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| --- | --- | --- | --- | --- |
| **PMF** | **06:01** | **Audit Report** | | |
| **Issue No.** | | **02.03** | **Issue Date** | **26.04.2016** |

coromandel_new_logo 26 Sept 2009

# COROMANDEL INTERNATIONAL LIMITED

## MANAGEMENT AUDIT REPORT

(Report No: 4 #%2016-08-15 %)

## <test > - <Chennai>

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1. Review Details

|  |  |  |  |
| --- | --- | --- | --- |
| Draft Report Date | : | 2016-08-15 | |
| Due date for auditee comments | : | 2016-08-15 | |
| Actual date of auditee comments | : | 2016-08-15 | |
| Final Report Date | : | 2016-08-15 | |
| Duration of Audit | : | 4 | |
| Audit Coverage Period | : | 2016-08-15 | |
| Auditee(s) | : | Name | Designation |
|  |  |
|  |  |
| Auditor(s) | : |  | |
|  | |

1. Scope & Coverage

|  |
| --- |
| **Planned scope :** |
|  |
|  |
|  |
|  |
| Areas suggested by Auditee in addition to planned scope: |
|  |
|  |
| Areas not covered / Limitations: |
|  |
|  |

1. Key Facts & Figures (wherever applicable\*)

|  |  |
| --- | --- |
| Particulars | Value in Rs. Lacs |
|  |  |
|  |  |

**\**Based on the scope of Audit and areas of coverage.***

1. [Issues pending since last review](#ISSUES)

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| S.No | Observation, impact & report reference | Risk Rating | Reason for non-implementation with revised response | Responsibility  & Time line |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |

1. Pre-audit disclosure of discrepancies & status of action\*

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| S.No | Area of operation | Issue identified | Status of action (proposed / in-progress) | Expected date of completion | Responsibility |
|  |  |  |  |  |  |

*\* Based on declaration from auditee at Audit opening meeting*

1. Improvements observed

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **S. No** | **Activity / Area of operation** | **Brief description of Improvement** | **Pre-implementation status** | **Implementation date** |
|  |  |  |  |  |
|  |  |  |  |  |
|  |  |  |  |  |
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|  |  |  |  |  |

1. Satisfaction / comfort Rating:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Rating Parameter | Description | Weightage | **Assigned by audit**  **(1 to 5)** | **Parameter Rating** |
| **Documentation** | * Adequacy, accessibility, storage, retrieval & safety of documents & records * Best practices / Kaizens followed | 20% |  |  |
| **Compliance** | * Adherence to Safety & regulatory compliance * Adherence to SOP / SOD compliance | 20% |  |  |
| **Process & financial controls** | * Overall process controls devised and its effectiveness * Financial controls devised and its effectiveness | 25% |  |  |
| **Response to Audit** | * Timely action reported audit observations * Significant / Key Audit observations | 15% |  |  |
| **Pre-audit disclosure** | * Disclosure about discrepancies identified prior to audit * Status of action on such discrepancies | 10% |  |  |
| **New initiatives / process improvements** | * Identification of new areas for improvements * Implementation of improvements in existing processes | 10% |  |  |
| Overall comfort Rating (on a scale of 1 to 5) | | | |  |

1. [Executive summary](#EXECUTIVE)

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
| **S No** | **Observation** | **Risk rating** | **Impact category** | **Key observation (Yes/No)** | **Auditee Response to observation (Agreed / Not agreed)** | **Follow-up required (Yes / No)** | **SBU Head** |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |

*Note: For detailed audit observations, please refer the hyperlinks given in the table.*

1. Detailed Audit Observations

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Observation** | | | | **Category** | | | **SN** | **PD** | | **PG** | | **OE** | | | **PI** |
| **Risk Rating** | | | **Likelihood** | | **Consequence** | | | | | **Risk Rating** | |
|  | |  | | | | |  | |
|  | **<Observation Title>** | | | | | | | | | | | | | | |
|  | <Synopsis of observation not exceeding 4 sentences / 100 words> | | | | | | | | | | | | | | |
|  | <Detailed Observation> | | | | | | | | | | | | | | |
| **Root Cause** | | | | | | **Impact / Risk** | | | | | | | | | |
| * Xxx * Xxx | | | | | | * Xxx * Xxx | | | | | | | | | |
| **Suggestion:** | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | |
| **AUDITEE COMMENTS** | | | | | | | | | | | | | | | |
| **Agree with the observation? (Yes / No)** | | | | | | | | | | | | |  | | |
| **Justification, if disagree / Action Planned, implemented so far, if agree** | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | |
| **Agree with the Suggestion? (Yes / No)** | | | | | | | | | | | | |  | | |
| **Alternate Action Plan, if disagree with the Suggestion:** | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | |
| **Responsibility** | | | | | | | | | | | **Target Date** | | | | |
| **Name** | |  | **Email Id:** | |  | | | | | |  | | | | |
| **AUDIT REJOINDER, if necessary** | | | | | | | | | | | | | | | |
|  | | | | | | | | | | | | | | | |

1. Audit Methodology

Rating Methodology for observations

|  |  |  |
| --- | --- | --- |
| **Abbreviations** | **Description** | **Detailed description** |
| **SN** | **Statutory Non-Compliance** | Issues which are in violation of any applicable statute. Acts may be central, state or any other. |
| **PD** | **Policy Deviation** | Issues which are not in line with company policy Viz. DOA, HR, Travel, etc. |
| **PG** | **Process Gap** | At its current state the process is not line with industry standards and may result in financial loss.  A pure control lapse. |
| **OE** | **Operating Effectiveness** | Process is in place with few transactional deviations. This may/may not result in a financial loss. |
| **PI** | **Process Improvement** | Issues which do not result in any process gap; however, if implemented may result in an improvement in the existing process. The improvement may or may not be with a financial benefit. |

**Risk Matrix showing the Risk Levels**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Consequence**  **Likelihood** | **Negligible** | **Small** | **Moderate** | **Severe** |
| **Low** | Low | Low | Low | **Medium** |
| **Moderate** | Low | **Medium** | **Medium** | **High** |
| **High** | Low | **Medium** | **High** | **High** |
| **Very high** | **Medium** | **High** | **High** | **High** |

**Comfort ratings and its meaning**

|  |  |
| --- | --- |
| Rating range | Satisfaction level |
| Upto 2.4 | Significant improvements required |
| 2.5 to 3.9 | Satisfactory & potential to improve |
| 4 – 5 | Suitable for bench marking |