

Process	Sub-Process	Control Objective	Risk Id. No.	Risk	Inherent Risk Classification (Low/Normal/High)	Fraud Risk?	Control Id. No.	Control	Risk Associated with the Control (High, Medium, Low)	Frequency	Control Type (Preventive/Detective)	Control Nature (Manual/Automated)	Documents Required	Test of Design	Test of Effectiveness	Documentation Gap	Exceptions and Remarks	Persons Responsible	
																		Control Owner	Process Owner

Application

Revenue	Receipt of Application at Inward Section	To ensure that the applications received by the inward section is not misplaced	R_R_1	The application received from the developers might be misplaced at the inward section	Low	No	S_R_1	Acknowledgement for receipt of application is given to the developers as soon as the applicaion is received by the inward section.	Low	Transaction Based	Preventive	Manual		Good	Good		No such instances found. The developers are given the right to check the status of thir application and complain to Managing Director in case the same is not processed.	Managing Director	Every officer below the rank of Managing director
Revenue	Receipt of Cheque or D.D at Inward Section	To ensure that the Cheque or D.D received by the inward section is not misplaced	R_R_2	The cheque or D.D received at the inward section might be misplaced.	Low	No	S_R_2	The details of cheque or D.D is noted in the register maintained by the inward section corresponding to the application details. In addition to this the details are recorded in File Tracking System (FIS) as well which reduces the chance of cheques being misplaced.	Low	Transaction Based	Preventive	Manual		Good	Good		No such instances found.	Managing Director	Every officer below the rank of Managing director
Revenue	Receipt of Cheques at Inward Section	To ensure that the application are not processed without cheques being realized.	R_R_3	The application might be processed while the cheques are not realized.	Low	No	S_R_3	In most of the cases only D.D are accepted. However, in exceptional cases where cheques are received, the applications are processed only subjected to realization of cheques. In addition to the above, an internal check of cheque realisations are done by concerned sections. The concerned sections will further process the applications only after conforming that all the amounts receivable till date is received.	Low	Transaction Based	Preventive	Manual		Good	Good		Instances where cheques are received, a seal mentioning 'Subject to Realisation' is put on the application.	Managing Director	Every officer below the rank of Managing director
Revenue	Receipt of differential amount in cash.	To ensure that the cash received for differential application money is properly accounted and is not misused.	R_R_4	There is a risk that the differential application money received in cash is not accounted or is misused.	Normal	Yes	S_R_4	The cash is collected by the cashier who immediety issues a receipt to the developer. Receipt number and other relevant details are noted by the cashier in the file which shall be forwarded to the relevant section. The relevant section will process the file only after conforming that the amount is received. In addition to this, as a control mesure, the cash received for differential application fees is not mixed with the imprest and the same is deposited in the bank irrespective of how minimal the amount is.	Normal	Transaction Based	Detective	Manual		Good	Good		All such receipts were found in order and no instances of misuse found.	Managing Director	Every officer below the rank of Managing director
Revenue	Forwarding the application to Managing Director	To ensure that the matter is brought to the notice of M.D	R_R_5	Improper applications might be processed without the notice of M.D	Low	Yes	S_R_5	All the applications received by the inward department is directly forwarded to the M.D and processing of the same starts only after the Managing directors approves the same.	Low	Transaction Based	Preventive	Manual		Good	Good		No exceptions noticed.	Managing Director	Every officer below the rank of Managing director
Revenue	Forwarding the application to Managing Director	To ensure all the applications forwarded by the inward section has reached M.D and is not mispalced during transit.	R_R_6	There is a risk that the applications forwarded by the inward section to M.D is misplaced during transit.	Low	No	S_R_6	As soon as the M.D receives the applications, an acknowledgement, stating details of all applications (including cheques/D.D) is issued to the inward section.	Low	Transaction Based	Preventive	Manual		Good	Good		With this control in process, the inward section can immeditly trace the applications misplaced in transit.	Managing Director	Every officer below the rank of Managing director
Revenue	Recording of applications received in FIS	To ensure that the details of all the application received by the inward section is recorded in FIS and none of the applications is missed.	R_R_7	The application details are not entered in FIS and hence is not brought to the notice of M.D	High	No	S_R_7	The acknowledgements issued to the developers, on receipt of application, is numbered sequentially and such number has to be entered by the inward section in FIS. Hence, if a number is missing, the M.D can immediety ask for details of such application.	High	Transaction Based	Detective	Automated		Refer Remarks	Refer Remarks		The said acknowledgement number is not only provided to applications but to all decoments received at the inward section. Hence, it is practically difficult to bifurcate applications alone. Hence it is recommended to have a separate sequence for applications in addition to the prevailing numbers for ease of identification.	Managing Director	Every officer below the rank of Managing director
Revenue	Forwarding the application to Managing Director and from M.D to various sections	To ensure that the applications received are not misplaced during the process of forwarding it to various sections	R_R_8	The applications might be misplaced during the process of forwarding it to various departments.	Low	No	S_R_8	As soon as the applications are forwarded by the inward section, the process of File Tracking System (Hereafter called as FIS) starts, where in the inward section or the deparatments, as the case may be, records in the FIS, the details of application and the next department to which they forward, as soon as they forward the application to the next department.(In addition to FIS, such details are recorded in a register maintained by each department. Signatures are taken in such register as soon as the applications are forwarded.) And such department acknowledges the receipt of the same.	Low	Transaction Based	Preventive	Manual		Good	Good		With the help of FIS, the department at which the application is misplaced can be traced.	Managing Director	Every officer below the rank of Managing director

Revenue	Forwarding the application by G.M or C.C.F to inward section	To ensure approval of M.D, G.M and C.C.F is obtained.	R_R_9	Unapproved application being processed.	Low	No	S_R_9	The applications forwarded by the inward section, after approval of MD, G.M and C.C.F (in certain cases), comes back to inward section. The details of which is recorded in a separate register maintained by them. A reconciliation of both the register ensures the approval. Only after this, the inward section forwards the application to the concerned sections	Low	Transaction Based	Preventive	Manual	Good	Good	No instances of unapproved applications found.	Managing Director	Every officer below the rank of Managing director
Revenue	Selection of application in case 2 applications are received for same place	To ensure the first applicant is selected in case two or more applications are received for same place	R_R_10	There is a risk that a discrimination in selection is made where two or more applications are received for same place.	Normal	Yes	S_R_10	There is a policy that in such cases, the application of first applicant needs to be processed and the other applications should be rejected stating the reasons for rejection. To ensure the same, the applicants whose applications are rejected are given a right to verify the other applicant's application under RTI	Normal	Transaction Based	Preventive	Manual	Good	Good	No such instances found.	Managing Director	Every officer below the rank of Managing director
Revenue	Sanction of project	To ensure only credit worthy applicants are given sanction for the projects	R_R_11	Since only credit worthy applicants are given sanction for projects, there is a chance that the Networth statements (to be provided with applications) are Manipulated.	Low	Yes	S_R_11	To avoid such cases, Networth statements along with financials of preceding year, both certified by a Chartered Accountant are only accepted.	Low	Transaction Based	Preventive	Manual	Good	Good	On a test basis it was found that all the Networth statements were certified by a Chartered Accountant.	Managing Director	Every officer below the rank of Managing director
Revenue	Technical Review	To ensure the proposed project is technically feasible	R_R_12	The projects which are not technically feasible might be sent for Government Approval.	Low	No	S_R_12	There is process in place where technical review is initially done by the A.T.O/T.O which is then forwarded to A.G.M (Technical) for review. A.G.M (Technical), after his review forwards the same to G.M (Technical) who after reviewing forwards to M.D for final review. Only after the approval of all the aforesaid members, the M.D forwards the application to Government for final approval. The aforesaid members write their comments in a Note Sheet which is passed on to the subsequent member thereby enabling all the members to take a note of previous member's observations.	Low	Transaction Based	Preventive	Manual	Good	Good	No exceptions found	Managing Director	Every officer below the rank of Managing director

Detailed Project Report (DPR)

Note: Procedure for collection of DPR Fees, subject to the below, remains same as collection of Application fees.

Revenue	Collecting DPR Fees	To ensure there is no short collection of DPR Fees	R_R_13	There are chances that there is short collection of DPR fees resulting in loss to the company	Normal	Yes	S_R_13	DPR Fees is to be collected as per the fees structure provided in Government order. Project will not be approved if the collection is not as per Government order.	Normal	Transaction Based	Preventive	Manual	Good	Good	Based on test check no instances of Short collection found.	Managing Director	Every officer below the rank of Managing director
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								After detailed scrutiny of the DPR, the concerned section recommends to the M.D for entering into agreement with the developer. There is a control in place where the concerned section will not send their recommendations for agreement to M.D without the entire amount due till date is received. In case of wrong recommendations, the person recommending will be held responsible for the short collections. Hence, the concerned sections will recommend only after conforming that the entire amount is received.			Preventive	Manual	Good	Good	Our test check did not reveal any such instances.		
Revenue	Collecting DPR Fees	To ensure revenue recognition in the books of account is proper.	R_R_14	There is a risk that the revenue recognition is not stable and revenue from different developers are recognised at different time periods.	High	Yes	S_R_14	The date of recognition in the books is the date on which M.D enters into agreement with the developer	High	Transaction Based	Preventive	Manual	Refer Remarks	Refer Remarks	The policy of KREDL is such that the DPR fees once collected is not refunded even if the developer does not enter into agreement with the Company. Hence it is recommended to recognise the revenue on the date of receipt. This creates a problem in cutoff date.	Managing Director	Every officer below the rank of Managing director

Time Extention, Name change, Capacity Enhancement, Transfer of Projects or Facilitation Fees.

Note: Procedure for collection of other Fees, subject to the below, remains same as collection of Application fees.

Revenue	Name Change	To ensure that the change of name is genuine	R_R_14	There are chances that the project is sold or otherwise transferred but the same is presented as name change	High	Yes	S_R_14	To ensure that the change of name is genuine, the ROC registration certificate is obtained. It is also made sure that the CIN Numbers are same.	High	Transaction Based	Detective	Manual	Good	Good	No deviations found	Managing Director	Every officer below the rank of Managing director
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Direct Income from Power Generation

Revenue	Invoicing	To ensure accuracy of Invoice issued to ESCOM	R_R_15	There is a risk that the invoicing is done to ESCOM at improper amounts resulting in revenue loss to company.	Low	Yes	S_R_15	B-Form (a report on number of units produced during the preceeding month) is prepared on the 1st day of every month. The same is prepared by A.E.E (from concerned ESCOM) based on which invoicing is done.	Low	Transaction Based	Preventive	Manual	Good	Good	Based on the test check, it was foun that there were no instances found where the units as per B-Form and units as per invoices was different.	Managing Director	Every officer below the rank of Managing director
Revenue	B-Form	To ensure the units mentioned in B-Form is accurate.	R_R_16	There is a risk that the actual units produced is different from the units mentioned in B-Form.	Normal	Yes	S_R_16	In order to ensure that the units mentioned in B-Form is accurate and no manipulation is done, the prepaation of B-Form is done under the supervision of A.E.E from respective ESCOM and Operation and Maintenance Engineer form KREDL.	Normal	Transaction Based	Preventive	Manual	Good	Good	No exceptions found.	Managing Director	Every officer below the rank of Managing director
								The Wind section obtains the details of number of units produced on a daily basis and records the same in a register maintained b them.					Refer Remarks	Refer Remarks	It was found that no cross checking between the register maintained by the wind section and B-Form is done.		
Revenue	Invoicing	To ensure that the are prepared and is sent to ESCOM	R_R_17	There is a risk that the preparation of invoices is missed out and hence are not sent to ESCOM	Low	No	S_R_17	In order to make sure that the invoices have actually sent to ESCOM, signature of CCF is obtained on invoices and the details of such invoice will be recorded in the outward register maintained by the outward section	Low	Transaction Based	Preventive	Manual	Good	Good	No such instances found.	Managing Director	Every officer below the rank of Managing director
Revenue	Invoicing	To ensure the invoices have actually been delivered to ESCOM	R_R_18	There are chances that the invoices are lost during thir delivery to ESCOM or the ESCOM wrongfully claims that the invoices are not delivered resulting in delayed receipt of payments.	Low	No	S_R_18	An acknowledgement for delivering the invoice is obtained from ESCOM which is handed over to the outward section. A file containg such receipts are maintained by the outward section.	Low	Transaction Based	Preventive	Manual	Good	Good	No such instances found.	Managing Director	Every officer below the rank of Managing director
Revenue	B-Form	To ensure there are no default in collection of payments from ESCOM.	R_R_19	There is a risk that the payments against sales is not collected for a long duration.	Low	No	S_R_19	Letter of Credit is obtained form ESCOM in order to secure receivables.	Low	Transaction Based	Preventive	Manual	Good	Good		Managing Director	Every officer below the rank of Managing director