INVITATION FOR EXPRESSION OF INTEREST FOR EMPLANEMENT

A. LOCATIONS OF DEPOTS

IML DEPOTS – As per Annexure
RS DEPOTS – As per Annexure

B. SCOPE OF AUDIT

IML DEPOTs

General profile:

The Corporation’s accounting software is profit 5rm in Oracle data base. All depot transactions are entered in the system and data synchronized to head office daily. We are following single book concept. In depots not much of financial transactions take place except petty cash transactions. All the receipts are either by way of DDs or Electronic Fund Transfer (EFT) through bank. The depots are accepting supplies from distilleries through a document captioned as “order for supply” issued by head office and entries are made through material inward slip in depot. Sales are effected through sales invoice generated in system as per price list populated by H.O. In depot, only quantity is accounted and purchase entry is not made. Therefore no creditors account is maintained. Only the retailers account and tax collected at source accounts are maintained.
The audit is mainly of two parts viz. 1. Stock audit 2. Financial audit.

1. **STOCK AUDIT:**

   a. Physical stock verification of depots shall be conducted by the Depot Internal Auditor every month on the **Second Saturday** with the assistance of depot staff and in the presence of depot manager as per detailed procedure stated in the guidelines. The results of physical verification will be certified by the audit firm as well as by the depot manager. Any deviation noticed in ground balance with that of book balance shall be brought to the notice of depot manager in writing and compliance obtained from the depot manager. The stock verification report including depot managers’ compliance along with Annexure A shall be sent to H.O. with a copy marked to the depots by the audit firm.

   b. In addition to this on each audit the auditors are to conduct open inspection of a minimum of 40 carton boxes of different brands/sizes including loose bottles, and certify as to the correctness of the contents in terms of number of bottles with that of standard packing including the condition of bottles. Comments like damages, partly filled etc. can be made. Necessary certificate is to be furnished as per format (Annexure B) and sent to H.O. along with physical stock verification reports.

   c. On the same day both the transit damages and depot damages are to be verified with reference to excise labels and broken bottle caps kept in plastic pouches at depot with that of system generated data and the same should be destroyed by burning method immediately after a detailed verification in the presence of depot internal auditor, depot
manager and supporting staff and certificates furnished as per Annexure C.

d. Bulk/abnormal depot damages/ transit damages accounted on a day for a single variety should be commented after obtaining compliance from the depot manager. Comment is also to be made on depot damage of premium brands/costly brands.

e. Apart from the above, depot auditors should verify the excise labels on the day of physical stock verification and submit a statement indicating the total quantity of excise labels verified size wise separately for Wine/IML/LAB and furnish a certificate of verification of excise labels along with physical stock verification certificate. The depot auditors should ensure that the excise label statements have been prepared in the FIFO method format for Issues/utilization. i.e., previous receipts of EAL should be utilized first and completed. For the issues, references of MIS No. have to be submitted in the form of schedule along with the EAL statement. The reports of EAL account should be sent along with the physical verification of stock report only.

f. The EAL statement should contain ‘from’ and ‘to’ dates clearly (from date indicates the previous date of PSV of EAL and to date indicates current date of PSV of EAL) as per Annexure D. (PSV means Physical Stock Verification) and EAL means Excise Adhesive Labels).

g. In the case of depots where no stock of excise labels exists, a ‘NIL’ certificate may be sent.

h. Review of pending EVCs for clearance from Excise.

i. Review of pending check list
Review of pending check list and report any discrepancies.

j. There are instances where abnormal shortages are noticed in transit due to theft or accident. Under such circumstances the depot auditor may refer the E-mail dated 30-12-2009 sent to all the IML depots and report the observations based on the facts available at the time of verification. For ready reference copy of the e-mail is enclosed.

k. Any non-moving and slow moving brands remaining in the depot without being transacted for a period of more than three months need to be reported with full particulars.

l. The depot managers have been authorized to adjust the stock account through stock adjustment entry only in respect of errors committed in sales invoices. Therefore, stock adjustment entries are to be verified with reference to their accuracy and priority as well as certified.

m. Review of compliance on previous audit remarks, pending EVR needs to be reported

All the above areas are to be covered and necessary reports sent to the Inspection Section, H.O. along with the certificates within a week’s time from the date of physical verification.
GUIDELINES FOR PHYSICAL VERIFICATION OF STOCK

On the day of physical verification of stock in order to confirm stability of data, please take the following steps:

1. Verification of stock

a. Generate available stock report and note down the totals available at the end of the report separately. Then send the report to excel. Delete the quantity column fully, take print outs as required (say 5 to 6 copies) handover the copies to auditors and depot staff engaged in verification of stock.

b. Generate brand wise stock summary as on date of verification. Note down all the totals so generated under each column. This need not be sent to excel.

c. Generate storage audit report as on date of physical verification of stock. Note down the total and then send to excel as well as save.

d. Generate stock ledger book query as on date of verification and note down all the totals given under each column. This also need not be sent to ‘excel’.

e. Now feed all the totals so noted down in the format – Annexure E. Then compare the reports with each other and ensure accuracy of data. The data should match. Take print outs and send a copy to H.O. duly signed along with physical verification report every month without fail. The auditors also shall verify and certify.
f. After generation of these reports review them and trace negative balance if any. Immediate action shall be taken to rectify the negative balance under intimation to H.O.

g. Concerned Depot Manager should not try to convince the auditor on the grounds that “similar product is available in another code and so put together tallies”. This is a wrong notion. Always note that negative balance in one item will hit adversely similar brand in another code physically. Therefore allow the negative balance to remain in book stock. **Do not indicate negative balance in ground stock column.**

h. Exhibit the shortage in another code under relevant column as physical verification would have revealed shortage. Make necessary comments at the end of the report under the caption “remarks”. Locate the reason by probing them through stock check query, find out the exact invoice through which such negative balance is shown in closing balance column. Adjust properly the negative balance through stock adjustment entry under intimation to H.O. Advise the auditor to verify the adjustment entry and offer his comments and certify.

i. After verification of stock, enter the details of actual ground stock in the storage audit report, which is already saved in excel format. Re-verify the entries once again and give command in excel so that the system will generate differences column. Please note that the difference between book balance and actual balance in **plus** indicates shortage and **minus** figure indicated in bracket will be excess. Record necessary information in remarks column.
2. **Open inspection of carton boxes**

A minimum of 40 carton boxes are to be opened every month at the time of physical verification and contents verified by selecting all the available sizes in the depot. A report as per the enclosed format is to be prepared and sent to H.O. duly certified by the auditors and signed by the depot manager.

3. **Verification of damages and shortages**

Verification of transit damages and depot damages are to be done as per procedures already communicated and necessary certificates sent to H.O. in the prescribed format only. Please note the following:

a. Do not send the hard copies of the reports generated through system.

b. You are required only to send the certificates in the formats enclosed.

c. Verification of damages and shortages are to be done only on calendar month basis irrespective of date of verification.

d. Ensure that the damages and shortages are accounted on day today basis.
Important points to be taken care of before sending verification reports to H.O. every month

1. Verification reports shall be prepared and sent to H.O. only in storage audit report without changing captions under each column.

2. Reports shall be generated only in A4 size paper and that too in “landscape orientation” only. Page Nos have to be indicated in all the pages of the storage audit reports and all the pages of the report should be attested by both depot manager and the depot auditors.

3. Item code number shall be of 11 digits only. When the report is sent to excel the first two or three digits in zeros on the left side of item code may not appear. So please apply the following operations step by step to get 11 digits code in excel format without fail.

   a. First select the item code column in full.

   b. Go to format on top of excel sheet and then select. It will open.

   c. Again choose cells and it will open.

   d. Again select custom (a small window will open).

   e. Select general and enter 11 zeros to get the zeros on the left side retrieved. Then give okay command.

   f. Check the item code column – 11 digits would have appeared.
4. Find out existence of negative balance in book stock and arrange to rectify the defects through stock adjustment entry and get it audited.

5. Please see that detailed physical verification report with certificate, summary of stock reports, verification of open inspection of 40 carton boxes and certificate for damages/shortages along with compliance report are sent every month to H.O. without fail. Please also note that there is no necessity for sending statement of damages and shortages in hard copy to H.O.

6. Send compliance report in the format enclosed to the auditor on the same day.

7. Make sure that the reports are sent to H.O. within a week’s time.

8. Depot Managers to note that on date of physical verification, no business transaction can be made till stock verification is over completely. Do not make damages entries in the system on the date of verification before stock verification. In other words, the stock verification shall match the closing stock of the previous day which will be the opening stock on the date of verification based on which auditor’s will verify.

9. If depot damages are not adjusted in respect of damaged quantity on previous two or three dates the same may be indicated as “damages yet to be accounted”. Allow the auditor's to exhibit the good quantity physically verified in “ground stock” column and show the unadjusted depot damages quantity as shortages as well as indicate the reason in “remarks” column. Get such transactions audited and obtain a
certificate on the damages register maintained manually in depot as “certified the damages and found correct”. As far as possible adjust all depot damages on the previous day without fail before closure of business, as such omission may lead to discrepancy and may lead to need for further verification.

10. Also do not unload lorries on the date of verification before auditor’s verify the stock. In case if situation warrants, unloading can be done after completion of stock verification and that too after getting approval from Operation in-charge.

These points may please be meticulously followed every time as otherwise it may lead to suspicion and warrant further disciplinary procedure.

**Physical verification of stock conducted on.........**

**Depot:**

**Compliance report**

<table>
<thead>
<tr>
<th>Observations by the Auditor</th>
<th>Reply by the Depot</th>
<th>Further remarks of the Auditor</th>
</tr>
</thead>
<tbody>
<tr>
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</tbody>
</table>
2. **FINANCIAL AUDIT:**

   **a. Cash transactions**

   The petty cash receipts and payments are to be verified with the basic documents. Cash balance is to be verified and certified and details of denomination to be indicated **in the financial audit report only.** Expenditure exceeding Rs.2,000.00 in each case, other than statutory payments such as electricity, water supply charges of municipality and other taxes levied by municipality, are to be approved by H.O. Wherever approvals are not obtained/available shall be reported. The guidelines issued by the accounts department provides for the “Heads of Accounts” in respect of expenses incurred in the depot. In respect of wrong heads of account for petty cash expenses if any made, rectification entries may be passed through journal at the depots itself in consultation with the depot internal auditor as per the guidelines issued by the accounts department. Expenses under each head may be reviewed on a monthly basis and if there is substantial increase in the expenditure under any particular head the same should be reported by indicating month wise expenditure as shown below:

### Karnataka State Beverages Corporation Limited

*Statement of expenses summary report for the … quarter of of ………*

**Depot**

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Account Head</th>
<th>Apr. (Rs. Ps.)</th>
<th>May (Rs. Ps.)</th>
<th>June (Rs. Ps.)</th>
<th>Total (Rs. Ps.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Books &amp; Periodicals</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Conveyance expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Conveyance Monthly</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Electricity charges</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Entertainment charges</td>
<td></td>
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<td></td>
<td></td>
</tr>
</tbody>
</table>
Karnataka State Beverages Corporation Limited

Statement of expenses summary report for the ..... quarter of of ........
Depot

<table>
<thead>
<tr>
<th>Sl.No.</th>
<th>Account Head</th>
<th>Apr. Debit (Rs. Ps.)</th>
<th>May Debit (Rs. Ps.)</th>
<th>June Debit (Rs. Ps.)</th>
<th>Total Debit (Rs. Ps.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6</td>
<td>Entertainment Expenses – Staff</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>Meeting Expenses</td>
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<td></td>
<td></td>
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<tr>
<td>8</td>
<td>Office Expenses</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>9</td>
<td>Office Expenses (Pooja)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>Packing &amp; Forwarding Charges</td>
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<td></td>
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<tr>
<td>11</td>
<td>Postage &amp; Courier</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>12</td>
<td>Reimbursement of Fuel Expenses</td>
<td></td>
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</tr>
<tr>
<td>13</td>
<td>Repairs &amp; Maintenance of Buildings</td>
<td></td>
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</tr>
<tr>
<td>14</td>
<td>Repairs &amp; Maintenance of Computer Equipment</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>15</td>
<td>Repairs &amp; Maintenance of Office Equipment</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>Stationery Expenses</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>Water Charges</td>
<td></td>
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</tr>
</tbody>
</table>

Sub Total:                      
Grand Total:                    

b. Bank transactions:

1. Verification of DD collection (only in case of occasional licensees) and ELECTRONIC FUND TRANSFERs are to be done 100%. Double entry for a single receipt is to be located and reported. Entries made in the system are to be verified with bank statements (hard copy) and wrong feeding is to be pointed out and all such wrong entries are adjusted through debit note. The auditor shall verify the Reconciliation Statement prepared by the depot on day today basis in respect of EFT in order to ensure that the receipts are raised at the depot is only after the actual amount is credited to KSBCL account for the net amount only after deducting bank charges in respect of a particular retailer, if any debited
by the bank to KSBCL A/c. The auditor should report such instances where receipts are raised even before actual receipt of money by KSBCL in the following format:

<table>
<thead>
<tr>
<th>Name of the bank</th>
<th>Name of the party code</th>
<th>Receipt No. Date</th>
<th>Amount</th>
<th>Date of Cr. as per bank</th>
<th>Number of Days delay</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

Under normal circumstances the retailer deposits amounts to KSBCL account and subsequently approaches KSBCL for lifting the stock. In some instances receipts will be raised after 2 to 3 days after deposit of money. Similarly for the amount deposited on last day of the month, receipts will be raised in the beginning of next month. Hence, auditor should ensure that receipts are raised by the depot for all such credits as per bank sheet on the same day and ensure EFT reconciliation invariably being carried out at the end of the day. Deviations if any should be reported. Procedure for reconciliation of EFT is explained below:

Obtain bank wise collection report and bank wise pass sheet on day today basis for individual banks.

- Check the entries from bank wise collection report with pass sheet of individual bank day wise, to ensure that credits are received on the same day for all the receipts raised in the depot on day to day basis for the entire month and there are no missing credits for the receipts raised during the month.

- Check whether any credits as per bank sheet remains un-ticked for which the depot has not raised the receipt and report.
• Check whether bank wise collection report and BRS report is signed by the depot manager on day to day basis.

• Similarly procedure may be followed for the entire month for all the banks and report deviations if any.

2. The entire collection for the day on the same day has to be transferred to bank account maintained at H.O. Repeated delay in transfers, if any, may be reported separately. Any debits such as bank charges, folio charges and any other debits have to be reported in detail so as to initiate necessary action.

c. **M I S – Audit:**

The documentation of MIS is to be verified manually. A minimum of 100 numbers per month of MIS chosen on random basis are to be verified with all the original documents such as OFS, excise permit, supplies invoice, check list etc. and documentation certified. Any deviation pointed out. The system data under the caption MIS summary report is also to be cross verified with hard copy thoroughly and deviations pointed out. As the values are not considered for accounting of receipt of material in the stock ledger at depot level, differences if any between rate/value as per OFS/supplier invoice and rate/value as per MIS may be ignored.

d. **Inter depot transfer – transactions:**

All inter depot transactions viz. ‘transfer out slip (TOS)’ and ‘transfer in slip (TIS)’ are to be verified with the relevant supporting documents and deviations brought out and total quantity, value to be
cross verified with transfer in slip (TIS)/transfer out slip (TOS) summary report. Specifically transfer in transactions are to be cross verified with the respective hard copy of TOS in order to ensure accuracy of receipt and reported on a monthly basis without fail. If hard copy of TOS/TIS is not received at the time of audit the same may be verified during next visit in order to ensure that TOS quantity corresponding TIS quantity is correctly accounted. Further the rate difference between TOS and TIS if any, may kindly be ignored. However, quantity should tally with each other. The auditor should report that they have verified the hard copies of TOS and TIS with remarks, if any, and to ensure that they are enclosed to the TOS instead of keeping them separately.

e. **Sales invoice verification:**

Similar to verification of MIS documentation, the sales invoices are required to be verified subject to a minimum of 100 numbers on random basis along with other original documents such as excise permit and EVC etc. Since sales invoices are finalized based on sales indents, any pending sales indent for a long time along with the reasons to be reported.

Auditors shall also generate sales price variance report every month and adjust short billing to retailers if any, by **passing stock adjustment entry** only. In respect of excess billing H.O. is to be intimated for taking further action as credit note utility voucher is not provided in depot software.

**Note:** Debit note should not be used for adjusting short billing.
f. **Review of retailers accounts:**

Auditors shall also report debit balances in party’s account outstanding on any date as well as advise depot managers to arrange for recovery without further delay since our sourcing policy does not permit credit sales.

Balance in retailer account shall also be pruned with regard to heavy credit balances as at the close of a month which may occur on extraneous circumstances where remittances are made on the last day but stock not lifted on the same day. Normally credit balance in party’s account will be quite minimal. This verification is quite necessary to check that the correctness of data in the software as omission of an invoice will adversely boost the party's account. The auditor may report in respect of credit balances only if the same balance is outstanding for more than 2 to 3 months or if there are no transactions in the parties a/c for 2 to 3 months in following format:

<table>
<thead>
<tr>
<th>Name of the Retail/Code</th>
<th>Amount (Rs.)</th>
<th>Last day of the Transaction</th>
<th>Remarks</th>
</tr>
</thead>
</table>


g. **Verification of TCS and party’s account:**

TCS account is to be verified in detail with regard to its accuracy. The concessional rates adopted in recovery TCS is to be checked with the supporting documents issued by the concerned IT authorities (viz. Form 27G). This is to be cross verified with the total as per sales wise TCS and ED Cess summary report and also to be certified and sent to H.O.
h. **Drained out/Returns:**

Verification of material sent for re-distillation, drained out and sent for chemical analysis may be verified by generating relevant reports in order to ensure that the same is carried with the approval of H.O.

i. **Verification of adjustment entries:**

Adjust wrong classification of heads of account of petty cash through journal entry only. Any wrong inclusion of receipt in different bank name while feeding data should be adjusted through debit note only. Therefore these adjustment entries are to be verified with reference to their accuracy and propriety as well as certified.

1. Debit Notes

2. Journal entries
SCOPE OF AUDIT FOR INTERNAL AUDIT OF RS DEPOTS CONSISTING OF RECTIFIED SPIRIT, EXTRA NEUTRAL ALCOHOL, DE-NATURED SPIRIT, ETHANOL AND ABSOLUTE ALCOHOL

A. STORAGE VATS FACILITY

1. Verification of sketch (blue print) given by the distillery containing details of entry/exist points etc and numbering of vats with details of OTL locations.

2. Whether additions/change in vat and other installations has been approved by the competent authority.

3. Verification of documents maintained in this regard.

4. Verification of licensed capacity in relation to production and sales.

B. DIP READINGS

1. Verification of taking dip readings and its regularity.

2. Correlating recorded readings with readings indicated in declaration Form No. 1 and to report the variations. If there are any shortages during the period report the same.

C. STOCK RECEIPTS

1. Verification of receipt of Form No. 1 and proper filing.
2. Verification of data as per system and as per declaration Form No. 1 on random basis (at least 50% of the entries during the audit period) and report any variations.

D. ISSUE OF ORDER FOR SUPPLIES

1. Check whether OFS issued is as per allotment letter and the quantity agrees with the allotment letter. Excess if any to be reported.

2. Verify whether the issue of OFS is only after receipt of EFT/DD/PO in respect of small quantity at depots.

3. Verification of DDs/POs received are accounted and dispatched regularly.

4. Verification of proper filing of receipts issued and filing of all documents.

E. MIS

1. Check whether supportings such as supplier sales invoice, excise permit enclosed to each MIS is in order.

2. Check whether the rate as per OFS and supplier sales invoice are the same.

3. Check whether VAT and other applicable taxes charged in the sales invoice is as per the circular issued from H.O. time to time.

4. Reconcile the quantity received against each individual allotment letter and report excess, if any.
5. As per the KSBCL procedure there should be no stock in the godown and report if any stock is displayed and ensure that entries in respect of stocks are correct.

F. SALES

1. Verify the hard copy of the sales invoice rate with the declaration of rate issued by the distillery and report variations, if any.

2. Check whether VAT and other applicable taxes charged is in accordance with the circular issued from H.O. from time to time.

3. Reconcile whether the quantity supplied against each individual allotment letter agrees. Report variations, if any.

4. Check whether the acknowledgement/Annexure V (is in the letter head of concerned distillery in respect of Oil companies) is obtained after delivery of the material and report variations if any between the quantity supplied and quantity received.

5. Verify the quantity of denaturant added for conversion of denature spirit to ascertain the correct quantity of RS consumed.

G. ISSUE OF SPIRIT FOR CAPTIVE CONSUMPTION

Verification of captive consumption allowed is supported by allotment order of the excise commissioner and Annexure VII and filing of the documents.
H.  LOSS OF STOCK

Verify the loss declared by the distillery in Form No. 1 and the entries made in the system. Report any variances.

I.  DECLARATION OF PRICES

Verification of changes in the prices and changes in pricing has been duly declared by the distillery.

J.  OTL RECEIPTS

1. Check whether the OTL receipts are accounted correctly.

2. Check whether the tampered/damaged OTLs segregated at the time of receipt and accounted and properly recorded in the register maintained for this purpose.

K.  OTL UTILISATION AND DESTRUCTION

1. Check the issues of OTL are properly recorded in the register maintained.

2. Verification of recording of details in the prescribed registers including verification of number of OTLs received, used, rejected and balances as on the date of audit. Variances, if any to be indicated in the audit report. Further, the reconciliation of stock account of OTL may be reported in the following format on a monthly basis during the period of audit:
|---------|-----------|-----------------|-------------|------------|-------|-------------|----------|---------|-------|---------|

**Note:** Difference if any between total OTL destroyed and total of issues and damages should be indicated with necessary details.

3. Furnish the certificate for destruction of OTL and enclose the same to the audit report.

**L. TRANSIT SECURITY SERVICES**

1. Verification of procedure prescribed in the depot manual has been followed.

2. Verification of entries recorded after dispatching regarding telephone calls, messages etc. in the records.

3. Verify the Annexure V for the quantity delivered with EVC and report whether the material is delivered to it’s destination within reasonable time.

4. Verify whether the OTL, documents and sample bottles are returned to the depot with in the prescribed time for each sales effected. Report the variations.
M. PETTY CASH

1. Verify the physical verification of cash and compare the same with the book balance.

2. Verification of supporting documents for the payment made/expenditure incurred and to ensure their proper accounting. Whether the expenditure is booked to proper head of accounts and pass the necessary rectification entries for the wrong head of account.

3. Whether the expenditure incurred exceeds the limit and if so, approval/ratification from H.O. is verified and reported.

N. RECTIFICATION OF ENTRIES

Verify correction entries passed during the period of audit and comment on each correction entry.

- - -
C. ELIGIBILITY CRITERIA

1. Chartered Accountant’s firms should have been registered with ICAI – indicate firm Registration Number and the proprietor/partner should be a FCA and shall have at least three years of post qualification experience.

2. The firm shall have carried out internal audit work satisfactorily in KSBCL or any other State Public Sector undertaking in Karnataka during any of the financial years 2008-09, 2009 – 10 and 2010 – 11.

3. The CA firm should have their office or branch locally at the place where IML/RS depots of KSBCL exists or at least in the same/neighboring district.

4. The firm shall have personnel strength of a minimum of 5 assistants/article assistants.

D. FEE STRUCTURE

The present fee structure of IML and RS depots are as follows:

IML DEPOTS

<table>
<thead>
<tr>
<th>Category</th>
<th>Audit fee per month Rs. (exclusive of service tax)</th>
</tr>
</thead>
<tbody>
<tr>
<td>A</td>
<td>10,000.00</td>
</tr>
<tr>
<td>B</td>
<td>6,500.00</td>
</tr>
<tr>
<td>C</td>
<td>5,250.00</td>
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</tbody>
</table>
**RS DEPOTS**

<table>
<thead>
<tr>
<th>Category</th>
<th>Audit fee per annum Rs. (exclusive of service tax)</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>15,000.00</td>
</tr>
<tr>
<td>B</td>
<td>12,500.00</td>
</tr>
<tr>
<td>C</td>
<td>10,000.00</td>
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</tbody>
</table>

**E. SHORT LISTING OF FIRMS OF AUDITORS**

KSBCL will short list CAs/firms based on the eligibility and by considering the year of Registration, experience in conducting the internal audit of State Public Undertakings and the availability of manpower with the firm. The CAs/firms so short listed shall be considered for appointment as Auditors, as and when necessary. The short listing itself will not give any right to the CAs/firms to get appointment as Auditors.

An auditor appointed for any depot in a year, may in the subsequent year be appointed to the same or some other depot. The auditor once appointed will be continued only if his services are found satisfactory by KSBCL.

In respect of the above, KSBCL shall have discretion and its decision in this regard shall be final.