

**SUGGESTIVE LIST OF DOCUMENTS/CERTIFICATES/ RECORDS REQUIRED FROM THE COMPANY FOR  
CONDUCT OF COST AUDIT**

1. A letter from the Company along with a set of completed cost statements for auditing the same. (Rule 6)
2. Approved/ signed copy of Annexures (Rule 7) and date of Board Meeting (circular resolution) approving the same.
3. Certified copy of returns from branches not visited by the cost auditor. (main certificate – Para 1(iii))
4. A note on budgetary control system.
5. Reasons for decline in profitability and indicative break-even point.
6. Default on the payments due to the Govt. banks and institutions and penal interest levied.
7. Note of steps required to strengthen the company under the competitive environment.
8. Export commitments versus actual export for the year – unexecuted export contracts.
9. Pricing Policy of the company for domestic and export sales and their comparative profitability.
10. Note on internal audit of cost records.
11. Invitation to attend audit committee meeting and dates of audit committee meeting held during the year.
12. Profile of the person heading the costing department.
13. List of outside parties undertaking job-work for the Company and basis for fixing rates.
14. Details of foreign collaboration, technical know-how and royalty payments.
15. Details of the “other activities”, separately for manufacturing and others.
16. A copy of annual report and a copy of division/ factory wise profit and loss account and balance sheet.
17. Note on conformity with the Cost Accounting Standards and Generally Accepted Cost Accounting Principles as issued by the Institute of Cost Accountants of India by the company.
18. Note on Inventory valuation system.
19. Description and flow chart of the process of manufacture for production, utilities and service departments.

20. Basis of calculation of installed capacity of the plant and machinery and working papers.
21. Standards of input materials, product-wise.
22. Standards of power, fuel and utilities.
23. Cost center wise fixed asset register and depreciation.
24. Analysis of Research and Development Expenses.
25. Analysis of Quality Control Expenses.
26. Analysis of Pollution Control Expenses.
27. Abnormal events – details and costs.
28. List of non-moving inventory and write off stock.
29. Basis of inventory valuation – financial and cost records.- Reasons for variations.
30. Note on Cost Accounting Policy of the company.
31. Policy of capitalisation of revenue expenses.
32. Related party transactions details.
33. Reconciliation of Indirect Taxes statement.
34. Reasons for significant variations in key figures.