



## INTERNAL AUDIT REPORT

**Audit Project:** State of Maharashtra Agribusiness and Rural Transformation Project (SMART)  
**Audit Entity:** Rajaratna Farmer Producer Company Limited  
**Location:** AT. DATTASAI APARTMENT (CHAVHANWADI), TAL. RAJAPUR, DIST. Ratnagiri



Part Two									
Sr.No.	Particulars Area	Sub Question	Compliance 1	Supporting Documents C1	Compliance 2	Compliance 3	Para Status 3	Reason If Not Compliance3	
1	Loan transactions (if CBO has opted for Loan case)	a. How much loan has been taken for the sub-project proposal activity?				✔			
		b. Whether utilisation of loan is used for the sub-project proposal activity?				✔			
		c. Whether Bank Loan statement has been provided and verified?					✔		
		d. Whether CBO has paid EMI/Interest on loan through SMART Grant and not through personal account?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	✘			
2	Grants transactions	a. Whether grants are utilised for sub-project proposal activity?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	✘			
		b. Whether Utilisation Certificate is issued by CBO's CA and has been verified?	Supporting documents has been attached hence compliance should be accepted			✔			
		c. Whether grant/tranche are released as per the applicable guidelines?				✔			
		D. whether bank has applied debit freed to SMART Dedicated Bank				✔			
		a. Whether CBO has followed World Bank/State Procurement policy for Procurement?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔			
		b. Whether proper documentation required in different procurement methods has been maintained as per procurement manual and World Bank regulations?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔			
		c. Whether the various minutes of the	Supporting	Supporting documents has					

3	Procurement procedure & documentation	Whether the process initiated by the procurement committee referred by auditor? Any discrepancy found in procurement procedure is to be reported.	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
		d. Whether bill payments to vendor has been processed as per the stage of completion?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
		e. Whether CBO has purchased the same goods/machinery/works etc as approved in the SPAC and as per grant agreement.	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
4	Vendor payments	a. Whether payments are approved by the CBO's authorised person and as per work order issued?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
		b. Whether all vendor agreements and contracts are documented?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
		c. Whether payments are made through E-pay Slip/Cheque as specified in the grant agreement.	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted		✔		
5	Tax and other deductions	a. Whether statutory payment has been deposited on or before due dates?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	✘		
		b. If Any delay, Whether CBO has cleared penalty dues from project fund?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	✘		
		c. Whether proof of payment of statutory dues available for verification?	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	Supporting documents has been attached hence compliance should be accepted	✘		
6	Whether vendor payments are on Pro-rata basis i.e. in ratio of Grants: Own Contribution: Loan amount	a. Whether e-pay slips are generated in project MIS system?				✘		
		b. Whether the vendor payment has been paid in ratio of grants and own contribution as per the e-pay slip?				✘		
		c. The CBO has properly accounted their Books of Accounts?				✘		
	Any other Irregularities as	a. Whether CBO has opened SMART dedicated bank account in branch as mentioned in the Grant Agreement?	Supporting documents has been attached hence compliance should be accepted		Supporting documents has been attached hence compliance should be accepted	✘		
		b. Whether sub-project expenditure is only				-		

7	inquiries as regards to project guidelines	incurred from the SMARI dedicated bank account?				<input checked="" type="checkbox"/>	
		c. Whether CBO has maintained the primary and secondary books of accounts and updated?				<input checked="" type="checkbox"/>	
		d. Whether the project is being executed/constructed/installed/implemented on the address given in the lease agreement?				<input checked="" type="checkbox"/>	
8	Whether pre-operative expenses are as per project guidelines	a. Whether pre operative expenses are duly certified in Utilisation Certificate by the CA and supported by the bills and other documents?				<input checked="" type="checkbox"/>	
		b. Whether 5% pre-operative expenses are within the limit mentioned in project sanction letter?				<input checked="" type="checkbox"/>	
		c. Whether 5% pre-operative expenses are necessary, reasonable and related to the sub-project proposal activity?				<input checked="" type="checkbox"/>	
9	Other audit remarks	a. Whether assets generated as per the sub-project proposal are physically verified?				<input checked="" type="checkbox"/>	
		b. Any other issue not covered above or the auditor wants to highlight to the management.				<input checked="" type="checkbox"/>	
		c. Whether any amount is recoverable from CBO regarding sub project proposal (Quantify the recovery amount)				<input checked="" type="checkbox"/>	
10	Any Suggestions						
11	Add Complete Annexure file						

The figures and data provided in Section I & II above are based solely on the documents, information, and clarifications provided to us by the CBO.

**For,**

Partner

UDIN: 25513618BMOYEZ8608

Date: 2025-07-29T18:30:00.000Z