

THE HARYANA STATE COOPERATIVE APEX BANK LTD

SCO 78-80, BANK SQUARE, SECTOR-17B, CHANDIGARH

PH. 0172-2714520,2704349 (FAX)

Email-inspection@harcobank.org.in

NOTICE INVITING TENDERS

The e-tenders are invited on behalf of The Haryana State Cooperative Apex Bank Ltd. under Two Bid System (Technical Bid and Financial Bid) for the following job to be carried out from the eligible parties as per details given below':

Tender Ref. No.	A&1/2021-22/CA
Description of Job	Appointment of Chartered Accountant for Concurrent Audit for the Head office of Harco Bank its 13 branches and 2 Extension counter located at Chandigarh and Panchkula.
Mode Of Tender/ Quotation	e-Tendering System (Technical Bid and Financial Bid through https://etenders.hry.nic.in)
Tender Fees (non refundable)	Rs. 1000/- plus GST
E-service fees (non refundable)	Rs 1000/- plus GST
Date of Starting of e-tender for submission of online Technical Bid and Financial Bid	25.09. 2021 (10:00 hrs.)
Date of closing of online e-tender for submission of Technical Bid & Financial Bid	15.10.2021 (17:00 hrs.)
Date & time of opening of Part I (i.e. Technical Bid)	16.10.2021 (15:00 hrs.)
Date and time of tender opening (Financial Bid Part-II)	To be decided later on

The complete bidding documents, fee details, technical specifications and key dates can be viewed / downloaded from the web sites <https://etender.hry.nic.in> and www.harcobank.org.in Bid through any other mode shall not be entertained. Please note that Managing Director, HARCO Bank reserves the right to accept or reject the tendering process at any stage without assigning any reason whatsoever.

Managing Director

TERMS AND CONDITIONS

FOR APPOINTMENT OF CONCURRENT AUDITOR FOR CONDUCTING CONCURRENT AUDIT / CONTINUOUS AUDIT OF HARCO BANK (HO), 13 BRANCHES AND 2 EXTENTION COUNTERS LOCATED AT CHANDIGARH AND PANCHKULA.

The following are the terms and conditions for applying for empanelment as Concurrent Auditor in Harco Bank for the period tentatively from 1st Nov. 2021 to 31st Oct 2022.

L MANDATORY CONDITIONS FOR APPOINTMENT:

1. The Audit firm/LLP/partnership firm/proprietorship firm should have experience in field of audit not less than 5 years. The bid of firm having less than 5 years experience, shall be out rightly rejected.
2. The Applicant should either be a LLP / Partnership firm/proprietorship firm approved by the RBI. No firm which has done Statutory Audit of the Bank for a particular financial year will be considered for the Concurrent Audit in the year subsequence to the year in which it has conducted the Statutory Audit.
3. The Concurrent Audit firm, who was engaged for the Concurrent Audit of the bank for the financial year 2020-2021 and whose contract period was annulled by the bank in the month of December 2021 (well before the end date contract period) due to unsatisfactory service, shall not be eligible to apply.
4. Only those firms will eligible who are DISA qualified.
5. Chartered Accountant firm which has conducted Concurrent Audit of the Bank for 2 consecutive years shall compulsorily have cooling period of one year.
6. The empanelment and allocation of branches to the auditors will be purely the prerogative of the Bank. Such empanelment shall be initially for a period of twelve months and can be extended for a period of one year if the work is found satisfactory at the sole discretion of Managing Director,
7. The Concurrent Audit firm should furnish the name, qualification and skill set of the persons, who shall be conducting audit in the branch, to the Bank before commencing audit assignment and such persons will have to continue audit for all the Twelve (12) months.
8. The Concurrent Audit firm shall undertake that they will not sub contract the audit assignment.
9. The Concurrent Audit firm shall not lobby directly or indirectly for considering any credit proposals of their friends / clients to the Bank / auditee branch.
10. "The eligible auditor / firm should be qualified under provisions of Section 141 of Companies Act 2013 for appointment as auditors of the Bank. Auditors should not be disqualified under Section 141 of the Companies Act, 2013 read with Rule 10 of The Companies (Audit and Auditors) Rules, 2014 to accept this appointment

11. The Concurrent Audit firm or the partners / LLP or its designated partners / or any of their clients should not have any credit facilities with the bank except credit facilities against their own deposits.
12. The LLP / firm / any partners/designated partners of the firm / Proprietor should not have any disciplinary matters pending with IBA / ICAI / RBI / National Financial Reporting Authority- NFRA and they should not have suffered any disqualification.
13. The eligible auditor / LLP / Firm should be having sufficient experience in conducting concurrent audits of Banks / Bank branches.
14. The eligible auditor/LLP/Firm should have their office/infrastructure in the vicinity of Chandigarh, Panchkula and Mohali.
15. The offer of appointment shall be treated as provisional till the empaneled audit firm takes up the audit assignment within the stipulated date.
16. Only the audit firm provisionally selected for empanelment shall be communicated through facsimile/ e-mail. No individual intimation shall be sent to the audit firm whose application is not considered for empanelment.
17. The selected / empaneled audit firm should give their consent in writing / undertaking letter in the prescribed format agreeing to comply with and bound by the terms & conditions prescribed by the Bank.
18. The selected Auditor/ LLP / Firm is eligible for renewal / reappointment for a period of one year which shall be at the sole discretion of bank & subject to review of performance by the Bank.
19. The Audit team shall conduct Quality Audit during Concurrent Audit and verify compliance of 100% of observations of previous month. All non-compliance to be reported without exception.
20. The Auditors shall certify all the reports under branch statutory audit system, covering NPA provisioning, Insurance Coverage, ' P & L A/c, CRAR, Certification regarding Tax Audit, and other areas as advised from time to time.

II Methodology of Empanelment:

1. The complete bidding documents, fee details, technical specifications key dates can be viewed/downloaded from the web sites <https://etenders.hry.nic.in> and www.harcobank.org.in. Bid through any other mode shall not be entertained.
2. The details of the Bid Document Cost and Financial Bid are required to be uploaded at the time of Online Submission, the Bidders are, therefore, required to keep the scanned copies of prequalification and other documents of the above mentioned documents.
3. Mere submission of application by the audit firms for appointment as Concurrent Auditor in Harco Bank shall not entitle them automatically for assignment.

4. After receipt of communication of provisional selection, the audit firm should send the soft copy of the application (signed by authorized signatory) and copies of registration certificate issued by ICAI, proof of documents in support of their other credentials such as DISA qualification; empanelment letters issued by banks regarding experience of audit, etc., within the specified date.
5. If the selected firm failed to send soft copies of the application, letter of acceptance duly signed by them within the due date and other details, the provisional selection will stand automatically cancelled. No separate intimation in this regard will be communicated.
6. The following set of scanned documents are to be attached:
 - Soft copy of application, duly signed by the authorized signatory.
 - Self-attested Soft copies of:
 - DISA Certification
 - Copy of Partnership deed; Supplementary deed;
 - Certificate of Registration with ICAI;
 - Certificate issued by the Registrar of Companies (showing LLPIN)
 - Copy of LLP Agreement signed by all the partners. (In case there is no LLP agreement, Schedule I of the LLP Act signed by all the partners).
 - Copy of DIN/DPIN of the designated partners in case of LLP.
 - Copy of UCN Registration with RBI and gradation if any allotted to the Firm.
 - Copies of Letters received from Banks assigning the work of Concurrent Audit / Statutory Audit / other audits to audit firm, as reported in the application.
 - Letter of acceptance of Terms and Conditions in the prescribed format.
 - Any other report / enclosures / evidence which audit firm has mentioned in the application
7. On receipt of the above documents, the Bank shall scrutinize the same and verify the correctness of application / annexures. Thereafter, the Bank shall communicate the appointment by way of facsimile or e-mail (to the email id given in the application). The offer letter for empanelment / appointment is purely provisional and shall be subject to the applicant taking up the audit assignment within the stipulated date.

III. Methodology for review of the performance of the auditors:

1. The system of Concurrent Audit has been introduced mainly with the following objectives:
 - a) To keep all routine work of the branch under continuous check so as to supplement Bank's efforts to ensure a robust internal control system at the branch in the critical and sensitive areas.
 - b) To ensure that violation, if any, in the procedures of the bank are brought to the notice of the management immediately so that timely corrective and remedial steps can be taken.
 - c) To pick up and report early warning signals in right time to alert the management.
 - d) To report serious irregularities/fraudulent activities noticed at the branch to management at the right time

- (e) To ensure the quality of credit portfolio with due focus on credit appraisal, sanction, creation of security, end-use, monitoring, recovery aspects etc.
 - (f) Preparation of monthly report.
 - (g) Checking of NPAs as per IRAC norms.
 - h) Broad areas to be covered under concurrent audit are cash, investment, deposits, advances, bank guarantees, housekeeping and other critical areas pertaining to compliance of RBI/NABARD/RCS instructions.
2. The audit firm shall own professional responsibility for concealment of facts / not reporting serious irregularities or losses on account of non-reporting / non detection of early warning signals / frauds.
 3. Failure to detect fraud or serious irregularities, which comes to the knowledge of bank at a later date or during subsequent audits / investigations, shall be treated as a deficient service & omission of serious nature.

IV. Termination / cancellation of Empanelment / Appointment:

1. If the provisionally selected firm has not sent soft copies of the application and other documents duly signed by them within the stipulated time, their provisional selection shall be rejected.
2. If any of the information / documents furnished by the auditor is found to be untrue/ incorrect, the Bank's offer shall automatically stand cancelled without entertaining any further correspondence.
3. Deliberate omission of facts, information about disqualification which comes to the knowledge of bank at a later date.
4. Any serious acts of commissions, omissions, misconduct, deviations in professional ethics or any other reason bank may deem fit and appropriate to the situation.
5. Reported disqualification as per Section 141 of Companies Act 2013 for appointment as auditors of the Bank and also as given in Section 141 of the Companies Act read with Rule 10 of The Companies (Audit and Auditors) Rules, 2014.
6. Bank reserves the right to terminate & de-panel the empanelment forthwith without any notice and without assigning any reasons in case of (i) proven misconduct (ii) getting any adverse reports or adverse confidential information (ii) bank feels that its interests may be jeopardized, besides reserving its rights for initiating other action as deemed fit.
7. The empaneled Concurrent Auditor may request for relinquishment of audit assignment due to reasons like death of partner, health grounds; availing of credit facilities from our bank either by the auditor or his relatives.
8. The appointment of Concurrent Auditor is purely contractual and for a specific period of 12 months and the same may be renewed for one more year subject to satisfactory performance. However, the Bank reserves the right to terminate the contract at any point of time for whatsoever reasons as the Bank may deem fit.
9. Whenever, the assignment is terminated or relinquishment is permitted, the Concurrent Auditors concerned are eligible for audit remuneration only up to the end of previous month for which a fully completed report is received. In such

cases, Bank reserves the right (i) to adjust the same (audit remuneration) towards commission / omission if any or (ii) withhold the same for a period of 6 months or till suitable administrative decision is taken whichever is earlier

10. After termination of the contract, the auditor/ firm shall not use or keep any of the material information given by the Bank like Manuals, etc. or make any representations to public or outsiders as continuing this contract. The auditor / firm shall return all materials belonging to the Bank after termination of this contract / agreement, unless otherwise instructed in writing by the Bank.
11. Whenever termination is made, the Concurrent Auditor shall have no right to demand fees for the unexpired period of empanelment/contract on any ground whatsoever
12. The Audit firm shall follow the time norms for completing the Audit and submitting the Audit report to the branch/bank.
13. Audit fee will be paid on quarterly basis after deducting applicable TDS. However, GST or other taxes as applicable would be paid to the audit firm.
14. Other than the above, no separate Traveling Allowance/Halting Allowance/Out of Pocket Expenses, fees will be paid.

V. Methodology for conducting audit / reporting:

1. The audit team should be led by the Chartered Accountant -Proprietorship /Partner of the audit firm with experienced assistants as the work may warrant.
2. The audit personnel should not be changed to ensure continuity and consistency in the concurrent audit. The audit firm shall conduct appropriate due diligence before employing any personnel who will be entrusted with the work of conducting the concurrent audit of the Bank. The audit firm is also responsible for any commission and omission of its employees which may cause and or likely to cause any loss / damage to the Bank or its clients.
3. If there is any change in the constitution of the firm during the period of appointment, it shall be informed to the bank immediately.
4. Before commencing the audit, the members of the Audit team should be properly introduced to the Branch/Section In charge by proper introduction letter.
5. In addition to the above the following are the Coverage Norms:-
 - a. The main role of concurrent audit is to supplement the efforts of the Bank in carrying out simultaneous internal check of the transactions and other verifications and compliance with the procedures laid down.
 - b. The scope of concurrent audit shall be wide enough /focused to cover certain fraud - prone areas such as handling of cash, deposits, advances, Mobile banking, etc.

- c. In determining the scope, importance should be given to checking high-risk transactions having large financial implications as opposed to transactions involving small amounts.
 - d. All aspects of branch working including (income leakage; money laundering; shall also be looked into and significant audit areas should not escape the attention of the concurrent auditor.
 - e. Security verification charged to the Bank / perfection of documentation should be ensured.
 - f. The reporting format & certificates have to be updated by the concurrent auditors based on the Circulars and other administrative instructions issued from time to time, whenever required.
 - g. The reporting format is a self-contained reporting document.
 - h. The Transaction and Reconciliation position of Internal office accounts and GLs transactions to be verified by the auditors and any deviations observed should be reported to the controlling office immediately.
6. The audit team should adopt the following procedure in the matter of reporting their findings:-
- a. Auditors to prepare jotting sheets, in duplicate, on daily basis duly listing the findings and hand over to the branch/section Incharge at the end of the month against their acknowledgement and follow up for prompt rectification/ spot rectification. The auditors shall also discuss their findings with the branch/section Incharge at regular intervals.
 - b. As on the last day of the month, the audit firm shall prepare an Executive Summary / quarterly report (as applicable) after discussing with branch in charge and submit it to the branch/section Incharge.
 - c. The Executive Summary should cover the critical areas mentioned in the checklist/guidelines and the irregularities / shortcomings observed during the course of the audit. Auditors are however free to report any other deficiencies which they may come across during the course of audit.
 - d. Any transactions of serious nature which is unusual / not normal to the banking practice or usual course of business or any other un-healthy practices indulged by the branch staff, persistent irregularities, shortage of securities observed during the physical Verification, transactions of fraudulent nature, borrower accounts giving early warning signals, other serious irregularities like disbursements without proper sanction / incomplete documentation/irregularities as per guidelines be reported immediately to the concerned branch/section and copy to inspection and audit section of the bank. Any failure / omission / negligence on the part of the firm shall render the firm liable for action and termination of audit assignment.
 - e. The serious irregularities, if any, noticed shall be covered exhaustively in the executive summary.
 - f. The serious irregularities are to be reported on the same day of detection / identification.

VI. Indemnities and penalties:

- 1. The Concurrent Auditor shall indemnify the Bank against all actions, omissions, proceedings, claims, suits, damages and any other expenses for causes attributable to the auditor / firm including any loss suffered on account of any breach of the terms and conditions of the offer of the appointment.
- 2. If the performance is found wanting, then the services of the Concurrent Auditor may be terminated / blacklisted with due intimation at the discretion of the Bank and such Audit firms shall stand de-empaneled.

3. The above is without prejudice to referring the issues to the regulators/professional body (ICAI / RBI/ RCS Haryana) and also claim damages for such unsatisfactory service, whatsoever by the firm or any of its employees.
4. The Audit firm shall follow the time norms for completing the Audit and submitting the Audit report to the branch /Section.

VII. General Conditions.

1. Concurrent Auditor to submit the monthly report covering the working/operations for all the working days of the month.
2. The Concurrent Audit firm shall not lobby directly or indirectly for considering any credit proposals of their friends/clients to the Bank/audited branch.
3. Bank reserves the right to modify/alter any terms of selection process at any point of time. Selection process will be at Bank's absolute and sole discretion. No representations/claims will be entertained whatsoever.
4. Application format for Technical bid and Financial bid will required to be submitted in accordance with Form 1 with Annexure-A and B respectively and as per prescribed format given at Form 2.
5. The tender would remain valid for acceptance for 90 days from the opening of Technical Bid (Part-I) of the tender on the till date of finalization of tender, whichever is earlier.
6. Falsification/suppression of information shall lead to disqualification of the bidder/cancellation of contract even after award of work during the currency of the contract.
7. Canvassing or offer of an advantage or any other inducement by any person with a view to influencing acceptance of a bid shall also lead to rejection of bid in addition to other punitive measures.

VIII. Eligibility Criteria

1. The applicant firm should be Chartered Accountant firm based in the tricity of Chandigarh, Panchkula and Mohali to be eligible for appointment as CA.
2. The skilled staff of the firm should have at least qualified in Group II of IPCC (Integrated Professional Competence Course) and semi-skilled at least group I of IPCC and undergoing Article training.
3. The firm should have the experience in conducting audit of banks.
4. The appointment methodology comprises a two-stage process, involving technical and financial bidding, with separate evaluation for the two stages and a qualifying criterion in the technical evaluation. Firms securing 60 or more marks (out of 100) in technical bidding will be eligible for the next stage of financial evaluation.
5. The firm or no partner has been subjected to any disciplinary proceedings initiated by the ICAI.
6. The firm or no partner has been debarred or black listed by any Government /Semi — Government organization/institution/RBI/banks in India.

IX. Evaluation Criteria (Technical and Financial)

- 1 Technical Bids of applicants will be evaluated based on the eligibility criteria as mentioned earlier, after scrutinizing all the relevant documents as sought from bidders and as per Methodology given and as per criteria fixed for technical evaluation.
- 2 Bidders must note that a two-stage procedure will be adopted in evaluating the bids with the technical evaluation being completed prior to opening of financial bids.
- 3 The technical proposals of only those bidders who are complying with eligibility conditions will be evaluated by the Bank using the following criteria:
 - a) Only Technical proposals scoring not less than 60% of the total marks will be considered for further evaluation:
 - b) The Bank shall simultaneously notify the bidders who have secured the minimum qualifying marks indicating the date and time set for opening of the Financial Bids. The notification may be sent through facsimile or electronic mail
 - c) The final evaluation will be done by combining the marks secured in the technical and financial evaluation in the ratio of 60:40 with the bidder obtaining the highest total marks becoming eligible for appointment.
 - d) The Price Bids shall be opened in the presence of qualifying bidders.
 - e) In case of tie, it may be resolved by giving additional weightage to the firm that has higher number of years of experience, or more number of FCA partners or longer association of partners with the firms, or more number of key professional staff/skilled staff or more number of years of experience in the banks, with these parameters been sequentially considered in order of which they have been listed out under the technical evaluation criteria

Criteria for Technical Evaluation

Parameter	Marks Range	CA Firm details
1) Experience of the firm — No. of years		
(a) less than 5 years	0	
(b) 5 years to 10 years	10	
(c) Above 10 years	15	
2) Full Time Fellow Chartered Accountant (FCA) Partners		
(a) Less than 2	0	
(b) 2 to 6	10	
(c) Above 6	20	
3) Key professional staff -Full time CA employees		
(a) Less than 2 CAs	0	
(b) 2 to 3 CAs	10	
(c) 3 and above	15	
4) Skilled Staff- Qualified in Group II of IPCC — No. of staff		
(a) Less than 2	0	
(b) 2 to 3	10	
(c) Above 3	15	
5) Experience of the firm in bank audits		
i) As System/IS auditor		
(a) Less than 2 years	0	

(b) 2 years to 3 years	10	
(c) More than 3 years	20	
ii) As Concurrent Auditor/Statutory Auditor		
(a) Less than 2 years	0	
(b) 2 to 3 years	10	
(c) More than 3 years	15	

L1 will be decided on the basis of evaluation as below:

The proposal will be evaluated on QCBS (Quality Cost Based Selection) basis.

Following is the evaluation methodology:

Technical Weightage: 60%

Commercial Weightage: 40%

Formula:

$$S = (ST * 60\%) + (SC * 40\%)$$

ST = Technical Score of Bidder

SC = Commercial Score, where

$$SC = 100 * LC / C$$

LC = Lowest Commercial

C = Commercial Under Consideration

X. Terms & Conditions along with Reporting Requirements and Undertaking

1. Financial bids shall contain remuneration in Indian Rupees only both in figures and words. No other enclosure is permitted with financial bid
2. The monthly remuneration quoted shall be deemed to have excluded Goods and Service Tax (GST). As per Indian laws, TDS will be deducted at source under Income Tax Act 1961 and a certificate for the same will be issued to the firm.
3. The uploaded tender form must be filled in English. If any of the documents is missing or unsigned, the tender may be considered invalid by the Bank in its discretion.
4. All erasures and alterations made while filling the tender must be attested by initials of the tenderer. Failure to comply with either of these conditions will render the tender void at the Bank's option. No request for any change in remuneration or conditions after the opening of the part II tender will be entertained.
5. The CA will be required to deploy a team comprising of, one Skilled and one Semi-skilled staff on daily basis. The skilled staff should have qualified at least Group II of Integrated Professional Competence Course (IPCC) and the semi-skilled staff should have qualified at least Group I of IPCC and undergoing Article Training. The team should have working knowledge of computers / systems. The work of the team shall be monitored by the Chartered Accountant / partner and the presence of the audit team will also be monitored by the Bank.

6. The appointment will be extendable for further period at Bank's discretion. The appointment will be for the period tentatively from 1st Nov. 2021 to 31st Oct, 2022.
7. The audit firm shall be at liberty to terminate the agreement by giving three clear calendar months' notice in writing. However, bank shall be at liberty to terminate the agreement without any notice and assigning any reason in case the performance of concurrent auditor falls short of the expectations, indulging in misconduct etc.
8. Concurrent Auditor is expected to familiarize themselves with the system and procedures of the Office/Department/Branches and expected to go through all the relevant circulars/guidelines.
9. The Concurrent Auditor is required to identify deficiencies, if any, noticed for spot verification.
10. Concurrent Auditor would be required to verify and report that the financial transactions undertaken are in conformity with the laid down system and procedure of the Bank.
11. The Concurrent Auditor functions as specified may be enlarged at a future date as per the requirement of the Office/Department/Bank.
12. No advance shall be paid. Bill for remuneration may be raised by the Concurrent Auditor on a quarterly basis and the same shall be settled after deducting all applicable statutory taxes i.e. TDS, GST etc.
13. The Concurrent Auditor shall indemnify and keep indemnified, defend and hold good The Haryana State Co-operative Apex Bank Ltd., its directors, officers and employees against loss, damages or claims arising out of any violations of applicable laws, regulations, guidelines during the contract period and for the breach committed by the Concurrent Auditor on account of misconduct, omission and negligence by the Concurrent Auditor.
14. The Concurrent Auditor or the staff shall not use the premises, properties, fixtures, fittings, etc., of the Harco Bank premises for any purpose other than works related to his/her job.
15. The Concurrent Auditor shall be responsible for taking adequate care of all equipment and materials provided by Harco Bank.
16. The Concurrent Auditor has to attend the review meetings as and when required.
17. The Concurrent Auditor shall not sublet, transfer or assign the contract or any part thereof without the prior written approval of the Bank to any other firm.
18. It shall be the Concurrent Auditor's responsibility to ensure that the obligations under the terms of this contract are duly performed and observed. If the CA fails to carry out any of his obligations/ duties in terms of the Agreement or violates any general instructions and special conditions, the appointment may be terminated by the Bank without assigning any reason.
19. The Bank reserves the right to amend/ modify the tender document or issue any corrigendum to the bid process. The bidder shall not contest the right of the Harco Bank to do the aforesaid.
20. The Bank reserves the right to cancel or reject or accept or withdraw or extend the tender as the case may be without assigning any reason thereof.
21. The Concurrent Auditor shall not disclose directly or indirectly any information, materials and details of the Bank's infrastructure / systems/ equipment etc., which may come to the possession or knowledge of the Concurrent Auditor during the course of discharging contractual obligations in connection with this agreement, to any third party and shall at all times hold the same in strictest

confidence. The Concurrent Auditor shall treat the details of the contract as private and confidential, except to the extent necessary to carry out the obligations under it or to comply with applicable laws. The Concurrent Auditor shall not publish, permit to be published, or disclose any particulars of the works in any trade or technical paper or elsewhere without the previous written consent of the Bank. The Concurrent Auditor shall take all appropriate actions with respect to its employees to ensure that the obligations of non-disclosure of confidential information under this agreement are fully satisfied. The Concurrent Auditor's obligations with respect to non-disclosure and confidentiality will survive the expiry or termination of this agreement for whatever reason.

22. The Concurrent Auditor shall be solely responsible for full compliance with the provisions of "The Sexual Harassment of women at work place (Prevention, Prohibition and Redressal) Act, 2013". In case of any complaint of sexual harassment against its employee within the premises of the Bank, the consequence shall solely rest with the concurrent auditor. The Concurrent Auditor shall be responsible for any monetary compensation that may need to be paid in case the incident involving the staff of the Concurrent Auditor, for instance any monetary relief to Bank's employee, if sexual harassment by the employee of the Concurrent Auditor is proved.

Reporting requirements:

1. Monthly audit report and certificate should be submitted in the format prescribed by the Bank.
2. Monthly audit report should indicate item-wise action points on the financial and non-financial (major and other) action paras.
3. Monthly audit report should also indicate status of compliance in respect of action points pertaining to audit report which was rectified during the month and the reason for delay, of the outstanding compliances, if any.
4. Monthly audit report should highlight the reasons for inaction in respect of old outstanding entries in sensitive accounts, such as Suspense, Sundry etc.
5. Irregularities noticed in sensitive areas and transactions of suspicious nature should be brought to the notice of Section in charge by recording a special note.
6. The audit report should incorporate specific comments, wherever required, duly supported by facts and figures.
7. Major irregularities/frauds/leakages in income, if any, identified should be brought to the notice of the Section in charge of auditee office, and a copy to Audit & Inspection Section of the Bank.

XI. Broad Scope of Work, Duties and Responsibilities.

Indicative List

1. To verify all the foreclosed Term Deposits Accounts and ensure that interest has been correctly paid and also Income Tax has been deducted correctly as per Section 194(A) of I.T. Act, 1961 on all Term Deposits.
2. To ensure compliance of instructions guidelines issued by RBI/NABARD/RCS Haryana and relevant provisions of Haryana Cooperative Societies Act 1984, Rules & Bye-laws of the Bank.
3. To ensure that all books of accounts have been maintained as per instructions of

RBI/NABARD and adequate internal control system exists to prevent incidence of frauds, embezzlements and malfeasance etc.

4. To verify and ensure that all statutory returns are being submitted to concerned quarters in time.
5. To ensure that funds and limits borrowed from higher financing agencies are being utilized strictly for the purpose for which these are borrowed.
6. To ensure that terms & conditions of sanction of loans & advances to various borrowers of the bank are complied with meticulously.
7. To ensure that prudential norms such as capital adequacy, assets classification, income recognition and provisioning etc. are being implemented in a proper manner.
8. To conduct test checking of interest applied and charged on loans/advances and deposits of various maturities and verify the non-interest income of the bank.
9. To check the interest on SB, FD, RITD, RD and loan against deposits accounts on random basis.
10. To check cash credit limits with other institutions.
11. To check interest on all types of loan accounts.
12. Checking of vouchers on daily basis.
13. To check and verify the investment portfolio, certification of holdings of the Bank on quarterly basis or as and when required.
14. To check proper application of GST norms, TDS norms.
15. To certify the monthly return of DEAF accounts with RBI.
16. Maintenance of asset classification/NPA registers at the branch level and HQ correctness of classification and compliance of rules/guidelines.
17. Aspects related to income leakage.
18. Audit of Leave Encashment provisioning with Insurance Companies,
19. Audit of Gratuity Fund Trust A/e,
20. Filing of returns of Trust and any other related matter,
21. All Certifications,
22. Rectification of tax calculation for previous year and current assessment year (mainly PAN related) or redressal of income tax queries.
23. To check that all the returns like GST/TDS/DEAF returns are submitted timely and properly.
24. To check the reconciliation of current account with other Banks.
25. To ensure that all accounts have been opened as per proper accounting policy and also check that proper entries i.e. vouching are being made in these accounts e.g. specially for Earned leave encashment, gratuity, income tax, GST, TDS etc.
26. To check & ensure that all types of interest received by Bank (interest received on Fund invested for Earned leave encashment/gratuity etc.) are being counted in books of accounts for income tax purposes as per Income Tax act.
27. To check & ensure that accrued interest are being vouched timely on monthly basis in books of accounts.
28. The checklist of job to be taken care of while conducting audit for branches shall be provided and the same must be adhered to.
29. Any other work as per requirement of the bank.

XII. Checklist of documents to be submitted for the technical bid/evaluation

1. Date of commencement/opening of the Firm
2. If LLP, then the registration certificate mentioning the LLP Number
3. If partnership firm then the partnership deed
4. Goods and Service Tax Registration Certificate
5. Firm constitution certificate from ICAI. It should have the seal of the Firm and signed by Authorised person/Firm registration No.
6. Unique Code No
7. Permanent Account Number(PAN)
8. Experience of the Firm in audits in Banks - engagement letter or experience certificate may be submitted
9. Signed Form 1 with 2 Annexures
10. Signed Form 2
11. Signed Undertaking accepting the terms and conditions alongwith reporting requirements

a) Form 1 (with Annexure A and B)

Application for appointment as Concurrent Auditor: Technical Bid Form

1)	Name of the Firm	
2)	Complete Postal Address	
(3)	Telephone numbers	
4)	Email address	
5)	Date of commencement/opening of the Firm	
6)	Goods and Service Tax Registration No.	
7)	Firm registration No.	
8)	Unique Code No	
9)	Permanent Account Number (PAN)	
10)	Number of Full time FCA partners	
11)	Details of the Partners (as per Annexure 'A')	
12)	No. of qualified CAs employed	
13)	No. of Skilled staff-qualified in Group II-IPCC	
14)	No. of Semi-skilled staff- qualified in Group I- IPCC	
15)	No of other Assistants	
16)	Details of Experience of the Firm in audits in Banks/ (as per Annexure 'B')	

I declare that

- (a) The firm or no partner has been subjected to any disciplinary proceedings initiated by the ICAI
- (b) The firm or no partner has been debarred or black listed by any Government /Semi — Government organization/institution/RBI/Banks in India

Signature of Authorised Signatory with Seal of the firm

b) Form 2

Financial Bid Form

1	Name of the Firm	
2	Complete Postal Address	
3	Total remuneration for carrying out Concurrent Audit. (Amount in rupees — in words and figures) to be paid on quarterly basis (Amount exclusive of GST).	
		Signature of Authorised Signatory with the seal of the firm.