**Criteria**:- Whether TDS computation of the employee is being done and TDS has been deposited and accounted for.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.2.8:

**Criteria**:- Whether safety measures have been installed in premises in case of any event, like, fire, flood, earthquake, machinery breakdown, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3: Heading: Authorisation Matrix

## 6.3.1:

**Criteria**:- Whether proper authorization in relation to appointment, resignation, termination and retrenchment of employees is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.2:

**Criteria**:- Whether verification and authorization of salary and proper review of payment is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.3:

**Criteria**:- Whether managerial remuneration complies with the provisions of the Income Tax Act, 1961 and Companies Act, 2013.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.4:

**Criteria**:- Whether advance payments to employees are properly authorized.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.5:

**Criteria**:- Whether loan to employees and deductions are as per approval.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.6:

**Criteria**:- Whether imprest/ advance payments to employees are made by the authorized persons and adjusted within reasonable time as per company policy.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.3.7:

**Criteria**:- Whether re-imbursement to employees for the expenses paid by them are authorized by the relevant authority with the supporting documents.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.4: Heading: Accounting Standards

## 6.4.1:

**Criteria**:- Ensure compliance with Accounting Standard (AS) 15 “Employee Benefits”.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5: Heading: Leave Policy

## 6.5.1:

**Criteria**:- Whether number of leaves available to the employees has been distinguished as earned leave, casual leave, medical leave and compensatory leave or any other leaves as per provisions and has been granted accordingly.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.2:

**Criteria**:- Whether leave cards have been updated on time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.3:

**Criteria**:- Whether leaves and compensatory have been properly authorized and adequate controls are maintained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.4:

**Criteria**:- Whether unauthorized leaves have been marked as absent.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.5:

**Criteria**:- Whether process of adjustment of advance leaves has been in place.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.6:

**Criteria**:- Whether leave encashment procedure and proper calculation has been checked.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.7:

**Criteria**:- Whether medical certificate, in case of sick leave beyond a specified period is obtained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.8:

**Criteria**:- Whether policies have been followed in case of accident of employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.5.9:

**Criteria**:- Whether outstation duties have not been marked as leave.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6: Heading: Payroll & Payment

## 6.6.1:

**Criteria**:- Whether the process of conversion of time data into payroll data has been scrutinized to find any discrepancies.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.2:

**Criteria**:- Whether payroll data has been modified after processing but before sending to Head Office or bank for payment. Check whether payment file generated is not in editable form before sending to Bank for payment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.3:

**Criteria**:- Whether a sample of data processed by payroll software and the time punching machine has been verified.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.4:

**Criteria**:- Whether payroll master has been properly updated to remove the name of persons who have left the organization.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.5:

**Criteria**:- Whether increments have been updated and paid on time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.6:

**Criteria**:- Whether all the deductions has been made from the salary before the payment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.7:

**Criteria**:- Whether cheque has been taken by the correct person in case of payment of salary by cheque.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.8:

**Criteria**:- Whether proper register has been maintained and signed by the employees after receiving their cheque or cash.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.6.9:

**Criteria**:- Whether advances and loans have been properly authorized while making payment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7: Heading: Full & Final Payment

## 6.7.1:

**Criteria**:- Whether letter of resignation has been duly accepted by the respective departmental head.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.2:

**Criteria**:- Whether the resignation letter has been forwarded to HR manager for inclusion in employee’s file.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.3:

**Criteria**:- Whether details as mentioned in clearance form were according to contractual service notice period/ minimum bond period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.4:

**Criteria**:- Whether “No Dues Certificate’’ from all the departments has been obtained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.5:

**Criteria**:- Whether the exit clearance form has been updated with the pending allowances.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.6:

**Criteria**:- Whether terminated employee is aware of company’s policy on confidential information and trade secrets and any previously signed agreement to protect the integrity and confidential nature of information after employment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.7:

**Criteria**:- Whether full and final settlement has been made only after receiving all the assets of the company and after discharging all the liabilities due to the company.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.8:

**Criteria**:- Whether full and final statement of outgoing employees including Gratuity, Leave encashment and Bonus as per policy has been submitted to finance department.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.9:

**Criteria**:- Whether employee has updated contact details.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.10:

**Criteria**:- Whether user ID of the outgoing employee has been deleted from devices.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.7.11:

**Criteria**:- Whether any legal suit is pending in any civil court or labour court with any employee if yes, then obtain brief note on this.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8: Heading: Bonus

## 6.8.1:

**Criteria**:- Bonus policy has been framed as per legal frame work and was formally documented. It should have approval of proper authority and should have been communicated to all employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.2:

**Criteria**:- Bonus has been accurately calculated, reported and paid.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.3:

**Criteria**:- Recalculate bonus percentage. Determine eligible employees for selected payout quarters, and check calculation and payment made.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.4:

**Criteria**:- Pension plan has been properly documented and communicated to all employees at date of hiring, date of eligibility and at other periods as appropriate or required.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.5:

**Criteria**:- Pension plan information has been constantly updated and made available to employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.6:

**Criteria**:- Annual census and payroll information has been accurately reported to the pension plan actuary.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.8.7:

**Criteria**:- Benefits payments are calculated accurately and paid timely for pension plan.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.9: Heading: Recording of Transactions

## 6.9.1:

**Criteria**:- Whether payment of salary, incentives, bonus and all other payments processed have been recorded in the books of accounts.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.9.2:

**Criteria**:- Whether proper recording of in-time and out-time punching in machine software or in case of manual recording, register is maintained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.9.3:

**Criteria**:- Whether controls to protect unauthorized changes in the in-time and out-time of the employees have been maintained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 6.9.4:

**Criteria**:- Whether check for guest employees and deputed employees has been maintained. Whether movement of temporary employees from one department to another has been recorded.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7: Audit\_Area: Operational & Admin Exp.

## 7.1: Heading: General

## 7.1.1:

**Criteria**:- The organisation has clear and comprehensive updated service procurement policy.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.2:

**Criteria**:- Internal service requisition/ hiring of employees has been properly vetted/ validated and authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.3:

**Criteria**:- The internal requisition clearly mentions the specification of service and manpower to be hired and also the supply of service by date.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.4:

**Criteria**:- The quotations has been called as per company policy from the registered vendors.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.5:

**Criteria**:- Quotations are opened and registered and a comparative chart has been prepared and authorised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.6:

**Criteria**:- Service order/ employment has been given to lowest bidder subject to satisfaction of all other conditions/ specifications/ qualification, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.7:

**Criteria**:- Purchase order (PO) has been issued as per the requirement of internal requisition and also mention the supply of service by date. It should also contain penalty clause, if supply has not been made as per terms and specification of PO.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.8:

**Criteria**:- One copy of each PO should be made available to accounts department.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.9:

**Criteria**:- Invoice shall be in the name of organisation,

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.10:

**Criteria**:- Bill has been passed by accounts department for the services hired and after making deduction for any quality discrepancy and breach of any other term/ condition including delay/ non-supply of service in time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.1.11:

**Criteria**:- Timely settlement of Imprest account of employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2: Heading: Recording of Transactions

## 7.2.1:

**Criteria**:- Expenses has been booked properly mentioning the nature of expense either operational or administrative.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2.2:

**Criteria**:- Procurement for service for capital expenditure has not been booked as revenue expenditure, such as, repair and maintenance, technical inspection, erection, commissioning and installation and so on.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2.3:

**Criteria**:- Value of service has been recorded net of CENVAT credit, if claimed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2.4:

**Criteria**:- TDS, if applicable, should not be charged to expenses and shall be booked as liability.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2.5:

**Criteria**:- Service tax liability shall be booked in separate heads, i.e., service tax, education cess and krishi kalyan cess.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 7.2.6:

**Criteria**:- Imprest given to employee shall not be booked as salary. There shall be a pre-drafted format for filing of details of expenses incurred out of Imprest and it shall be booked as expenses in proper head.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8: Audit\_Area: Capital

## 8.1: Heading: General

## 8.1.1:

**Criteria**:- Check the authorised capital shown in the balance sheet with the Memorandum of Association, Articles of Association, master data from MCA and minutes of the general/ board meeting and by comparing previous year audited balance sheet.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.2:

**Criteria**:- Check whether there is any increase in share capital. Examine copy of documents filed with Registrar of Companies

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.3:

**Criteria**:- Check accounting entries in books of account and proper significant disclosures.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.4:

**Criteria**:- As per provisions of Income Tax Act, check whether fees for increase in authorised share capital has been treated as Capital expenditure as the same would not be allowed as Revenue expenditure. (Supreme court ruling in : 225 ITR 792 [1997])

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.5:

**Criteria**:- Whether shares are allotted at a premium, if yes, then whether they are allotted at fair market value calculated in manner prescribed in Section 56(2)(vii b) of Income Tax Act, 1961 read with Rule 11UA of Income tax Rules, 1962.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.6:

**Criteria**:- Whether the amount received has been transferred to securities premium account and the manner in which the amount can be applied has been stated.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.1.7:

**Criteria**:- Verify that securities premium amount is utilised only for following purposes: (a) Issue of fully paid bonus shares (b) Write off commission paid on issue of shares/ debentures (c) Buy back of own shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2: Heading: Private Placement

## 8.2.1:

**Criteria**:- Examine Private Placement Offer letter (PAS-4) carefully.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.2:

**Criteria**:- Ensure that the value of such offer or invitation per person is not less than an investment size of Rs. 20,000 of face value of shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.3:

**Criteria**:- Ensure that shares have been subscribed through cheque or demand draft or other banking channel but not by cash.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.4:

**Criteria**:- Has the proposal offer been approved by the shareholders by way of a Special Resolution.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.5:

**Criteria**:- Has special resolution been annexed with explanatory statement describing therein the basis of justification of price (including premium)

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.6:

**Criteria**:- Ensure that no fresh offer or invitation is made unless the allotments with respect to any offer or invitation made earlier have been completed or withdrawn or abandoned by the company.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.7:

**Criteria**:- Ensure that the company allotted its shares within sixty days from the date of receipt of the application money and if the company is not able to allot the securities within that period, it shall repay the application money to the subscribers within fifteen days from the date of completion of sixty days.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.8:

**Criteria**:- If the company fails to repay the application money within the aforesaid period, it shall be liable to repay that money with interest at the rate of twelve per cent per annum from the expiry of the sixtieth day.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.9:

**Criteria**:- Check whether complete record have been maintained in PAS-5 (Record of a Private Placement) and PAS-4 (Private Placement Offer Letter) has been filed with ROC within a period of thirty days of circulation of the private placement offer letter.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.10:

**Criteria**:- Check whether return of allotment of securities under Section 42 is filed with the ROC within thirty days of allotment in Form PAS¬3 (Return of Allotment).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.11:

**Criteria**:- Has payment been made for subscription of shares from the bank account of the person subscribing to such shares and observe whether the company has kept the records of such bank.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.2.12:

**Criteria**:- Verify that the application money so received has been kept in a separate bank account in a scheduled bank and has not been utilised until the allotment of shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3: Heading: Issue of Shares on Preferential Basis

## 8.3.1:

**Criteria**:- Ensure that such preferential issue has been authorised by articles of association.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.2:

**Criteria**:- Ensure that issue has been authorised by a special resolution of the members.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.3:

**Criteria**:- Check shares allotted by way of preferential offer has been made fully paid up at the time of allotment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.4:

**Criteria**:- Check that all conditions laid down in Section 42 of the Companies Act, 2013 relating to private placement have also been complied with.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.5:

**Criteria**:- Check whether the explanatory statement has disclosed all the facts as enumerated in Sub-clause (d) of Clause 2 of Rule 13 of the Companies (Share Capital and Debentures) Rules, 2014.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.6:

**Criteria**:- Whether preferential allotment have been completed within 12 months of special resolution, if not completed, fresh special resolution is required to be passed to complete such allotment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.3.7:

**Criteria**:- Check whether the price of shares to be issued on preferential basis has been determined on the basis of valuation report of a registered valuer.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4: Heading: Further Issue of Share Capital

## 8.4.1:

**Criteria**:- Ensure that notice in writing has been given to every Director at least seven days before convening the Board meeting.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.2:

**Criteria**:- Check whether board resolution has been passed for approving “Letter of Offer”.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.3:

**Criteria**:- Ensure that where a company is proposing to increase subscribed capital by issue of further shares, check that, such shares are offered to person, who at the date of offer are holders of equity shares of the company in proportion of the share capital of those shares by sending a letter of offer.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.4:

**Criteria**:- Check that offer has been made by notice which specifies the number of shares offered and time limit of its acceptance. Check whether it includes right of renunciation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.5:

**Criteria**:- Check whether acceptance has been received. In case of non– acceptance, it shall be deemed to have been declined unless otherwise renounced in favour of other person.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.6:

**Criteria**:- Check that if such offer letter has neither been accepted nor renounced, the Board has disposed off such issue in a manner which is not disadvantageous to the shareholders of the company.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.7:

**Criteria**:- Check whether return of allotment has been filed within 30 days of allotment of shares in e-Form PAS-3.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.4.8:

**Criteria**:- Ensure that e-form MGT 14 has been filed within 30 days of issue of such shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.5: Heading: Bonus Shares

## 8.5.1:

**Criteria**:- Ensure that authorized capital of the company is sufficient for issue of Bonus Shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.5.2:

**Criteria**:- Check in case authorized capital is not enough, then first alter the capital of company by alteration in MOA. Also see whether AOA contains the provision of issue of Bonus Share.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.5.3:

**Criteria**:- Check availability of resources for issue of Bonus shares, i.e., its free reserves, security premium account or capital redemption reserve account but not a reserve created by revaluation of assets.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.5.4:

**Criteria**:- Ensure that no default in payment of interest or principal in respect of fixed deposit or debt securities issued by it has been made before allotment of bonus shares.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.5.5:

**Criteria**:- Check that no default in payment of statutory dues of the employees, such as, contribution to provident fund, gratuity and bonus has been made.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6: Heading: Public Offer

## 8.6.1:

**Criteria**:- Ensure that only a public company can make an offer of securities to members of public. Such an issue requires the publication of a prospectus. Public Offer includes an Initial Public Offer, or further public offer, and even an offer for sale of existing securities.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.2:

**Criteria**:- Check whether the details of all utilised and unutilised monies out of the monies collected in the previous issue made by way of public offer has been disclosed and continued to be disclosed in the balance sheet till the time any part of the proceeds of such previous issue remains unutilised indicating the purpose for which such monies have been utilised.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.3:

**Criteria**:- Check the names, addresses, telephone numbers, fax numbers and e-mail addresses of the underwriters and the amount underwritten by them.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.4:

**Criteria**:- Check that the Board has given a statement in prospectus that all monies received out of the issue has been transferred to a separate bank account maintained with a Scheduled Bank.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.5:

**Criteria**:- Check whether the date of opening and closing of issue has been given in prospectus.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.6:

**Criteria**:- Whether consent of trustees, solicitors or advocates, merchant bankers to the issue, registrar to the issue, lenders and experts has been taken.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.7:

**Criteria**:- Check the details of the existing share capital of the issuer company in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.8:

**Criteria**:- Check that in case of an initial public offer of an existing company, the details regarding individual allotment shall be given from the date of incorporation of the issuer and in the case of a listed issuer company; the details shall be given for five years immediately preceding the date of filing of the prospectus

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.6.9:

**Criteria**:- As per CARO 2016, whether monies raised by way of initial public offer or further public offer (including debt instruments) were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.7: Heading: Application

## 8.7.1:

**Criteria**:- check whether the amount received on the original application for the shares matches the entries in Application and Allotment Book.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.7.2:

**Criteria**:- Whether the amount payable on the application on every security is not less than 5% of the nominal amount of security or such other percentage or amount as may be prescribed by SEBI.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.7.3:

**Criteria**:- Verify whether the amount have been refunded to the unsuccessful applicants with the copies of Letter of Regret.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.7.4:

**Criteria**:- Whether the amount stated in the prospectus as the minimum amount has been subscribed and the sum payable on such application has been received.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.7.5:

**Criteria**:- Whether the stated minimum amount has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of issue of prospectus or such period as may be specified by the SEBI, and the amount received is returned within a period of 15 days from the closure of issue. In case the amount has not been repaid within such period the director of the company in default has to repay the amount with interest at the rate of 15% p.a.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8: Heading: Allotment

## 8.8.1:

**Criteria**:- Whether the allotments are approved and amount collected on allotment are entered in Application and Allotment Book and reflected in Share Register.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.2:

**Criteria**:- Examine minutes of Board’s meeting and ensure that board resolution has been filed in MGT-14.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.3:

**Criteria**:- Ensure that meeting of members (with proper notice and explanatory Statement disclosures) has been convened to pass Special Resolution?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.4:

**Criteria**:- Whether a report of a registered valuer has been obtained in respect of valuation of the consideration. Besides, certificate of its statutory auditor, confirming that the provisions of the Companies Act, 2013, has been followed may be obtained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.5:

**Criteria**:- Ensure that no person has been allotted shares who have sold any equity shares of the issuer in preceding 6 months.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.6:

**Criteria**:- Ensure that tenure of the convertible securities of the issuer shall not exceed 18 months from the date of their allotment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.7:

**Criteria**:- Check that PAS-3 has been submitted within 30 days of allotment of shares with list of allottees and resolution attached to it.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.8:

**Criteria**:- Verify PAN and e-mail address of each member to whom share has been allotted in the list of allottees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.8.9:

**Criteria**:- Check that share has been allotted within 60 days of receipt of allotment money.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9: Heading: Calls

## 8.9.1:

**Criteria**:- Have any calls been made for further issue of capital. Ensure that it is made on a uniform basis on all shares falling under that clause.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9.2:

**Criteria**:- Check that board resolution making the calls has been made. All calls in arrears are noted.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9.3:

**Criteria**:- Ensure that minimum 14 days notice has been sent for payment of calls except in case where time is fixed as per condition of allotment.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9.4:

**Criteria**:- As per ‘Schedule I of Table F’, no call shall exceed 25% of nominal value of shares and there is at least one month gap between two calls.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9.5:

**Criteria**:- Verify that in case calls is not received on due date, whether any interest has been charged which can be 10% or lower rate as may be determined by board of directors.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 8.9.6:

**Criteria**:- Ensure that company has forfeited (if authorised by Articles of Association) the shares, in case call money is not paid after giving 14 days notice.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9: Audit\_Area: Fixed Assets & Depreciation

## 9.1: Heading: Legal Compliance

## 9.1.1:

**Criteria**:- Whether Schedule II of Companies Act, 2013, which relates to useful life of assets to compute depreciation has been adhered to.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.2:

**Criteria**:- As per Schedule III of Companies Act, 2013, fixed assets are broadly divided into four categories, i.e. tangible assets, intangible assets, capital work in progress, and intangible assets under progress.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.3:

**Criteria**:- Whether the unit has complied with the provisions of the Factories Act, 1948 with regard to hazardons machine, machine in motion and transmission machines, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.4:

**Criteria**:- Whether hoists and lifts are properly maintained as per Factories Act 1948 and is thoroughly examined by a competent person at least once in every period of six months and a register is being kept for this purpose.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.5:

**Criteria**:- Payment of Customs duty and custom clearance of imported machinery as per Customs Act, 1962

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.6:

**Criteria**:- Deduction and payment of TDS for installation, fabrications and commissioning of plant and machinery, if applicable.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.7:

**Criteria**:- Whether the unit has obtained appropriate certificate from Central Pollution Control Board (CPCB), if applicable.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.1.8:

**Criteria**:- Depreciation is not claimable on the amount equal to ITC/ Cenvat Credit if claimed against purchase of any machinery.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2: Heading: General

## 9.2.1:

**Criteria**:- The reported fixed assets balance agrees with the related account records in the general ledger.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.2:

**Criteria**:- Periodic review of fixed assets register (FAR) and ensure its timely updation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.3:

**Criteria**:- Fixed assets identification number is put on all the assets and cross verified with FAR.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.4:

**Criteria**:- Recorded fixed assets transactions tallies with the supporting documents, such as, vendor’s invoice.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.5:

**Criteria**:- Recorded fixed assets have been physically examined at periodical interval and compare it with fixed assets register and discrepancies, if any, should be reported.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.6:

**Criteria**:- Obsolete/ non performing fixed assets are periodically identified and documented. Action plan for its disposal/ alternate use should be initiated.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.7:

**Criteria**:- Recorded fixed assets are correctly classified as capital assets and certain expenses, that are attributable for bringing that assets to its working condition and use, are to be included in the cost.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.8:

**Criteria**:- Further the borrowed cost, if any, is also to be capitalized up to the first date of acquisition/ construction.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.9:

**Criteria**:- Subsequent expenditure relating to an item of fixed assets should be added to its book value only if they increase the future benefits.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.10:

**Criteria**:- Material items retiring from active use and held for disposal are to be stated at lower of net book value and net realizable value. Ensure that cost of spare parts of obsolete machinery is taken at nil value.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.11:

**Criteria**:- Fixed assets are disclosed – gross and net value at the beginning and end of the accounting period showing addition, disposal, acquisition, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.12:

**Criteria**:- Check whether all the fixed assets are properly insured and proper safety measures have been taken.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.13:

**Criteria**:- Proper records have been maintained for sending machineries for outwards repairs/ fabrication.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.2.14:

**Criteria**:- Whether borrowing cost of fixed assets and foreign exchange fluctuation have been capitalized as per AS 16 and AS 11, respectively.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3: Heading: Depreciation- Compnaies Act

## 9.3.1:

**Criteria**:- Useful life of tangible assets should not be ordinarily different from the useful life specified in Part C of the Schedule II of the Companies Act, 2013.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.2:

**Criteria**:- Similarly, residual value should not be more than 5% of the original cost of the tangible asset.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.3:

**Criteria**:- Where a company adopts a different useful life or uses a different residual value as above, the company is required to disclose such difference and provide justification, that it is supported by a technical advice.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.4:

**Criteria**:- Depreciation methods applied are followed consistently. Changes can be made to comply with the requirement of statute, change in accounting standard and as needed for better presentation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.5:

**Criteria**:- AS 6 also provider guidance on determination of residual value and provides that the possible effects of inflation should not be considered in estimating residual value.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.6:

**Criteria**:- Electricity Company has to continue to charge depreciation in accordance with Electricity Act.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.3.7:

**Criteria**:- Depreciation on asset which is used in double/ triple shift is to be increased by 50% and by 100%, respectively.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.4: Heading: Depreciation- Income Tax Act

## 9.4.1:

**Criteria**:- Depreciation is provided, based on block of assets. Check whether depreciation is provided on the percentage on the written down value (W.D.V.) as prescribed in the Rule 5(1) read with table of depreciation prescribed in Income Tax Rules, 1962.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.4.2:

**Criteria**:- Depreciation for a period of less than 180 days is restricted to 50% of the amount calculated as above.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.4.3:

**Criteria**:- On any new machinery and plant which are used in the business of manufacture for production of any article or thing, additional depreciation equal to 20% be allowed (subject to restrictions mentioned in proviso to clause (iia) of Section 32 of Income Tax Act, 1961, like, office, appliance, road transport vehicle; machinery/plant installed in office premises/ residential accommodation/ guest house; P& M whose whole cost is allowed by way of depreciation or other wise; old plant & machinery used within/ outside India). This additional depreciation is also restricted to 50% if such assets are used for less than 180 days.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.4.4:

**Criteria**:- If any asset is sold discarded, demolished in the previous year then its written down value at the beginning of previous year be increased by actual cost of assets acquired in the same block during the previous year and be reduced by the sales consideration with scrap value, if any, and depreciation be provided on balance of such block.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 9.4.5:

**Criteria**:- Surplus arising on sale of capital asset is chargeable to tax as short term capital gain by virtue of Section 50

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 10: Audit\_Area: Intangible Assets

## 10.1: Heading: Depreciation- Compnaies Act

## 10.1.1:

**Criteria**:- Schedule II of Companies Act, 2013 states that for the Intangible assets, the provisions of accounting standards applicable for the time being in force would apply (except in the case of intangible asset created under build, operate and transfer (BOT) or build, own, operate and transfer (BOOT), etc.).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 10.2: Heading: Depreciation- Income Tax Act

## 10.2.1:

**Criteria**:- Depreciation @ 25% is allowable on intangible assets, namely, know– how, patents, copy rights, trade marks, licenses, franchises, or any other business or commercial rights of similar nature.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11: Audit\_Area: Payables

## 11.1: Heading: General

## 11.1.1:

**Criteria**:- Trace payable report: Internal auditors will ask for a period- end accounts payable trial report, from which they trace the grand total to the amount in the accounts payable account in the general ledger.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.2:

**Criteria**:- Investigate reconciling items: If there are journal entries in the accounts payable account in general ledger, the auditors should review the justification for the larger amounts. This means that these journal entries should be fully documented.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.3:

**Criteria**:- Test verification of invoices: Internal auditor will select some related vouchers from the accounts payable and compare them to supporting documentation to see if these were accounted for in the book with correct date/ amounts credited to the creditors.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.4:

**Criteria**:- Match invoices to goods in-ward register: The auditors should match invoice dates to the shipment dates for those items in the goods in ward register, to see if purchases of goods are being recorded with correct amount and correct accounting period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.5:

**Criteria**:- Ascertainment of number of accounts for verification: The auditor must decide how may confirmations are to be sent and to which customer. The auditor may determine the extent of confirmations to be sent by using statistical analysis or by judgementally determining the sample size.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.6:

**Criteria**:- Confirm accounts payable: A major activity is to contact customers directly and ask them to confirm the amounts of unpaid accounts payable as of the end of the reporting period they are auditing. This is primarily for larger account balances, but may include a few random customers having smaller outstanding value also.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.7:

**Criteria**:- Review payment receipts: If the auditors are unable to confirm accounts payable, their auditing technique is to verify that customers have paid such payable through cash or any other banking mode.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.8:

**Criteria**:- Assess doubtful accounts: Check all the doubtful accounts, where payment has not been made since considerable period, are to be reviewed in depth. The auditors will compare the proportion of doubtful payables to purchase/ services for this year in comparison to prior years, to see if there is any trend whether current trend appears reasonable.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.9:

**Criteria**:- Review credit/ debit note: The auditors will review a selection of the credit-note/ debit-note/ memos issued during the audit period to see if they were properly authorized, whether they were issued during the correct period, and whether the circumstances of their issuance may indicate other problems. They may also review credit memos issued after the period being audited, to see if they relate to transactions from within the audit period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.10:

**Criteria**:- Bill and hold purchase: If there are situations, where there are bill for purchase but goods have not been received (known as "bill and hold"), the auditors will examine supporting document to determine the client liability towards such purchases of goods/ services, credit should be given to customer or not.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.11:

**Criteria**:- Purchase return: The auditors will review the purchase return and check whether there is any large amount of purchase returns after the audit period. This may lead that the company may have shown more goods near the end of the audit period to inflate purchase than returned.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.12:

**Criteria**:- Related party payables: If there are any related party payables, the auditors may review them, as well as, whether they should instead be recorded as expenses, and whether they were properly confirmed by related party.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 11.1.13:

**Criteria**:- Trend analysis: The auditors may review a trend analysis of purchase and accounts payable, or a comparison of the two over time, to see, if there are any unusual trends. Another possible comparison is of payables to current assets. They may also measure the average payment period. If so, make inquiries about the reasons for changes in the trends.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12: Audit\_Area: Receivables

## 12.1: Heading: General

## 12.1.1:

**Criteria**:- Trace receivable report: Internal auditor should ask for a period- end accounts receivable trial report, from which they should trace the grand total to the amount in the accounts receivable account in the general ledger.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.2:

**Criteria**:- Investigate reconciling items: If there are journal entries in the accounts receivable account in the general ledger, the auditors should review the justification for the larger amount. This means that these journal entries should be fully documented.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.3:

**Criteria**:- Test verification of invoices: Internal auditor should select some invoices from the accounts receivable aging report and compare them to supporting documentation to see, if they were billed with the correct amount, to the correct customers, with correct dates.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.4:

**Criteria**:- Match invoices to dispatch log: Internal auditor will match invoice dates to the shipment dates for those items in the challan book/ dispatch/ shipping log, to see if sales/ services/ revenue is being recorded in the correct accounting period. This can include an examination of invoices issued after the period being audited, to see if they should have been included in a prior period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.5:

**Criteria**:- Confirm receivable balance: A major auditor activity is to contact customers directly and ask them to confirm the amount of unpaid accounts receivable as of the end of the reporting period they are auditing. This is primarily for larger account balances, but may include a few random customers having smaller outstanding invoices.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.6:

**Criteria**:- Review payment receipts: If the auditors are unable to confirm accounts receivable, their auditing technique should be to verify that customers have paid the invoices in cash or any other banking mode.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.7:

**Criteria**:- Assess doubtful accounts: All the doubtful accounts, where payment is not coming from considerable period determine step that have been taken by the management to recover receivables. Why such receivables became doubtful? What steps to be taken by the company in future to avoid such bad debts?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.8:

**Criteria**:- Internal auditor will compare the proportion of bad debt to sales/ services/ revenue for this year in comparison to prior years, to see if the current year figure appears reasonable.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.9:

**Criteria**:- All debtors write-off should be approved in accordance with authorization matrix. Besides, adequacy of provision against debtors should be ascertained and approved by the management.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.10:

**Criteria**:- Review credit/ debit note: Internal auditor will review a selection of the credit-note, debit-note/ memos issued during the audit period to see if they were properly authorized, whether they were issued in the correct period, and whether the circumstances of their issuance may indicate other problems. They may also review credit memos issued after the period being audited, to see if they relate to transactions from within the audit period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.11:

**Criteria**:- Invoices and hold sales/ services/ revenue. If there are situations where billing has been done to customers for sales/ services/ revenue despite still retaining the goods on-site (known as "Invoices and hold"), the auditors will examine supporting documentation to determine whether a transaction has actually taken place.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.12:

**Criteria**:- Sales/ services/ revenue return: Internal auditor will review the sales/ services/ revenue return, and determine if there are any large amount of sales/ services/ revenue returns after the audit period. This may lead to conclusion that the company may have shipped more goods near the end of the audit period to inflate sales/ services/ revenue.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.13:

**Criteria**:- Related party receivables: If there are any related party receivables, internal auditors may review them, as well as whether they should instead be recorded as income, and whether they were confirmed by related party.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.14:

**Criteria**:- Trend analysis: Internal auditor may review a trend analysis of sales/ services/ revenue and accounts receivable, or a comparison of the two years, to see if there are any unusual trends. Another possible comparison is of receivables to current assets. They may also measure the average collection period. If so, make inquiries about the reasons for changes in the trends.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 12.1.15:

**Criteria**:- Segregation of Duties: There should be segregation of duties between functions like, sales, dispatch, credit control, credit notes, collections and adjustments. In the absence of segregation of duties, special attention should be given to any deviation from the authorization matrix.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13: Audit\_Area: Cash & Bank Balance

## 13.1: Heading: General

## 13.1.1:

**Criteria**:- Has the unit disclosed ‘cash and cash equivalent’ as per Schedule III of Companies Act, 2013 and it has been classified into following groups:- Balance with banks ,Cheques / drafts on hand,Cash on hand

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.2:

**Criteria**:- Has the unit repaid loans/ advances/ deposits in cash of Rs. 20,000 and above in contravention of Section 269T of Income Tax Act, 1961?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.3:

**Criteria**:- Has the entity received loans/ advances/ deposits in cash of Rs. 20,000 and above in contravention of Section 26SS of Income Tax Act 1961?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.4:

**Criteria**:- Has the entity made any cash payments against expenses above

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.5:

**Criteria**:- Rs. 20,000 (or Rs. 35,000 for goods carriages) in contravention of Section 40A (3)/ 3A of Income Tax Act, 1961?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.6:

**Criteria**:- Has the entity received an amount of Rs. 3 lakh or more in dealings of cash transaction in aggregate from a person in a day or in respect of a single transaction or in respect of transactions relating to one event or occasion, in contravention of Section 269ST of the Income Tax Act, 1961?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.7:

**Criteria**:- Has the unit collected TCS @ 1% on purchase of goods and services exceeding Rs. 2 lakhs?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.8:

**Criteria**:- Segregation of duties relating to authorization of transactions, handling of cash/ issuance of cheques and writing of books of account, and rotation of the duties periodically;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.9:

**Criteria**:- Proper authorization of cash and banking transactions;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.10:

**Criteria**:- Daily recording of cash transactions;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.11:

**Criteria**:- Safeguards such as, restrictive crossing of cheques, use of pre- printed, pre-numbered forms;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.12:

**Criteria**:- Periodic reconciliation of bank balances;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.13:

**Criteria**:- Reconciliation of cash-on-hand with book balance on a daily basis or at other appropriate intervals, including surprise checks by higher authorities;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.14:

**Criteria**:- Safe custody of cash, cheque books, receipt books, etc.; and security documents;

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.1.15:

**Criteria**:- Ensure Cash/ fidelity insurance.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2: Heading: Verification of Cash

## 13.2.1:

**Criteria**:- The auditor should carry out physical verification of cash at the date of the balance sheet. However, if this is not feasible, physical verification may be carried out, on a surprise basis, at any time shortly before or after the date of the balance sheet.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.2:

**Criteria**:- In the later case, the auditor should examine whether the cash balance shown in the financial statements reconciles with the results of the physical verification after taking into account the cash receipts and cash payments between the date of the physical verification and the date of the balance sheet.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.3:

**Criteria**:- Besides physical verification at or around the date of the balance sheet, the auditor should also carry out surprise verification of cash during the year.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.4:

**Criteria**:- All cash balances in the same location should be verified simultaneously. Where petty cash is maintained by one or more officials, the auditor should advise the entity to require the officials concerned to deposit the entire petty cash on hand on the last day with the cashier.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.5:

**Criteria**:- The auditor should enquire whether the cashier also handles cash of sister concerns, staff societies, etc. In such a case, cash pertaining to them should also be verified at the same time so as to avoid chances of cash balances of one entity being presented as those of another.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.6:

**Criteria**:- Internal auditor should examine whether torn and mutilated currency notes are exchanged within a reasonable time.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.7:

**Criteria**:- If it comes to the attention of internal auditor that the entity is consistently maintaining an unduly large balance of cash on hand, he should carry out verification of cash more frequently.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.8:

**Criteria**:- If cash on hand does not tally with balance as shown in the books, he should seek explanation from senior officials of the entity. In case the material difference is not satisfactorily explained, the internal auditor should bring the facts in the report.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.2.9:

**Criteria**:- Where post-dated cheques are on hand on the balance sheet date, the auditor should verify that they have not been accounted for as collections during the period under audit.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3: Heading: Verification of Bank

## 13.3.1:

**Criteria**:- Whether the entity has issued a letter to all its bankers to confirm the balances directly to the auditor of all bank accounts. The request for confirmation should also cover dormant accounts as well as accounts closed during the year.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.2:

**Criteria**:- See that responsibilities for preparing and approving bank account reconciliations has been adequately segregated from other cash receipt or disbursement functions.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.3:

**Criteria**:- Whether the auditor has examined the bank reconciliation statement prepared as on the last day of the year. He may also examine the reconciliation statements as at other dates during the year.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.4:

**Criteria**:- Whether cheques issued by the entity but not presented for payment, and cheques deposited for collection by the entity but not credited in the bank account, have been duly debited/ credited in the subsequent period. (For this purpose, the bank statements of the relevant period should be examined).

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.5:

**Criteria**:- Where the auditor finds that post-dated cheques are issued by the entity, he should verify that any cheques pertaining to the subsequent period have not been accounted for as payments during the period under audit.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.6:

**Criteria**:- The auditor should pay special attention to those items in the reconciliation statements which are outstanding for an unduly long period. The auditor should ascertain the reasons for such outstanding items from the management. He should also examine whether any such items require an adjustment/ write-off.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.7:

**Criteria**:- In respect of fixed deposits or any other type of deposits with banks, the relevant receipts/ certificates, duly supported by bank advices, should be examined.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.8:

**Criteria**:- Remittances shown as being in transit should be examined with reference to their credit in the bank in the subsequent period. Where the auditor finds that such remittances have not been credited in the subsequent period, he should ascertain the reasons for the same. He should also examine whether the entity has reversed the relevant entries in appropriate cases.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.9:

**Criteria**:- The auditor should examine that suitable adjustments are made in respect of cheques which have become stale as at the close of the year.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 13.3.10:

**Criteria**:- Review and approval of all reconciliations and investigation of unusual reconciling items by an official not responsible for receipts and disbursements, including recording evidence of the review and approval, by signing the reconciliation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14: Audit\_Area: Internal Control System

## 14.1: Heading: General

## 14.1.1:

**Criteria**:- Whether errors and frauds are likely to be detected in the ordinary course of the operations of the business.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.2:

**Criteria**:- Whether an adequate internal control system is in use and operating as planned by the management.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.3:

**Criteria**:- Whether an effective internal audit department is operating.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.4:

**Criteria**:- Whether the controls adequately safeguard the assets.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.5:

**Criteria**:- How far and how adequately the management is discharging its function so far as correct recording of transaction is concerned.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.6:

**Criteria**:- How reliable the reports, records and the certificates to the management can be?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.7:

**Criteria**:- The extent and depth of the examination that he needs to carry out in different areas of accounting.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.8:

**Criteria**:- What would be appropriate audit techniques and audit procedures in the given circumstances.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.9:

**Criteria**:- What are the areas where control is weak and where it Is excessive.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 14.1.10:

**Criteria**:- Whether some worthwhile suggestions can be given to improve control system.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15: Audit\_Area: MIS

## 15.1: Heading: Documentation

## 15.1.1:

**Criteria**:- Whether design of organisational structure which is defining the individual’s job responsibility towards MIS with their Job title is available.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.2:

**Criteria**:- Whether minutes of board meeting are maintained properly.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.3:

**Criteria**:- Whether documentation to separate EDP department is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.4:

**Criteria**:- Whether the senior management appoints a high-level committee to provide appropriate direction to IT and information systems, and the information technology deployment is in tune with the enterprise goals and objective.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.5:

**Criteria**:- Whether documentation of IT strategy planning is there and it is efficient and effective.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.6:

**Criteria**:- Whether documentation of Risk management Policies is available.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.1.7:

**Criteria**:- Whether written job description of all jobs within EDP department and description is communicated to the concerned. Whether proper separation of duties is there for carrying out different functions like, initiating, recording of transactions, safeguarding assets, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.2: Heading: Legal Compliance

## 15.2.1:

**Criteria**:- Whether proper agreements between software, hardware or network service provider is available.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.2.2:

**Criteria**:- Whether the company is using cloud computing then check the service agreement between them and check all the risk associated with it.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.2.3:

**Criteria**:- Whether all the compliances of Companies Act, 2013, in relation to all the committees formed by the Board with respect to the MIS are there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.2.4:

**Criteria**:- Whether proper board meeting are held to appoint above mentioned committees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3: Heading: Technology

## 15.3.1:

**Criteria**:- Collect data of general economic factors and industry conditions affecting the business entity.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.2:

**Criteria**:- Take a note on nature of the business activity, its product and services.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.3:

**Criteria**:- Take a list of its clientele, vendors and most importantly, strategic business partners/ associates to whom critical process has been outsourced.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.4:

**Criteria**:- Whether organisational structure is in place and documented.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.5:

**Criteria**:- Whether business processes and its level of automation and its extent of dependence on information system is ascertained and role of IT department is determined.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.6:

**Criteria**:- Whether technology architecture like, distributed architecture, centralized architecture or hybrid architecture is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.7:

**Criteria**:- Whether there is network connectivity in the organisation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.8:

**Criteria**:- Whether extended enterprise architecture is used by the entity and the entity is able to connect other stakeholders such as, vendors (SCM), customers (CRM), employees (ERM) and government.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.3.9:

**Criteria**:- Whether the entity is using cloud computing for their storage of data.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4: Heading: Operating System

## 15.4.1:

**Criteria**:- Whether EDP personnel in hierarchy are adequately trained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.2:

**Criteria**:- Whether processing are properly authorized and as per directions by management or committee.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.3:

**Criteria**:- Whether system operators are not permitted to make changes to programs.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.4:

**Criteria**:- Whether restrictions on custody of assets outside the EDP department are in place.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.5:

**Criteria**:- Whether any key personnel is being over-relied.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.6:

**Criteria**:- Whether absence of any key personnel will affect the EDP system’s expertise.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.7:

**Criteria**:- Whether security control to access the system like, log-in, password, access token, etc., exists?

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.8:

**Criteria**:- Whether maintenance of usage records is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.4.9:

**Criteria**:- Whether MIS corroborates with entity’s operations.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5: Heading: Data Management

## 15.5.1:

**Criteria**:- Whether data security policy is communicated to all the individuals and followed by them.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5.2:

**Criteria**:- Whether access control are designed and implemented to protect from unauthorized viewing, retrieving, destroying the entity’s data, like, login password.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5.3:

**Criteria**:- Whether there is a proper mechanism to modify access password by an authorized person.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5.4:

**Criteria**:- Whether data management team is different from the user of the data.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5.5:

**Criteria**:- Ensure that proper system for backup of data is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.5.6:

**Criteria**:- Whether proper backup strategies are there like, dual recording of data, periodic dumping of data in case of any unauthorized access or physical disaster.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.6: Heading: Security Controls

## 15.6.1:

**Criteria**:- Whether physical security for computer system is there like, fire damage, water damage, and power supply variation.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.6.2:

**Criteria**:- Whether software and data security is there like, passwords and PINs, Monitoring after office hours.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.6.3:

**Criteria**:- Whether data communication security is there like, audit trails of crucial network activities.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.6.4:

**Criteria**:- Whether internet and intranet controls including restriction on access to various sites are there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.6.5:

**Criteria**:- Whether personal computers controls including restrictions on USB ports are there like, centralized purchase of hardware and software, uses of anti-malware software, etc.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.7: Heading: Processing Controls

## 15.7.1:

**Criteria**:- Whether control over inputs into the system like, source document control is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.7.2:

**Criteria**:- Whether pre-numbered source documents or the documents are in sequence.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.7.3:

**Criteria**:- Whether data is properly coded into the system i.e. no transaction errors, like addition, subtraction.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.7.4:

**Criteria**:- Whether processing controls in the system like, run to run totals, reasonableness verification, edit checks and exception reporting is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.7.5:

**Criteria**:- Whether output controls in the system like, storage of data, report distribution, collection of reports, retention controls are there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8: Heading: Access Cotrols

## 15.8.1:

**Criteria**:- Whether access is restricted to selected employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.2:

**Criteria**:- Whether prior approval is required for all other employees.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.3:

**Criteria**:- Whether entrance door is controlled by:Screening by a guard,Locks/ combinations

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.4:

**Criteria**:- Electronic badge/ key Other biological identification devices

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.5:

**Criteria**:- Whether keys, locks, or other physical devices are used to restrict access to only authorised user.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.6:

**Criteria**:- Whether invalid password attempts are reported to user department manager.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.7:

**Criteria**:- Whether procedure is in place to ensure forced change of password after a specific period.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.8.8:

**Criteria**:- Whether procedure is in place to ensure the compliance of removal of terminated/ retired employee password.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9: Heading: Backup

## 15.9.1:

**Criteria**:- Weather backup procedures and documentation is reviewed periodically.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.2:

**Criteria**:- Whether periodical preventive maintenance is done.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.3:

**Criteria**:- Whether duration of computer back-up is sufficient.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.4:

**Criteria**:- Whether availability of alternative source of supply/ maintenance/ service is ensured.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.5:

**Criteria**:- Whether testing of backup is regularly performed.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.6:

**Criteria**:- Whether copies of all updating transactions for above are retained.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.9.7:

**Criteria**:- Whether audit trail (log file) is regularly dumped and stored off site.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.10: Heading: Risaster Recovery Plan

## 15.10.1:

**Criteria**:- Whether comprehensive contingency plan is delivered, documented and periodically tested to ensure continuity in data processing.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.10.2:

**Criteria**:- Whether contingency plan for recovery and extended processing of critical application in the event of catastrophic disaster is there.

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee

## 15.10.3:

**Criteria**:- Whether recovery plan in case of failure is there to ensure that:-No loss of data which has been received but not processed.No reprocessing of data already processed

**Condition**:- None

**Cause**:- None

**Effect**:- None

**Conclusion**:- None

**Risk\_Weight**:- 1

**Risk\_Level**:- Low

**Impact**:- None

**Recomendation**:- None

**Management\_Comments**:- None

**Annexure**:- None

**Is\_Adverse\_Remark**:- Yes

**Created\_by**:- None

**Created\_on**:- None

**Corrective\_Action\_Plan**:- None

**DeadLine**:- None

**Action\_Remarks**:- None

**Compliance\_Status**:- Open

**Compliance\_Remarks**:- None

**Person\_Responsible**:- auditee