

**INVITATION TO APPLY FOR APPOINTMENT AS INTERNAL AUDITOR FOR FY 2024-25**14<sup>th</sup> May, 2024

PUNCOM invites the applications from the CAG empaneled Chartered Accountant Firms for the appointment as Internal Auditor of the company for the Financial Year 2024-25, to conduct Internal Audit and furnish the Internal Audit Report to the Company, in terms of Section 138 of the Companies Act, 2013 and the rules framed there under.

**ELIGIBILITY CRITERIA:**

Qualifying Criteria for Appointment of Chartered Accountant Firms as Internal Auditor is as under:-

- (i) Partner/ proprietor of CA firm should be a member of the Institute of Chartered Accountants of India (ICAI) holding valid certificate of practice.
- (ii) CA firm must be empanelled with CAG of India as on date & must remain empanelled with CAG during the tenure as Internal Auditor.
- (iii) CA firm must have an office in the tri-city i.e. Chandigarh, Panchkula & Mohali.
- (iv) CA firm should have at least five year experience in field of audit as on 31<sup>st</sup> March, 2024 preferably in listed company.

**Note: Documentary evidence (s) in support of above must be submitted along with the application.**

**TERMS & CONDITIONS:**

- a) Only eligible firms are allowed to submit the quotations against this advertisement. Offers of firms without documentary evidence shall not be considered for evaluation.
- b) The Internal Audit shall be carried out in time-bound manner and Internal Auditor shall submit a quarterly report to the Audit Committee of the company. The internal audit team will work in strict confidence and will ensure that the data or any information related to company is dealt with strict confidentiality and secrecy.
- c) Fee/ charges as quoted by the Internal Auditor will be paid on quarterly basis on completion of Audit. Any extra expenses, besides fee quoted, to carry out internal audit work by the CA firm will not be entertained for re-imbusement in any case.
- d) No partner/ proprietor of CA firm should be related to any of directors or Key Managerial Person of the company. Further, neither the CA firm nor its partner should have any interest in the business of the company.

- e) CA firm should be free from any disqualification under guidelines & Code of Conduct issued by ICAI, as well as under the provisions of Companies Act, 2013 read with applicable laws for the time being in force.
- f) The appointment of CA firm as Internal Auditor will be at the sole discretion of the competent authority and the decision shall be final. The said competent authority reserves all rights to reject any or all of the offers received, without assigning any reasons thereof.

**SCOPE OF WORK:**

The broad scope of Internal Audit includes conducting a systematic examination of records, procedures and operations of the company and is enclosed as **Annexure A**.

**TIME PERIOD OF SUBMISSION:**

Interested CA firms can submit their application providing requisite documents along with professional fees quoted (including out of pocket expenses) to conduct the audit, through email at [cspuncom@gmail.com](mailto:cspuncom@gmail.com) or can submit the same through post/courier/by hand, on or before 22<sup>nd</sup> May, 2024, by 5:00 p.m. at the following address:-

**PUNJAB COMMUNICATIONS LIMITED**

**B-91, Phase-VIII, Industrial Area,**

**SAS Nagar (Mohali)-160071**

.....X.....

**SCOPE OF WORK FOR INTERNAL AUDIT****Sales**

- System Review.
- Commercial Evaluation and Scrutiny of sale Orders.
- Control and Recording of Rejected Goods.
- Reasons, Final Disposal and Cost of Rejections.
- GST, Stores and Accounts Reconciliation.
- Examination of Sales invoices, Debit Notes, Credit Notes and their control.
- Checking of GST related matters and relevant records.
- Procedure regarding sale of Scrap.
- Complaints, their Recording, Solution including its Financial Cost and System of Fixation of Accountability.

**Purchase**

- System Review.
- Review of Purchase Planning and Budgeting.
- Review of Vendor Development.
- Procedure for Raising Purchase Orders.
- Follow up with suppliers.
- Payment to Creditors vis-à-vis Credit Period.
- Checking of Purchase Invoices.
- Confirmation of PO from Vendors.
- Post Confirmation of PO Cases.
- Terms and conditions of PO's.
- Statutory Compliance in respect of GST and other applicable laws.

**Stores**

- System Review.
- Receipts and Issue procedure, including weighment controls.
- System of indenting and Pending indents.
- Freight Payment Memo System.
- Analysis of Time Taken for Inspection and Binning.
- Consumption Analysis.
- Material sent on Returnable Basis.
- Physical Verification of Stocks on Test basis.
- Stock Holding Periods, Level of Investment.
- Control over Returns, Scrap, Defectives and Wastage.
- Classification into A, B, C category.
- Fixation of Minimum, Maximum Economic order Quantity and Re-order Levels.
- Review of Purchase Procedure with regard to Capital Assets.
- Review of Purchase Procedure with regard to Imported Items/Spares.
- Control over Zero value items, Recording & Consumption.
- Control over Replacement Spares.
- Rejection Control, Rejection Records and Reports.
- Review of measures to control material turning obsolete/Dead Inventory.

- Quality Control
  - Incoming Quality Assurance.
  - Process Quality Assurance.
  - Outgoing Checks.
  - System of feedback and improvement.

### **Finance and Accounts**

- System Review.
- Authorization of expenses & payments.
- Physical verification of cash.
- Maintenance of Books of Accounts.
- Scrutiny of Ledgers.
- Timely Credit of bank receipts.
- Bank charges and interests.
- Examination of Bank Reconciliation Statements.
- Cash, Bank, Journal Vouching.
- Working Capital Related Issues.
- Debtors Aging Analysis Statement.
- Scrutiny of Debtors Ledger.
- Control over Collection from Debtors.
- Creditors Aging Analysis Statement.
- Scrutiny of Creditors Ledger.
- Control over Payments to Creditors.
- Scrutiny of Advances to Suppliers.
- Statutory Compliance in respect of Income Tax, GST / Sales Tax, TDS and other applicable laws.
- Insurance Audit.
- Internal Financial controls
- IND AS compliances

### **Import**

- Procedures and controls.
- Clearing & forwarding bill passing-procedure & control.
- Detention & Demurrage charges Reasons and Controls.
- Statutory Compliance in respect of Customs, Foreign Exchange and other applicable laws.

### **Personnel**

- System Review.
- Review of personnel Policies, their Implementation and Documentation.
- Maintenance of Employee Records and System of Recruitment.
- Scrutiny of Attendance, leave and payroll register.
- Computation of Salary, Wages, Leave Encashment.
- System regarding sanctioning of Leaves and Advances.
- Recovery of Advances.
- Control over Recruitments.
- Overtime Control, Recording and Payments.
- Statutory Compliance in respect of ESI, PF, Labour Laws etc., including Contractor's Obligations.
- Scrutiny of Documents and Attendance Register relating to Contractual labour.

- Checking of Contractor's Bills.
- Maintenance of Evidence in respect of Contractor's Labour Payments.
- Study of Salary Structure vis-à-vis Tax Saving.
- System regarding submission of Tour Bills.
- System of Job Rotation.
- Training and other HRD Activities.
- Control over Full and Final Settlements.

#### **Administration, Gate, Security, Transport etc.**

- System of Weighment, Related Records and Calibration.
- Evaluation of Transport System including Log Book Maintenance.
- System regarding Fuel Consumption.
- System regarding Repairs & Maintenance.
- Control over Entry and Exit of Men and Material.
- Control over Security Equipment.
- Control over Assets and maintenance of Assets Register.
- Reconciliation of Gate Records and Store and Excise Records.
- Statutory Compliance in respect of Factories Act, Pollution Control and Other Laws.
- Review of Control over Guest House Expenses.
- Control over Horticulture Expenses.
- Rescue Training and Related Issues.

#### **General**

- **Risk management & safeguards:**

Internal Control, Exchange exposure, Business risk, safeguards.

- **Statutory Compliances:**

Compliance with all Statutory Laws applicable to the company including provisions relating to New Companies Act, 2013 , related party transactions etc.

- **Any other Area:**

As the Internal Auditors may deem fit commensurate with size & nature of organization.