



Samagra Shikshana – Karnataka

(An Integrated scheme of erstwhile (Elementary Education, Secondary Education and Teachers Education)

E- PROCUREMENT

Request for Proposal for Selection of Chartered Accountant firms for the internal audit of Samagra Shikshana- Karnataka for 2020-21& 2021-22

Address for Communication

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Request for Proposal for Selection of Chartered Accountant firms for the internal audit of Samagra Shikshana for 2020-21 & 2021-22

Proposal is invited from Chartered Accountants firms (Partnership / Sole proprietorship firms/LLP with four full time FCA) in the prescribed format for short listing for the engagement of internal audit of the accounts of Samagra Shikshana Programme, [erstwhile Sarva Shikshana Karnataka Elementary Education (EE), Secondary Education (SE) & Teachers Education (TE)] of the Offices of the State Project Director (SPO), District Project Offices (DPO), Block Resource Centers (BRC), Vocational Education Schools (VE), IEDSS units, Department of State Education Research and Training (DSERT), District Institute of Education and Training (DIET), Specific Category Residential Schools, Kasturba Gandhi Balika Vidhyala (KGBV Type-I and Type-IV), RMSA Schools, SSA Schools. etc being implemented in the State of Karnataka for the year 2020-21 & 2021-22 as per the enclosed Terms of Reference and General Conditions of Contract.

1. The Chartered Accountant Firm submitting the Proposal for Shortlisting to conduct internal audit has to submit the proposals along with EMD as specified in the sl.no (3) of the RFP.
2. It may be noted that all subsequent notifications, changes and amendments on the project/document would be posted on <http://www.eproc.karnataka.gov.in>.
3. The document is available in the website <http://eproc.karnataka.gov.in>. CA Firms are required to register themselves with the centre for E-governance to participate in the bidding process and also get necessary digital signature certificates. The details of the process of registration and obtaining the digital signature certificates are available on the website: <http://www.eproc.karnataka.gov.in>. Necessary training and hands on experience in handling e procurement system could be obtained from the centre for e-governance and also guidance can be obtained over telephone at 080-23010900/01.

Tender Reference and Date			
1	Name of the Office: Samagra Shikshana Karnataka	Minimum Price for Tender	50,00,000/- (including GST)
	Date of Publishing of tender in the e-procurement website.	Dated:-18.08.2020	
	Date of Pre bid meeting	24.08.2020 at 03.00 pm @ Office of the State Project Director, Samagra Shikshana – Karnataka, New Public Offices Annex Building, Nrupatunga Road, Bangalore -560001	
	Last date and time for submission of bid	Dated:-03.09.2020 at 05.00 pm	
	Date and time of opening of Technical Bid	Dated:-05.09.2020 at 11.00 am	
	Probable date and time of opening Financial Bid	Dated:-09-09-2020	
2	EMD amount payable electronically only	Rs.1,00,000/-	

3	Method of Selection	Quality-cum-cost based selection
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4. The complete document consisting of Technical Proposal for Shortlisting, Annexures for Technical Proposals, Undertaking, Appendix-A to F and other supporting documents has to be submitted within **28/08/2020**. Incomplete formats / format received after the prescribed last date will not be entertained.

4.1 EMD shall be credited to the account of centre for e- governance

- a) Through Credit card
- b) Internet Banking
- c) National Electronic Fund Transfer

4.2 EMD shall be returned to the unsuccessful CA Firms within a period of eight (8) weeks from the date of announcement of the successful CA Firm. The EMD submitted by the successful CA Firm shall be released upon furnishing of the Performance security of 5% of the Bid amount in the form of Demand Draft or Bank Guarantee and in manner as stipulated in the sl no. 18 of the invitation/RFP.

4.3 The EMD will be forfeited in the following cases:

- a) If the CA Firm modifies/withdraws the proposal;
- b) If the CA Firm withdraws the proposal during the interval between the proposed due date and expiration of the proposal validity period;
- c) If the successful CA Firm fails to provide the Performance security and to execute the agreement within the stipulated time or any extension thereof provided by Samagra Shikshana.
- d) If any information or document furnished by the CA Firm turns out to be misleading or untrue in any material respect;

4.4 The financial bid and the technical bid will be opened in the presence of the CA Firms which has submitted the proposals and present in the venue on the prescribed date and time. Corrigendum/Addendum if any will be notified through e-portal only.

4.5 The CA Firms must pay the EMD for a total of Rs. 1,00,000/- and quote the financial bid

5. The term full time FCA does not include those persons [Partner / sole] who are: -
- (i) Partners in other firms
 - (ii) Employed part-time / full-time elsewhere, practicing in their own name or engaged in practice otherwise or engaged in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949.
 - (iii) Partners who have earned more professional income from other sources than their income from the firm.

Similarly, the full time Sole Proprietor does not include a person who is a partner in other firms or is employed elsewhere or otherwise engaged in any other business / activity as

mentioned above. Accordingly, a person who is a partner / employee in another firm, should not apply in his capacity as Sole Proprietor.

6. The Technical Proposal for Shortlisting must be submitted in the prescribed format given in the Request for proposal. Only the Technical Proposal for Shortlisting in the prescribed format accompanied with all requisite documents would be considered.
7. A pre bid meeting is open to all prospective CA firms/Sole Proprietors which will be held on **19/08/2020** at 3.00 PM at State Project Office, Samagra Shikshana - Karnataka, New Public Offices Annexe Building, Nrupatunga Road, Bangalore. The prospective CA Firms/Sole Proprietors will have an opportunity to obtain clarification regarding the scope of work, terms of reference, contract conditions and other pertinent information.
8. Eligibility criteria

8.1 The firms submitting the proposal for shortlisting must fulfill the following criteria:

Sl no	Criteria	Evidence required
1	The CA firm must be empanelled in the CAG empanelled List for 2020-21	Copy of Proof of Empanelment
2	The firm must have been registered with the Institute of Chartered Accountants of India (ICAI)	Constitution certificate of the firm/ Certificate of Practice issued by Institute of Chartered Accountants of India or Appropriate Certificate or Document Issued by Institute of Chartered Accountants of India.
3	The firm must have been in existence for at least 05 years before 01/01/2020	Constitution/Registration certificate of the firm issued by ICAI.
4	The firm must have at least 8 Full time Chartered Accountants as on 01/01/2020	Certified copy of the Partnership deed of the firm.
5	The firm must employ at least 20 article assistantS & 16 Audit Staffs who have completed PE-II/IPC/IPCC/IPCE/Intermediate examination of ICAI. Or B.com	Intermediate course completed Certificate issued by ICAI. Copy of Appointment Letter of the Internal audit Staff and B.Com Certificates of the staff.
6	The internal audit personnel should be well-versed in Kannada, English.	Copy of SSLC Marks card of the internal audit staffs & Full time CA attested by

		Chartered Accountant.
7	The firm's average annual turnover of the last 5 financial years must not be less than Rs. 50.00 Lakhs. i.e, FY 2014-15 to FY 2018-19	Turnover Certificate, Balance Sheet, Profit & Loss account and IT Returns.
8	The CA Firm must have a Registered Head Office/Branch office in Karnataka. Weightage will be given to the C.A.Firm which has its branch/head office in the division for which it submits the Proposal.	Constitution certificate of the firm/ Certificate of Practice issued by Institute of Chartered Accountants of India or any appropriate document supporting the constitution of the H.O/ Branch.
9	Must have conducted Internal or External audit of Centrally Sponsored Schemes/Projects/Externally aided Project or Social Sector Projects or PSU or Boards or Corporations of State or Central Government or Autonomous Bodies/Universities.	As mentioned in sl no. 12 of the Request for proposal
10	Audit team mentioned in 8.1.4 and 8.1.5 of RFP who are Training Faculty who conducts training to the Accounts Personnel in FPI or ICAI or other Government/Semi Government Institutes. Or Audit team mentioned in 8.1.4 and 8.1.5 of RFP who are Authors of the Published books regarding Accounts, Finance & Audit Profession. (THIS CRITERIA IS ONLY FOR ADDITIONAL POINTS AND NOT CONSIDERED AS ELIGIBILITY.)	Profile of the Training Faculty and Copy of any appointment/offer letter/correspondence letter or any other appropriate document. Or Proof of the Published books.

8.1.11 The CA Firms which does not fulfill the eligibility criteria mentioned at 8.1.1 to 8.1.9 will be summarily rejected and will not be considered for Technical evaluation mentioned at 8.2 of the Request for Proposal.

8.2 Technical Evaluation Criteria

Sl.no	Criteria	Maximum Points
1	Specific Experience of the CA Firm related to the Assignment (a) Internal Audit of Centrally Sponsored Schemes or schemes with similar organizational structure in past 5 years.	5

2	Adequacy of Proposed Work plan and methodology in Responding to the TOR (a) Internal Audit Workplan and Methodology by the CA Firm has to be submitted.	25
3	Qualification and competence of the key professional staff for the assignment * (A minimum of 4 FCA and 8 CA, 20 article assistants 16 Audit Staffs) (a) Curriculum Vitae of each of the FCA, Semi Qualified Assistants and Audit Staffs has to be submitted.	60
4	Audit team mentioned in 8.1.4 and 8.1.5 of RFP who are Training Faculty who conducts training to the Accounts Personnel in FPI or ICAI or other Government/Semi Government Institutes. Or Audit team mentioned in 8.1.4 and 8.1.5 of RFP who are Authors of the Published books regarding Accounts, Finance & Audit Profession.	10
TOTAL		100

* The Weightage will be given for 8.2.3 of Qualifications and Competence of the key professional staff for the assignment are as below:

Sl.no	Criteria	Weightage
1	General Qualification	30%
2	Technical Competency & Staff adequacy	60%
3	Experience in Region and Language	10%
Total		100%

8.3 The CA Firm which gets a minimum of 75 points in the Technical evaluation will be selected for Financial Evaluation and the CA Firm which gets less than 75 points will not be eligible for Financial Bid. The formula for determining the financial scores is the following:-

$$[Sf=100 \times Fm/F]$$

Where, Sf = Financial Score

Fm = Lowest Price

F = The Price of the proposal under consideration

The weights given to the technical and Financial proposal are, T = 0.75 and P = 0.25

8.4 The Lowest Financial Proposal (Fm) will be given a financial score (Sf) of 100 points. The Financial scores (Sf) of the other financial proposals will be computed as mentioned above. Proposals will be ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P= the weight given to the financial Proposal; T + P = 1 that is. $S = St \times T\% + Sf \times P\%$) The consultants achieving the combined technical/financial score will be invited for negotiations.

8.5 Financial Scores will be computed separately for each division and evaluated separately.

9. The “Technical Proposal” should include the description of the sole proprietors/firms/LLP and their general experience in the field of assignment, qualification and competency of the personnel proposed for the assignment. The technical proposal should also include proposed work plan methodology and approach in response to suggested Terms of Reference. It should include the following & all the copies should be duly attested by the firm.
- (i) Technical Proposal for short listing Chartered Accountant Firms for the internal audit of the accounts of Samagra Shikshana.
 - (ii) Letter of Proposal (Appendix-A)
 - (iii) Power of Attorney (Appendix-B).
 - (iv) Salary paid proof for the audit staff and semi qualified assistants (Appendix-D).
 - (v) Audit work in hand as on 01/01/2020 and no of staffs employed for the Assignment.
 - (vi) C&AG Empanelled Registration certificate.
 - (vii) Copy of Intermediate course completed certificate issued by ICAI. Copy of Appointment Letter of the internal audit Staff and B.Com Certificates of the staff.
 - (viii) Copy of SSLC Marks card of the Full time CA/internal audit staffs/Semi Qualified Assistants.
 - (ix) Resume/CV of Full time CA, Semi qualified assistant & Audit Staffs. (Appendix – E)
 - (x) A copy of constitution certificates of firm issued by the ICAI containing inter-alia.
 - (a) Date of formation of the firms with a full time FCA
 - (b) Details of partners / Sole Proprietor / CA Employees as on 1st January of the year 2020, date of joining the firm, date of becoming FCA, their other interest, if any.
 - (xi) A copy of the latest partnership deed in the case of partnership firms.
 - (xii) A copy of the acknowledgement of the IT return of the firm and of all full time partners / the Sole proprietor for the AY 2016-17 to AY 2018-19 and a copy of computation of income of full time partners / Sole proprietor.
 - (xiii) A copy of the GST Registration Certificate along with GSTR Returns of FY 2017-18 to 2018-19 as applicable.
 - (xiv) A copy of financial statement of the firm along with schedules from FY 2016-17 to FY 2018-19.
 - (xv) Profile of the Training Faculty and Copy of any appointment/offer letter/correspondence letter or any other appropriate document. Proof of Published books (applicable for authors in the audit team).
 - (xvi) **Copy of Completion certificates issued by the respective organizations of the last internal audit works undertaken by the C.A firm in past 5 financial years. This is a mandatory document.**
 - (xvii) Details of court cases / arbitration cases / if any other case pending against the firm
 - (xviii) Proposed work plan methodology and approach in response to suggested Terms of Reference. (Appendix – F)

Note:- a) All the above mentioned necessary documents should be uploaded in the e-procurement portal only. If any documents are not submitted in the e-procurement portal, the proposal will not be considered for evaluation.

c) All the above documents should be self attested by the individual holding the Power of Attorney.

b) Originals should be produced for verification on demand.

10. The Financial Proposal (Internal audit Fee) should be quoted separately as under:-

- a) To conduct the Internal audit work for the Offices mentioned in the Financial Proposal Format Appendix- C
- b) The CA Firms should quote lump sum financial proposal including GST in the e- procurement website.
- c) Financial Proposal is considered Under ICAI Principals of Ethics.

(It is Clarified that in any State under the local statute if audit and attestation service are exclusively meant for Chartered Accountants only, the member will not be allowed to respond to such tender.

However, a member of the Institute in practice may respond to tender as mentioned above wherever the minimum fee of the assignment is prescribed in the tender document itself.)

11. Negotiations

11.1 Negotiation will be held at the Office of the State Project Director, Samagra Shikshana Karnataka. The aim is to reach agreement on all points and sign a contract.

11.2 Negotiations will include a discussion of the Technical Proposal, the proposed methodology (work plan), staffing and any suggestions made by the firm to improve the Terms of Reference. The State Project Director and the CA Firm will then work out final Terms of Reference, staffing, and bar charts indicating activities, staff, periods in the field and in the home office, staff-months, logistics, and reporting. The agreed work plan and final Terms of Reference will then be incorporated in the “Description of Services” and form part of the contract. Special attention will be paid to getting the most the CA Firm can offer within the available budget and to clearly defining the inputs required from the State Project Director to ensure satisfactory implementation of the Assignment.

11.3 Unless there are exceptional reasons, the financial negotiations will involve neither the remuneration rates for staff (no breakdown of fees) nor other proposed unit rates.

11.4 Having selected the CA Firm on the basis of, among other things, an evaluation of proposed key professional staff, the State Project Director expects to negotiate a contract on the basis of the experts named in the Proposal. Before contract negotiations, the CA Firm will require assurances that the experts will be actually available. The CA Firm will not consider substitutions during contract negotiations unless both parties agree that undue delay in the selection process makes such substitution unavoidable or that such changes are critical to meet the objectives of the assignment. If this is not the case and if it is established that key staff was offered in the proposal without confirming their availability, the CA Firm may be disqualified.

11.5 The negotiations will conclude with a review of the draft form of the contract. To complete negotiations the Client and the Consultant will initial the agreed contract. If negotiations fail, the Client will invite the firm whose proposal received the second highest score to negotiate a contract.

12. Deciding Award of Contract:

12.2 The contract will be awarded following negotiations. After negotiations are completed, the CA Firm will promptly notify other CA Firms on the shortlist that they were unsuccessful and return the Financial Proposals of those consultants who did not pass the technical evaluation.

12.3 The CA Firm is expected to commence the Assignment on the date and at the Offices specified in Appendix- C.

12.4 After opening of the Technical Proposal, evaluation will be done and CA firms which are technically qualified will be considered for financial proposal.

12.5 The financial proposal shall be opened in the electronic form, of only those firms who are technically qualified with minimum of 75 points.

13. Details of **Internal audit or external audit** experience of the firm in the last 5 years (as per 8.1.9 of the Request for Proposal) should be submitted in the prescribed proforma Annexure- A5. **Unless all the following documents are submitted in the e-portal, the CA firms will not be considered for Eligibility:-**

13.2 Only internal or external audit assignments conducted in the past 5 years (2014-15 to 2018-19) which carry a fee of Rs. 3,00,000/- and above should be mentioned in Annexure A-5.

13.3 A copy of Satisfactory Performance/ completion certificate issued by the institutions mentioned in Annexure – A 5 to be enclosed.

13.4 Declaration stating that internal audit of SSA, RMSA and DSERT for previous 5 years are not undertaken by their respective CA firms. (Appendix-A)

14. Suitable weightage will be given to firms, Training Faculty in the Firm which conducts training to the Accounts Personnel in Fiscal Policy Institute or ICAI or other Government/Semi Government Institutes. Profile of the Training Faculty and Copy of any appointment/offer letter/correspondence letter or any other appropriate document

15. Please indicate: -

The particulars of specialization gained by the firm in internal audit of :-

(i) EDP systems

(ii) IT assisted internal audit

(iii) Any other important special assignments etc. in the prescribed format Annexure- A6

16. All full time partners / sole proprietor should invariably sign the undertaking appended to the Technical Proposal for Shortlisting. Similarly, all the full time Chartered Accountant employees of the firm should sign in the column provided at Annex A-2 to the format.

17. Please note that the State Project Director, who is Inviting and Accepting Authority of Samagra Shikshana, Karnataka, Bangalore, is at full liberty to reject the Technical Proposal for Shortlisting without assigning any reason. Further, as quality is the principal selection criterion, the State Project Director, Samagra Shikshana, Karnataka, Bangalore is not bound in any way to select the firm offering the lowest price and will have all the right to reject the technical proposal for shortlisting, though the firm offered lowest price.

18. The successful CA Firm will be required to furnish Performance Security in the form of DD/Bank Guarantee equal to 5% of the contract value and are required to execute an agreement with SPD.

18.1 In case bank guarantee is submitted by the CA Firm, it shall have validity up to 60 days after submission of the Internal audit report by the CA Firm.

18.2 In case DD is submitted by the CA Firms it will be paid within 60 days after submission of the Internal audit report by the CA Firm.

19. You are requested to hold your proposal valid for 90 days from the date of submission without changing your proposed price. The State Project Director, Samagra Shikshana, Karnataka, Bangalore will make best efforts to select the CA Firms within this period.

20. The consideration payable under this assignment by the State Project Director, Samagra Shikshana Karnataka, to the CA firms shall be paid after deducting IT TDS under section 194 J of Income Tax act 1961 and GST TDS under section 51 of the CGST act 2017.

GST shall be levied for the services provided by the CA firm as per the Rate of GST fixed by the GST Council. With respect to payment of Indirect Tax/GST in case of, the Change in rate of tax in respect of Supply of service will be subject to the provisions of Section 14 of CGST Act 2017.

21. On Satisfactory Completion of the Internal Audit assignment by the CA firms, further appointment for further 1(one) years will be taken into consideration.

22. For any further queries/clarifications and information in this regard, the CA Firms may contact Chief Accounts Officer, Samagra Shikshana Karnataka, Office of the State Project Director, New Public Offices, Nrupatunga Road, Bangalore-560001.
(Contact details 080- 22103092 and 9448999308.

Yours faithfully,

**State Project Director,
Samagra Shikshana Karnataka**

Enclosures:

1. Technical Proposal for Shortlisting
2. Annexures for Technical Proposals
3. Undertaking

4. Financial Proposal Format for each division (only for calculation to arrive at lumpsum amt)
5. **Appendix-A to E**
6. Terms of References
7. General conditions of Contract
8. Formats for Internal Audit

**Technical Proposal for Short listing Chartered Accountant
Firms for the Internal Audit of Samagra Shikshana**

Status of Firm Partnership/LLP Sole Proprietorship

1. (a) Name of the firm (in Capital letters) _____
 - (b) Address of the Head office _____
(Please also give telephone no. and _____
e.mail address) _____
 - (c) PAN No. of the firm _____
 2. ICAI Registration No. _____ Region Name _____ Region Code No. _____
 3. (a) Date of constitution of the firm: _____
 - (b) Date since when the firms has a full time FCA _____
 4. Full-Time Partners / Sole Proprietor of the firm as on 1-1-2019 (Please fill up Annex A-1)
- | S.No. | Years of continuous association in the firm | Number of FCA | Number of ACA |
|-------|---------------------------------------------|---------------|---------------|
| (a) | Less than one year | | |
| (b) | 1 year or more but less than 5 years | | |
| (c) | 5 years or more but less than 10 years | | |
| (d) | 10 years or more but less than 15 years | | |
| (e) | 15 years or more | | |
5. Number of Full Time Chartered Accountant Employees _____
as on **01-01-2020** (Please fill up Annex A-2)
 6. Number of Part Time Partners if any, as on **1-1-2020** _____
 7. Number of internal audit staff employed full-time with the firm
 - (a) Semi Qualified Assistants _____
 - (b) Internal audit Staff _____
 - (c) Other Professional Staff (Please specify) _____

(Please fill up Annex A-3)

8. Number of Branches (Please fill up Annex-B) _____
9. Fees earned by the firm from **April 2014 to March 2018 in respect of:**
- | | PSU /
autonomous
body | Centrally
sponsored
Schemes | Nationalis
ed Banks |
|---------------------------------------------------------------------------|-----------------------------|-----------------------------------|------------------------|
| (i) External / Branch Internal audit /
6 monthly Internal audit Review | | | |
| (ii) Internal / Concurrent Internal audit | | | |
| Total of (i) and (ii) above | | | |
10. Whether the firm is engaged in any internal / concurrent audit or any other services of any Govt. Companies / Corporations etc. If yes, details may be given Annex 'C'. Yes / No
11. Whether the firm is implementing quality control Policies and Procedures designed to ensure that all internal audits are conducted in Accordance with **Standard auditing Practices (SAP 17)** issued by Public Company Accounting Oversight Board or **Standards on internal auditing** issued by the Institute of Chartered Accountants of India Yes / No
- (If yes, a brief note on the procedure adopted is to be given)
12. Whether there are any court /arbitration / any other legal case against the firm (If yes, give a brief note of the case indicating its present status) Yes / No

Name of the firm:
Signature of the Partner/Proprietor
Place:
Date:



Seal of the firm

ANNEXURE FOR TECHNICAL PROPOSAL**(Annex A-1)**

1. Firm's name _____

Details of Full Time Partners / Sole Proprietor of the firm (Please refer to Sl.No. 4 of the Technical Proposal for Shortlisting format)

Sl.No	Name of the Partner / sole proprietor	Member-ship No.	Whether FCA / ACA	Date of Joining the firm (full time)	Date of becoming FCA	Station & Region where residing at present	Whether acknowledgement of Income Tax Return for the relevant year attached Yes / No	Whether has ISA (Information systems Internal audit / CISA or any other equivalent qualification (specify the qualification) *

*If yes, please attach a copy of the certificate

(Annex A-2)

Details of Full-Time Chartered Accountants employees of the firm (Please refer to Sl.No. 5 of the Technical Proposal for Shortlisting format)

Name of partners	Member ship No.	Whether FCA / ACA	Date of becoming FCA	Date of Joining partnership	No. of other firm in which he is partner	Whether practicing in his own name also (Y/N)	Whether employed elsewhere (Y/N)	Whether has ISA (Information systems Internal audit / CISA or any other equivalent qualification (specify the qualification) *

*If yes, please attach a copy of the certificate.

(Annex A-3)

Details of Semi Qualified Assistants/Internal audit Assistants/Internal audit staff/other professional staff (Please refer to Sl.No. 7 of the Technical Proposal for Shortlisting format)

S.No.	Name	Qualification.	Whether CMA /CWA/ CS	Date of joining the firm as full time employee	Date of Completion of IPCC Examination	Signature of the employee
	Internal Audit staff					
1						
2						
3						
4						
5						

*If yes, please attach a copy of the certificate. Additional rows to be added.

(Annex A-4)

Details of partners and full time Chartered Accountant Employees of the firm included this year in Annex A-1 & A-2 above.

S.No.	Name	Membership No.	Whether Full Time Partner / Part Time Partner / Full Time CA Employee

*If yes, please attach a copy of the certificate

(Annex A-5)

Details of internal audit experience of the firm for the last 5 years

Sl. no	Name of the company / body internal audited	Years of internal audit e.g.	Fees charged for each of the in each year	Nature of internal audit assignment viz.	Name of the area / sector	Name of the full time partner who supervised the internal audit or signed the financial statements and who is still working in the firm
	(a) Society/PSU/ autonomous body	(a) 2014-15 (b) 2015-16 (c) 2016-17		Internal audit / or Branch internal audit		
	(b) Companies in private sector	(d) 2017-18 (e) 2018-19				
	(c) Banks					
	(d) Social Sector Programmes / Projects					
	(e) Externally aided social sector projects					
	(f) Education Projects / Programmes					

(Annex A-6)

Details of particulars of specialization gained by the firm in internal audit of

- (i) EDP systems
(ii) IT assisted internal audit
(ii) Any other important special assignments etc. in the prescribed format

S.No.	Description of specialization	Specify nature of assignment, if other than internal audit	Name of the organization	Name of the partner / sole proprietor who handled this assignment	Whether partner / sole proprietor mentioned in is still with the firm (Y/N)

(Annex B)

Particulars of Branches (including foreign branches, if any)

S.No.	Station at which located	Complete address with PIN Code & Telephone No.	Name of the partner incharge of the branch	Date of opening of the branch	Region	Proof of registration of the Branch and certificate of the firm by ICAI.

(Annex C)

Details of internal audit work / any other accounting work of Public Sector Undertaking in hand with the firm (please refer to Sl. No. 10 of the Technical Proposal for Shortlisting format)

S.No.	Name of the PSU/Unit	Nature of assignment	Year for which appointed	Name of the Employees Assigned for the task

Name of the firm:
Signature of the Partner/Proprietor
Place:
Date:



Seal of the firm

Undertaking

I/We the sole proprietor / following partners of M/s. _____, Chartered Accountants do hereby jointly and severally verify and declare-

- (i) that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application from is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed thereunder;
- (ii) That the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years, (if debarred, give details);
- (iii) that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under Section 2 (2) of the Chartered Accountants Act, 1949;
- (iv) that the constitution of the firm as on 1st January of the relevant year shown in the Proposal for Shortlisting is same as that in the constitution certificate issued by the ICAI.

Sl.No.	Name of the partner / sole proprietor	Membership Registration No.	PAN No	Dates of payment of the fees for the relevant year _____ *A/B	Signature of partner / sole proprietor

(Seal of the Firm)

*

A For membership

B For issue of certificate of practice

Place:

Date:

Enclosures: _____ pages

For Office Use Only

Whether firm has done

(a) Internal/Branch Internal audit Yes/No

(b) Internal/Concurrent Internal audit _____

Checked by

Verified by

Date updated by

FINANCIAL PROPOSAL**Bangalore Division**

(Implementing Offices of Bangalore South, Bangalore North, Bangalore Rural, Chikballapur, Kolar. Ramanagar. Tumkur, Madhugiri, Chitradurga, Shimoga)

Sl no	Offices to be Internal audited	No. of Units	Fees per unit (in Rs.)	Total Fees (in Rs.)
1	State Project Office	1		
2	DSERT	1		
3	KSQAAC	1		
4	District Project Offices	10		
5	District Diet office	34		
6	CTE	1		
7	Karnataka Text Book Society	1		
8	BRC	52		
9	KGBV Type 1	01		
10	KGBV Type – 4	01		
11	Specific Category Residential	2		
12	Model Schools	01		
13	KKGBV (GOK Fund)	22		
14	VEs (RMSA Fund) (5% of 38 VE Schools)	02		
15	Government High Schools (RMSA Fund) 5 % of 1224 schools as per 5.10.4 of FMP Manual of Samagra Shikshana	61		
16	Internal audit of H & L Primary Schools (5% of 13736 schools) schools as per 5.10.4 of FMP Manual of Samagra Shikshana	687		
	Total No of Units	854	Sub total	
			GST @ 18%	
			Grand Total	

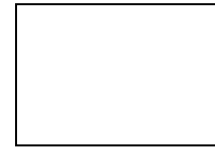
- In case of any change in rates of taxes, the provisions of Sec(14) of CGST Act 2017 shall be applied for payment of GST .
- The fees quoted above is inclusive of all types of prevailing rates, duties, taxes, & TA DA for internal audit.
- However while issuing invoice GST to be shown separately in invoice which is included in the above mentioned quoted rates.

Name of the firm:

Signature of the Partner/Proprietor

Place:

Date:



Seal of the firm

STANDARD FORMAT

APPENDIX - A

Format for Letter of Proposal

(On the Letter head of the CA Firm)

Date :

To,

The State Project Director
Samagra Shikshana - Karnataka
New Public Offices Annex
Nrupatunga Road
Bangalore – 560 001

Sir,

Re : To conduct Internal audit of Samagra Shikshana- Karnataka of Bangalore, Mysore, Belgaum & Gulbarga Division (As per Appendix- C)

Being duly authorized to represent and act on behalf of..... (hereinafter referred to as “CA firm”), and having reviewed and fully understood all of the Proposal requirements and information provided, the undersigned hereby submits the Proposal for the project referred above. We have also paid Rs. 1,00,000 EMD through e-procurement portal for all the division in the e-portal.

We further declare that our firm has not undertaken any internal audit assignment of SSA, SE & TE for the period 2015-16 to 2019-20

We have submitted our proposals for Internal audit, and we confirm that our Proposals in e-procurement portal is valid for a period of 90 days from(Proposal Due Date)

Yours faithfully,

.....
(Signature of the Authorised Signatory of CA Firm)

.....
(Name and designation of the Authorised Signatory of CA Firm)

APPENDIX - B

Format for Power of Attorney for Signing of Proposal

(On stamp paper of appropriate value)

POWER OF ATTORNEY

Know all men by these presents, we (name and address of the registered office) do hereby constitute, appoint and authorize Mr./Ms. (name and residential address) who is presently employed with us and holding the position of as our or attorney, to do in our name and on our behalf, all such acts, deeds and things Necessary in connection with or incidental to our bid for the project envisaging providing services of Internal audit of Samagra Shikshana – Karnataka for the year 2020-21 & 2021-22, of all documents and providing information / responses to the SAMAGRA SHIKSHANA - KARNATAKA, representing us in all matters before SAMAGRA SHIKSHANA - KARNATAKA, and generally dealing with SAMAGRA SHIKSHANA - KARNATAKA in all matters in connection with our bid for the said Project.

We hereby agree to ratify all acts, deeds and things lawfully done by our said attorney pursuant to this Power of Attorney and that all acts, deeds and things done by our aforesaid attorney shall and shall be deemed to have been done by us.

These powers are granted by us and shall remain in force till the end and expiry of all the contract period and the fulfillment of contractual obligations and liabilities.

For

.....

.....

(Signature)

.....

(Name, Title and Address)

Accepted

.....

(Signature)

.....

(Name, Title and Address of the Attorney)

Note:

1. The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required the same be under common seal affixed in accordance with the required procedure. The Power of Attorney should be on a stamp paper of Rs. 200.
2. Also, wherever required, the CA Firm should submit for verification the extract of the charter documents such as a resolution/power of attorney in favour of the Person executing this Power of Attorney for the delegation of power hereunder on behalf of the CA Firm.
3. In the event of PA holder leaves his employment, the power of attorney should be given to the person filling his place without lapse of time.
4. The Power of Attorney should be notarized.

APPENDIX - C**List of Offices to be internal audited**

Sl no	Offices to be internal audited	Bangalore	Mysore Division	Belgaum Division	Gulbarga Division	TOTAL
1	Office of the State Project Director, Bangalore (SSA, RMSA & TE)	1	NA	NA	NA	1
2	Office of the Director, Department of School Educational Research and Training, Bangalore (SSA, RMSA & TE)	1	NA	NA	NA	1
3	Karnataka State Quality Assessment and Accreditation Council , Bangalore (SSA, RMSA & TE)	1	NA	NA	NA	1
4	Office of the Director, State Institute of School Leadership and Educational Planning, Bangalore	NA	NA	1	NA	1
3	Office of the DDPI & DYPC, of all the districts	10	8	8	8	34
4	Office of the Principal, District Institute of Education and Training (SSA & RMSA & TE)	10	8	8	8	34
5	Office of the Principal, Collegiate Teachers Education, (RMSA, SSA and TE)	1	2	1	2	6
6	Office of the Director, Karnataka Text Book Society, Bangalore	1	NA	NA	NA	1
7	Block Resource Centers, at Taluks of all the districts (SSA & RMSA & TE)	52	53	53	46	204
8	KGBV Type 1, 2 & 3	11	9	9	42	71
9	KGBV Type – 4	12	9	9	40	70
10	Specific Category Residential School	2	2	1	0	5
11	Model Schools	12	13	9	39	73
12	KKGBV	22	14	15	35	86
13	Government High Schools (RMSA & VE)	61	67	54	82	264
14	Government Upper Primary Schools and Lower Primary Schools.	687	488	457	544	2176
15	VE (NSQF)	55	41	30	24	150
16	Karnataka Public School	97	62	72	45	276
17	Agasthya Foundation	1	NA	NA	NA	1

APPENDIX-D**DECLARATION**

(Please submit the declaration in this format for each personnel separately)

Salary paid details to the Audit staff and Semi- qualified assistants

Name of the personnel		
Semi Qualified Assistant or Audit Staff		
Sl.no	Salary for the Month	Date of salary debited in Bank account of the CA Firm
2	Jan- 2020	
3	Feb- 2020	
4	Mar- 2020	
5	Apr-2020	
6	May-2020	
7	Jun- 2020	

I hereby declare that the information mentioned above is as per the Best of my Knowledge and the records available with the firm.

Name of the fi

Signature of the Partner/Proprietor

Place:

Date:



Seal of the firm

APPENDIX - E

**FORMAT OF CURRICULUM VITAE (CV) FOR
PROPOSED KEY PROFESSIONAL STAFF**

Proposed Position: _____

Name of Consultant: _____

Name of Staff: _____

Profession: _____

Date of Birth: _____

Years with Firm/Entity: _____ Nationality: _____

Membership in Professional Societies:

Detailed Tasks Assigned: _____

Key Qualifications:

[Give an outline of staff member's experience and training most pertinent to tasks on assignment. Describe degree of responsibility held by staff member on relevant previous assignments and give dates and locations. Use about half a page.]

Education:

[Summarize college/university and other specialized education of staff member, giving names of schools, dates attended, and degrees obtained. Use about one quarter of a page.]

Employment Record:

[Starting with present position, list in reverse order every employment held. List all positions held by staff member since graduation, giving dates, names of employing organizations, titles of positions held, and locations of assignments. For experience in last ten years, also give types of activities performed and client references, where appropriate. Use about two pages.]

Languages:

[For each language indicate proficiency: excellent, good, fair, or poor; in speaking, reading, and writing]

Certification:

I, the undersigned, certify that to the best of my knowledge and belief, these data correctly describe me, my qualifications, and my experience.

Signature of the **staff member** and **authorized representative** of the CA Firm

Full name of the Staff member:-

Full name of the Authorised representative. :-

Date:

Place:

APPENDIX – F

**WORK PLAN & METHODOLOGY FOR
CONDUCT OF INTERNAL AUDIT**

Samagra Shikshana - Karnataka**TERMS OF REFERENCE FOR APPOINTMENT OF A CHARTERED
ACCOUNTANT FIRM FOR INTERNAL AUDIT OF ACCOUNTS OF SAMAGRA
SHIKSHANA OF KARNATAKA STATE FOR THE YEAR 2019-20 & 2020-21
(FINANCIAL INTERNAL AUDIT)****1. BACKGROUND**

1.1 The SAMAGRA SHIKSHANA KARNATAKA is a society proposed to be registered which is implementing the centrally sponsored Programme of Samagra Shikshana to attain the goal of Universalization of Elementary Education in all the districts of Karnataka State for which funds are shared between the Government of India and State Government in the ratio of 60:40. The proposed society will be an integrated scheme of erstwhile, Elementary Education Secondary Education and Teacher Education,

2. OBJECTIVES

Internal audit is a control that functions by examining and evaluating the adequacy and effectiveness of other controls throughout the organization. The objective of the current internal audit is to seek a professional opinion on the financial position of programme. The internal auditor should also ensure that the funds received, expenditure incurred for the accounting period are in accordance with the laid down financial regulations, procurement procedures and other orders issued from time to time and the proper accounts are maintained at all levels.

3. SCOPE

Expenditure is incurred against various activities approved in the Annual Work Plan & Budget from funds released by the Government of India and the State Government covering the programme cost. A statement of expenditure based on actual amount spent under various interventions is sent to Government of India. The C.A. firm is required to exercise such tests of accounting records, internal checks and control and other necessary internal audit of the accounts as per general principles and standard of internal audits of the Institute of Chartered Accountant of India. In conducting the Internal audit, attention should be given to the following:

- 3.1 The internal audit activities should include payment internal audit as well as independent appraisals of the financial, operational and control activities of the program.
- 3.2 The responsibilities of the internal auditor should include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and State Government procedures.
- 3.3 All funds have been used in accordance with the condition of the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purpose for which the financing was provided.

- 3.4 Generally accepted accounting principles are followed by all entities who are authorized to incur expenditure under Samagra Shikshana. The CA firm shall also comment whether Mercantile system of Accounting followed in SPO/DPO/BRC etc, and whether Cash system of accounting is followed at School level.
- 3.5 Goods, works and services financed have been procured in accordance with relevant provisions of the Procurement Procedure prescribed for the purpose. Proper documents, namely, purchase orders, tender documents, invoices, vouchers, receipts, pay bills, TA bills etc. are maintained and linked to the transactions and retained till the end of the Programme.
- 3.6 All necessary supporting documents, records and accounts have been kept in respect of all programme expenditure including expenditure covered by Statement of Expenditure. Clear linkages should exist between the books of accounts and reports presented to the Government of India and the State Government.
- 3.7 Expenditure incurred under Samagra Shikshana is strictly in accordance with the financial norms prescribed in the Samagra Shikshana framework or any other clarifications issued from time to time. The expenditure statements / financial statements included in the statement of expenditure of the relevant period represent a true and fair view or implementation and operations of the programme at the end of the financial year and of resources and expenditure for the year ended on that date.
- 3.8 Expenditure incurred with reference to the budget allocation approved by the PAB. In case the budget allocation is exceeded proper re-appropriation duly approved by the competent authority has been obtained.
- 3.9 Samagra Shiksha funds are used efficiently and economically to the purpose for which they are intended.
- 3.10 Reconciliation of Bank Statements and accounts is regularly carried out on monthly basis.
- 3.11 Internal audit should be conducted at DPO, DIET, Block, KGBV and SDMC Level with 100% of the transactions to the satisfaction of the State Project Director being the reviewing authority of SSA.
- 3.12 The statement showing receipts and payments of each intuitions should be submitted along with the institution wise internal audit report.
- 3.13 The work of internal audit team will be reviewed periodically by the State Project Director or his representatives.
- 3.14 The CA FIRM hereby agrees to abide by all statutory requirements regarding payment of remuneration to the Audit team under minimum wages act and payment of PF and ESI benefits as per existing rules.

- 3.15 The CA FIRM hereby agrees to improve the quality of the functioning of the institutions so as to reduce the criticisms of the department by Statutory auditors and Public Accounts Committee.
- 3.16 The CA Firm hereby agrees to play corrective role by pointing out the mistakes and ensure providing remedies without loss of time.
- 3.17 The CA Firm agrees to complete the internal audit of all the implementing Offices including Schools and submit internal audit report:-
- 3.17.1 For the period 01/04/2020 to 31/03/2021 within in the time. In case the CA Firm fails to submit the Internal Audit Reports within due dates the CA Firm will be liable for penalty as per 5.2 of GCC.
- 3.17.2 For the period 01/04/2020 to 30/09/2020 I and II (for FY 2020-21 only) both quater within 15/11/2020. In case the CA Firm fails to submit the Internal Audit Reports within due dates the CA Firm will be liable for penalty as per 5.2 of GCC.
- 3.17.3 For the period 01/10/2020 to 31/12/2020 within 15/02/2021. In case the CA Firm fails to submit the Internal Audit Reports within due dates the CA Firm will be liable for penalty as per 5.2 of GCC.
- 3.17.4 For the period 01/01/2021 to 31/03/2021 within 15/05/2021. In case the CA Firm fails to submit the Internal Audit Reports within due dates the CA Firm will be liable for penalty as per 5.2 of GCC
- 3.18 The Monthly/Quarterly /Annual statement of receipts and expenditure of each unit office duly signed by the officers should be submitted along with the financial position stated in the Internal audit report. In addition to this cumulative expenditure against the approved activities for the year as well as since inception against the grants provided for the purpose.
- 3.19 Discrepancies noticed in the Internal audit should be properly highlighted with all the relevant details, after examining the connected records suggesting the remedial measures to be taken for their non recurrence. If any implementing Offices faces any technical difficulties in implementing the remedial measures, suggestive corrected remedial measures has to be suggested and get the issue resolved within the next 24 hours.
- 3.20 Any internal audit enquiries issued by the internal auditor to the heads of the offices and a copy of the same should be submitted to the DDPI & DPO for appropriate action. Any serious or grave irregularities noticed during Internal audit should be reported to District Project Offices with a copy to State Project Director through a special internal audit report for immediate further action.

- 3.21 To ensure utilization certificate submitted by the heads of offices or agreeing with actual receipts and payments based on books of accounts.
- 3.22 Completion of civil works based on accounts records with references to statement of receipts and payments with approved resolutions of the competitive authorities. The cases of Civil works in progress, completed and non-started should be detailed with annexure in respect of each case.
- 3.23 The position of General Advances to the Officials to conduct Seminar, Workshop, meeting etc. should be settled and outstanding adjustment relating to each case examined and special para in this regard should be detailed with annexure.
- 3.24 The CA Firm agrees to ensure and verify the settled advances given by the implementing offices by submitting the details of expenditure together with vouchers and returning the unspent cash balances to the sanctioning office. Ensure that the advances should not be directly charged as expense without obtaining Utilisation certificate.
- 3.25 The CA Firm should also recommend to drop the previous outstanding internal audit paras, if the evidences and supporting documents are relevant and satisfactory and ensure the same is updated in the Internal Audit Watch register from inception.
- 3.26 The CA Firm shall verify the Fixed Assets and ensure the same is recorded in the Fixed Asset Register
- 3.27 The CA Firm shall verify the Bank Reconciliation statement and authenticate the cash book for the year ended 31/03/2021.
- 3.28 Bank confirmation regarding closing balance of each account opened should be furnished along with the bank pass statement or extract. Ensure whether the list of Bank accounts of all the units in the districts is prepared and submitted to the concerned offices.
- 3.29 Security deposit register regarding EMD and Performance Security maintained with all details therein indicating the position of outstanding cases analysed with reasons duly checked with records.
- 3.30 Ensure whether the Bank Guarantee submitted by the Vendors are not expired and renewal actions are taken by the implementing Offices from time to time.
- 3.31 The activities of the programme which are not in operation to be highlighted and action taken to close the updated bank account and surrender the amount to the SPD.

3.32 To ensure the incorporation of expenditure paid through treasury (RTE & Salary components) in the receipts and payments account of the respective units.

3.33 Internal audit of Expenditure

3.33.1 HRMS Salary Expenditure incurred by Implementing Officers directly through Department of Treasuries, Government of Karnataka, shall be verified and ensured that it is reconciled with Form 62 B with books of accounts of implementing offices on monthly basis and same is reported in the financial statements

3.33.2 The expenditure incurred through PFMS/NEFT etc shall be verified with reference to the budget allocation approved by the PAB. The CA Firm shall point out the activity wise expenditures that exceeds the budget allocation. In case the expenditure incurred, exceeds the budget allocation, the CA firm shall ensure whether re-appropriation of budget duly approved by the competent authority has been obtained.

3.34 Ensure whether the releases and payments in Samagra Shikshana Programme is made through Public Finance Monitoring System at an acceptable level considering the no.of units in the scheme.

3.35 Ensure whether the books of accounts of Implementing Offices are maintained in Tally Software at an acceptable level considering the no. of units in the scheme with mercantile system of accounting.

3.36 Verification of the statement of releases and expenditure of Right to education, as approved by the PAB for the year 2020-21 & 2021-22 as per rules prescribed by the RTE Act.

3.37 Samagra Shikshana funds are used efficiently and economically to the purpose for which they are intended.

3.38 The report on compliance verification of outstanding internal audit objections with clear specific opinion on their clearance to be furnished separately under the heading previous internal audit.

3.39 Books of Accounts subject to Internal audit under Samagra Shikshana Programme

3.39.1 State/District/Block Level Implementing Offices (MERCANTILE SYSTEM)

1. Cash Book
2. Ledger
3. Journal
4. Register of Advances
5. Register of Bank drafts received
6. Cheque issue register/PPA Mode Register
7. Bank Pass Book/Bank statement
8. Bank Reconciliation Statement
9. Register of bank drafts dispatched

10. Bill Register
11. Establishment Register
12. Stock Register
 - o Capital Goods
 - o Non-consumable articles
 - o Consumable articles
4. Register of works
5. Register of grants of advances to/NGOs/Voluntary Agencies/Vendors
6. Fixed Assets Register
7. Monthly accounts of Receipts and Payments
8. Temporary Advance Register
9. Dispatch Register
10. File Register

ii) School Level Implementing Offices (CASH SYSTEM)

1. Cash Book
2. Ledger
3. Cheque Issue Register
4. Bank Pass Book/Bank statement
5. Bank Reconciliation Statement
6. Monthly accounts of Receipts and Payments
7. Fixed Assets Register
8. Stock Register
 - a. Capital Goods
 - b. Non-consumable articles
 - c. Consumable articles

- 3.37 The C.A. firm appointed for the internal audit should look into the position of internal audit compliance of previous internal audit objections raised shall be mentioned in Part I of the Internal audit Report, if any. The compliance recommended to be dropped by the DDPI & DYPC of the districts and in turn dropped by the internal auditors will be further placed in the Audit Committee and finally dropped paras status shall be submitted to Executive Committee. The Internal auditors shall facilitate such process by reporting the status of internal audit Observations dropped in specified format. (Annexure- XVII) of FMP Manual
- 3.38 The C.A. firm appointed for the internal audit should be required to take into consideration of EMD, Advance and other closing balances of previous year Books of accounts while auditing the Books of accounts of the implementing agencies.
- 3.39 The internal audit should cover the accounts of State Implementing Society, all district project offices, BRCs, CRCs etc and 5% of the o. of schools, except that Schools/VECs,KGBV Type-1 & 4, VE, KKGBV receiving more than Rs. 1.00 lakh per year be included in the 5% of the no. of schools under CRC. The total number of VECs/SDMCs covered in internal audit should be indicated in the internal audit report. The name of the schools to be audited will be given at the time of agreement.

- 3.40 The C.A.Firm will be responsible for the above mentioned scope of work to which they are appointed.
- 3.41 The Internal auditors should visit to DPO's and conduct Entry Conference before the commencement of the internal audit and conclude the internal audit with Exit conference at the DPO and DSERT.
- 3.42 The CA firm should verify whether 7.27 of the Financial manual & procurement Manual of Samagra Shikshana Karnataka regarding Non Government Organizations.
- 3.43 The Internal Auditor should sign the Books of accounts audited and sign in the documents audited.

4. INTERNAL AUDIT REPORT/OPINION

4.1 Immediately upon completion of the internal audit, the internal auditor should submit their report indicating the results of his review of the schemes. All the discrepancies noticed in the schemes on utilization of funds as per the prescribed norms, financial accounts, procurement, bank reconciliation etc. should be included in the report submitted to the implementing offices and a copy to State Project Director.

4.2 Major discrepancies noticed in the Internal audit should be reported to DSERT in case of Teachers Education for taking necessary remedial measures and in case of SSA & RMSA scheme, it should be reported to DPO for taking necessary action with a copy to the State Project Director. Records of all internal audit objections should be kept in the DPO and DIET.

5. GENERAL

- 5.1 The internal auditor should be given access to all legal documents, books of accounts, procurement documents, correspondence and any other information associated with the programme and deemed necessary by the internal auditor in all the implementing Offices.
- 5.2 The State Project Director or Officers of SSA deputed by him will give surprise visits to places where Internal audit is being conducted and check whether the staff engaged in Internal audit are having required qualification and experience as furnished by the firm.
- 5.3 Any Changes in the constitution of the LLP/Firm/Sole Proprietorship firm has to be intimated to the State Project Director within 15 days of such changes in constitution.
- 5.4 The District Project Office/DIET and Block Resource Centers of each district shall facilitate the internal auditors for the conduct of internal audit of such district. The Internal audit plan shall be made by the internal auditors in co-ordination with the District Project Offices/DIET.
- 5.5 The Internal audit has to be commenced by the CA Firms only after the communication with the District Project Offices and DIET with an intimation to the SPO and DSERT regarding the commencement of the Internal audit with entry conference.

- 5.6 The entire responsibility of the internal audit process in the district, submitting the compliances to the internal auditor's observations and completion of the internal audit within the stipulated period rests with the District Project Offices and DIETs. The Internal auditor shall communicate with the District Project Offices in this regard with a copy to State Project Director.
- 5.7 The Compliances for the previous period internal audit observations shall be submitted by the District Project Offices and DIETs for which the internal auditor shall recommend to drop if it is appropriate.
- 5.8 The Internal auditors shall Conduct the 5% of H & L Primary schools, RMSA Schools in a district, selected and intimated by the District Project Offices to the Internal auditor during the time of agreement. Further the Internal Auditors shall conduct 100% of KGBV Type –I , KGBV Type – 4, Model Schools, Vocational Education Schools and KKGBV & KPS schools.
- 5.9 The Semi qualified Assistants and Internal audit Staffs mentioned in the Technical Proposals only shall conduct the internal audit of Offices.
- 5.10 An Identity Card to be issued to the Internal audit Personnel by the C.A Firms and DPO confirming their identity to which C.A Firm the staffs belong.
- 5.11 The commencement and completion of internal audit has to be concluded within the period mentioned in the calendar of events 2.3 of GCC.
- 5.12 Give comments and observations on the accounting records, systems, and internal controls that were examined during the course of the internal audit;
- 5.13 Identify specific deficiencies and areas of weakness in systems and internal controls and make recommendations for their improvement;
- 5.14 Report on the degree of compliance of each of the financial covenants of the financing agreement and give comments, if any, on internal and external matters affecting such compliance;
- 5.15 Communicate matters that have come to the attention during the internal audit which might have a significant impact on the implementation of the programme; and
- 5.16 Bring to the Implementing Agencies' attention any other matters that the internal auditor considers pertinent.

6. KEY PERSONNEL

- 6.1 The key personnel in the internal audit team, their qualifications mentioned in 8.1.4 and 8.1.5 of the Request for proposal, and their additional anticipated decorum are indicated below:

- 6.1.1 The internal audit team should be led a Chartered Accountant with a minimum 5 years experience in internal audit.
- 6.1.2 The internal audit team should include sufficient number of appropriate staff (Semi Qualified Assistants and other internal audit staff), commensurate with the size and scope of the assignment.
- 6.1.3 The Internal audit team of the CA Firms will be given an ID Card jointly issued by DPO and CA firm of each division at the time of entry conference to be held at each district head quarter.
- 6.1.4 The Key Personnel should be covered under appropriate Insurance by the employer (CA Firm) from the date of commencement of internal audit up to completion of the internal audit by the key personnel. The relevant official document has to be submitted before commencement of the internal audit to the district project offices as per GCC 3.4
- 6.1.5 On satisfactory completion of the assignment given to the CA firms, the appointment of the CA Firms as Internal Auditors will be further continued for the year 2020-21 also.

General Conditions of Contract

1. General provisions

1.1 Definitions

Unless the context otherwise requires, the following terms whenever used in this contract have the following meanings;

- a) “Applicable Law” means the laws and any other instruments having the force of law in India, as they may be issued and in force from time to time;
- b) “BRC” means Block Resource Centres.
- c) “CA Firm” means C & AG empanelled Chartered Accountants
- d) “Client” means State Project Director, Samagra Shikshana, Karnataka.
- e) “Contract” means the contract signed by the parties, to which these general conditions of contract (GCC) are attached;
- f) “DPO” means District Project Office.
- g) ‘DIET’ means District Institute of Education and Training
- h) “DSERT” Department of School Educational Research and Training
- i) “Effective Date” means the date on which this contract comes into force and effect pursuant of Clause GCC 2.1.
- j) “Contract Price” means the price to be paid for the performance of the services.
- k) “GCC” means these General conditions of contract;
- l) “Government” means the Government of Karnataka;
- m) “Key Personnel” means, Personnel hired by the CA Firm as employees and assigned to the conduct the internal audit or any part thereof; and ‘key personnel’ means the personnel referred to in Clause GCC 6.2 (a)
- n) “Local Currency” means Indian Rupee;
- o) “MHRD” means Ministry of Human Resource Development
- p) “SSK” means Samagra Shikshana -Karnataka
- q) “SPD” means State Project Director
- r) “SPO” means State Project Office”
- s) “SISLEP” means State Institute of School leadership and Educational Planning
- t) “Party” means the client or the Chartered Accountants as the case may be, and parties means both of them;
- u) “Services” means the work to be performed by the Chartered Accountants pursuant to this contract as described in Terms of Reference.

1.2 Law Governing the contract

This contract, its meaning and interpretation, and the relation between the parties shall be governed by the Applicable Law.

1.3 Language

The contract has been executed in English language, which shall be the binding and controlling language for all matters relating to the meaning or interpretation of this contract agreement only.

1.4 Notices

Any notice, request or consent made pursuant to this contract shall be in writing and shall be deemed to have been made when delivered in person to an authorized representative of the party to whom the communication is addressed, or when sent by registered mail, telex, telegram or facsimile to such party at the address specified.

1.5 Location

The Services shall be performed at such locations as are specified in Appendix C and, where the location of a particular task is not so specified, at such locations, in Karnataka, as the Client may approve.

1.6 Authorised Representatives

Any action required or permitted to be taken, and any document required or permitted to be executed, under this Contract by the Client or the CA Firm may be taken or executed by the officials specified in the Power of Attorney submitted by the CA Firm and the State Project Director, Samagra Shikshana Karnataka.

1.7 Taxes and Duties

The CA Firms shall pay taxes, duties, fee and other impositions as may be levied under the applicable law, the amount of which is deemed to have been included in the contract price.

The consideration payable under this assignment by the State Project Director, Samagra Shikshana Karnataka, to the CA firms shall be paid after deducting IT TDS under section 194 J of Income Tax act 1961 and GST TDS under section 51 of the CGST act 2017.

GST shall be levied for the services provided by the CA firm as per the Rate of GST fixed by the GST Council. With respect to payment of Indirect Tax/GST in case of the Change in rate of tax in respect of Supply of service will be subject to the provisions of Section 14 of CGST Act 2017.

2 Commencement, Completion, Modification and Termination of contract**2.1 Effectiveness of Contract**

2.1.1 This contract shall come into effect on the date the contract is signed by both the parties or such other latter dates as may be stated by the clients.

2.2 Commencement of Services

2.2.1 The CA Firms shall begin carrying out the services as per the calendar of events specified in clause 2.3 of GCC.

2.2.2 The CA Firm should conduct the internal audit at the respective Project Implementing Offices and in case of School Internal audit, the CA Firm should conduct the internal audit at Cluster Resource Centers of the districts.

2.3 Calendar of events for conduct of internal audit and submission of Internal audit Report.

2.3.1 The period mentioned below is pertaining to the calendar year of Internal audit in which the internal audit work is being undertaken for the previous financial year accounts:

2.3.2 Commencement of the Internal Audit work from the date mentioned in the agreement.

Submission of Internal audit Report of each District :-

- Internal Audit Report from 01/04/2020 to 30/09/2020 I and II both with in 15/11/2020.
- 3rd quarter Internal Audit Report from 01/10/2019 to 31/12/2020 with in 15/02/2021.
- 4th quarter Internal Audit Report from 01/01/2021 to 31/03/2021 with in 15/05/2021.

2.4 Modification

Modification of the terms and conditions of this contract, including any modification of the scope of the services or of the contract price, may only be made by written agreement between the parties.

2.5 Force Majeure

2.5.1 Definitions

For the purpose of this contract “Force Majeure” mean an event which is beyond the reasonable control of a party, and which makes a party’s performance of its obligations under the contract impossible or so impractical as to be considered impossible under the circumstances.

2.5.2 No Breach of contract

The failure of a party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under this contract in so far as such inability arises from an event of force majeure, provided that the party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this contract, and (b) has informed the other party as soon as possible about the occurrence of such an event.

2.5.3 Extension of Time

Any period within which a party shall, pursuant to this contract, complete any action or task, shall be extended for a period equal to the time during which such party was unable to perform such action as a result of Force Majeure.

2.5.4 Payments

During the period of their inability to perform the service as a result of an event of force majeure, the CA Firm shall be entitled to continue to be paid under the terms of this Contract, as well as to be reimbursed for additional costs reasonably and necessarily incurred by them during such period for the purposes of the Services and in reactivating the Service after the end of such period.

2.6 Suspension

The Client may by written notice of suspension to the CA Firms, suspend all payments to the CA Firm here under if the CA Firm fail to perform any of their obligations under this contract, including the carrying out of the Services, provided that such notice of suspension (i) shall specify the nature of the failure, and (ii) shall request the CA Firms to remedy such failure within a period not exceeding thirty (30) days after receipt by the CA Firms of such notice of suspension.

2.7 Termination

2.7.1 By the Client

The Client may terminate this Contract, by not less than thirty (30) days' written notice of termination to the CA Firms, to be given after the occurrence of any of the events specified in paragraphs (a) through (d) of this Clause 2.7.1 and sixty (60) days' in the case of the event referred to in (e):

- a) If the CA Firms do not remedy failures in the performance of their obligations under the contract, within thirty (30) days of receipt after being notified or within such further period as the client may have subsequently approved in writing;
- b) if the C & AG / State AG, Chartered Accountants (or any of their Members) become insolvent or bankrupt;
- c) if, as the result of Force Majeure, the CA Firms are unable to perform a material portion of the Services for a period of not less than sixty (60) days; or
- d) if the CA Firms, in the judgment of the Client has engaged in corrupt or fraudulent practices in competing for or in executing the Contract.

For the purpose of this clause:

“corrupt practice” means the offering, giving, receiving or soliciting of anything of value to influence the action of a public official in the selection process or in contract execution.

“fraudulent practice” means a misrepresentation of facts in order to influence a selection process or the execution of a contract to the detriment of GOK, and includes collusive practice among CA Firms (prior to or after submission of proposals) designed to establish prices at artificial non-competitive levels and to deprive GOK of the benefits of free and open competition.

- e) If the client, in its sole, discretion and for any reason whatsoever, decides to terminate this contract.

2.7.2 By the CA Firms

The CA Firms may terminate this contract, by not less than thirty (30) days' written notice to the client, such notice to be given after the occurrence of any of the events specified in paragraphs (a) and (b) of this clause.

- a) If the client fails to pay any money due to the CA Firms pursuant to this contract with in forty-five (45) days after receiving written notice from the CA Firms that such payment is overdue;
- b) If the client is in material breach of its obligations pursuant to this contract and has not remedied the same with in forty-five (45) days (or such longer period as the CA Firms may have subsequently approved in writing) following the receipt by the client of the CA Firms notice specifying such breach;

2.7.3 Payment upon Termination

Upon termination of this contract pursuant to clauses GCC 2.7.1 or GCC 2.7.2 hereof, the client shall make the following payments to the CA Firm (after offsetting against these payments) any amount that may be due from the CA Firm to the client.

- a) Remuneration pursuant to clause GCC 4 hereof for services satisfactorily performed prior to the effective date of termination.
- b) Except in the case of termination pursuant to paragraphs (a) through (b) of clause GCC 2.7.1 hereof, reimbursement of any reasonable cost incident to the prompt and orderly termination of the contract.

2.7.4 Disputes about events of termination

If either party disputes whether an event specified in paragraphs of clause GCC 2.7.1 or in clause GCC 2.7.2 hereof has occurred, such party may, within forty-five (45) days after receipt of notice of termination from the other party, refer the matter to arbitration pursuant to clause GCC 6 hereof, and this contract shall not be terminated on account of such event expect in accordance with the terms of any resulting arbitral award.

2.7.5 Cessation of Rights and Obligations

Upon termination of this Contract pursuant to Clause GC 2.7 , or upon expiration of this Contract pursuant to Clause GC 2.8, all rights and obligations of the Parties hereunder shall cease, except :

- (i) such rights and obligations as may have accrued on the date of termination or expiration;
- (ii) the obligation of confidentiality set forth in Clause GC 3.2 hereof;
- (iii) any right which a Party may have under the Applicable Law.

2.7.6 Cessation of Services

Upon termination of this Contract by notice of either Party to the other pursuant to Clauses GC 2.7.1 or GC 2.7.2 hereof, the CA Firm shall, immediately upon dispatch or receipt of such notice, take all necessary steps to bring the Services to a close in a prompt and orderly manner and shall make every reasonable effort to keep expenditures for this purpose to a minimum. With

respect to documents prepared by the CA Firm, they Shall proceed as provided, respectively, by Clauses GC 3.3

2.8 Expiration of the Contract

2.8.1 Unless terminated earlier pursuant to Clause 2.7, this Contract shall terminate at the end of such time period after the effective date as may be specified later in the agreement.

2.9 Completion of the Contract

2.9.1 The contract will be completed after submission of the Statutory Audit Report and Audited Utilization Certificate to MHRD by the Client.

3. Obligations of the CA Firms

3.1 General

3.1.1 The CA Firms shall perform the services and carry out their obligations here under with all due diligence, efficiency and economy, in accordance with generally accepted professional techniques and practices, and shall observe sound management practices, and employ appropriate advanced procedures and safe methods. The CA Firm shall always act, in respect of any matter relating to this contract or to the services, as faithful advisers to the client, and shall at all times support and safeguard the client's legitimate interests. The Chartered Accountants who has signed the contractual agreement with the client should only conduct the work of internal audit as required and shall not sub-let the work of internal audit to any other firms or other Chartered Accountants.

3.2 Confidentiality

3.2.1 The CA Firms their personnel or either of them shall not, either during the term or within two (2) years after the expiration of this contract, disclose any proprietary or confidential information relating to the project, the services, this contract or the client's business or operations without the prior written consent of the client.

3.2.2 Documents prepared by the CA Firms to be the property of the client.

3.2.2.1 All reports, other documents, data and excel worksheets prepared by the CA Firms for the client under this contract shall become and remain the property of the client, and the CA Firms shall not later than upon termination or expiration of this contract, deliver all such documents to the client.

3.3 Documents Prepared by the CA Firms to Be the Property of the Client

3.3.1 All plans, reports and other documents data and excel worksheets submitted by the CA Firms in accordance with Terms of Reference shall become and remain the property of the Client, and the CA Firms shall, not later than upon termination or expiration of this Contract, deliver all such documents and software to the Client, together with a detailed inventory thereof.

The CA Firms may retain a copy of such documents and software. Restrictions about the future use of these documents, if any, shall be specified in the SC.

3.4 Insurance to Be Taken out by the CA firms

3.4.1 The CA Firms (a) shall take out and maintain, insurance coverage at their own cost own cost but on terms and conditions approved by the Client. (b) at the Client's request, shall provide evidence to the Client showing that such insurance has been taken out and maintained and that the current premiums have been paid.

3.5 CA Firms Actions Requiring Client's Prior Approval

3.5.1 The CA Firms shall obtain the Client's prior approval in writing before taking any of the following actions:

- a) appointing such members of the Personnel not listed by name in Annexure A1 to A4, and
- b) any other action that may arise from time to time.

3.6 Reporting Obligations

3.6.1 CA firm shall comply the reporting obligations as specified in Clause - 3, 4, 5, and 6 of the Terms of reference and applicable reporting obligation in the Internal auditing Chapter of the FMP Manual.

4 Payment

4.1 Payment Professional fees will be made according to the below mentioned table on submission of Internal Audit Report & Financial Statements duly verified by Chief Accounts Officer and accepted by State Project Director of Samagra Shikshana – Karnataka :-

Table:- (4)(1)(A)

Implementing Offices	Period of the Report	Due Date for submission of Reports	Percentage of Payment	Penalty for Delay in Submission	Conditions for payment
All Offices including SSA & RMSA Schools	2 nd Quarter ending Sep-2020	15/11/2020	25 % of the Professional Fees for each office	0.5% per week of the Professional fees for each office.	Submission of the respective Internal Reports along with

					Tax invoice
					Fulfilment of conditions mentioned in 4.2 of the GCC
All Offices including SSA & RMSA Schools	3rd Quarter ending Dec-2020	15/02/2021	25 % of the Professional Fees for each office	0.5% per week of the Professional fees for each office.	Submission of the respective Internal Reports along with Tax invoice
All Offices except SSA & RMSA Schools	4th Quarter ending March 2021	15/05/2021	25% of the Professional Fees for each office	0.5% per week of the Professional fees for each office.	Submission of the respective Internal Reports along with Tax invoice
			Balance 25 % of the Professional Fees for each office		Fulfilment of conditions mentioned in 4.2 of the GCC

4.2 The payment of remaining 25% professional fees to the CA firms will be paid subject to fulfilment of the following conditions:-

- 4.2.1 The Statutory Auditors should have submitted the Consolidated Programme Financial Statements and Consolidated audit Report with Utilisation Certificates to the State Project Director, Samagra Shikshana, and Karnataka and in turn submitted to MHRD.
- 4.2.2 Fulfilment of the Reporting Obligations 3.6 of GCC by the CA Firms.
- 4.2.3 In the circumstances where Internal audit Report is not in pari passu with the scope of work specified at Sl. No (3) of the Terms of Reference, the State Project Director, Samagra Shikshana Karnataka is entitled to forfeit the internal audit fees to the CA firms which has not covered the scope of work (Sl.no 3 of Terms of reference).

5. Payments to the CA Firms

5.1 Currency of payment:

All payments shall be made in India Rupees.

5.2 Penalty Clause:

5.2.2 The CA Firms which signs the agreement with the client and if the CA Firms which fails to adhere to the calendar of events specified at 2.3 of G.C.C, ppenalty will be levied on the CA Firms @ 0.5 % per week as per 4.1 of the GCC subject to a maximum of 10% of the Financial Proposal. For calculation of 1 Week, a delay of 1- 6 days will be considered as 1 week and also complete delay of 7 days will also be considered as 1 week.

5.3 Cost Estimates:

5.3.1 To conduct the internal audit of the implementing offices specified in Financial Proposal mentioned separately for each District

5.3.2 Please note that the State Project Director, Samagra Shikshana Karnataka, Bangalore, is at full liberty to reject the Contract without assigning any reason. Further, as quality is the principal selection criterion, the State Project Director, Samagra Shikshana, Karnataka, Bangalore is not bound in any way to select the firm offering the lowest price.

5.3.3 The Financial proposal quoted in the e-procurement portal will be deemed to be final in circumstances where the amount is different in the signed copy of the financial proposal if uploaded and the amount mentioned in the e procurement portal.

6 Key Personnel

6.1 Description of Personnel

The titles, agreed job descriptions, minimum qualifications and estimated periods of engagement in the carrying out of the Services of the CA Firms “Key Personnel” mentioned in Annexure- A1 to A4 of the Technical Proposal. The Key Personnel listed by title as well as by name in Annexure- A1 to A4 of the Technical Proposal are hereby approved by the Client.

6.2 Removal/Replacement of Personnel

- (a) Except as the Client may otherwise agree, no changes shall be made in the Key Personnel. If, for any reason beyond the reasonable control of the CA Firm, it becomes necessary to replace any of the Key Personnel, the CA Firms shall forthwith provide as a replacement of a person of equivalent or better qualifications.
- (b) If the Client finds that any of the Personnel have (i) committed serious misconduct or has been charged with having committed a criminal action, or (ii) have reasonable cause to be dissatisfied with the performance of any of the Personnel, then the CA Firms shall, at the Client's written request specifying the grounds therefore, forthwith provide as a replacement a person with qualifications and experience acceptable to the Client.
- (c) The CA Firm shall have no claim for additional costs arising out of or incidental to any removal and/or replacement of Personnel.

7 Settlement of Disputes

7.3 Amicable settlement

The parties shall use their best efforts to settle amicably all disputes arising out of or in connection with this contract or the interpretation thereof.

7.4 Dispute Settlement

Any dispute between the parties as to matters arising pursuant to this contract which cannot be settled amicably within thirty (30) days after receipt by one party of the party's request for such amicable settlement may be submitted by either party for settlement as per the provisions of The arbitration and conciliation act, 1996 as amended by the Arbitration and Conciliation (Amendment) act, 2015. The jurisdiction for the proceedings shall, unless otherwise agreed by the parties, be held in Bangalore.

Formats of Internal Audit Assignment

Annexure - XIV

Samagra Shiksha - Karnataka
Statement of EMD/FSD Outstanding at District Project Offices as on 31/03/2019

Sl.no	Name of the District/Block	Name of the Organisation/Agency	Purpose of collecting the EMD	Year	EMD in Rs.

Annexure-XV

Samagra Shiksha – Karnataka
Statement of Advances in DPO/Blocks & SDMC's as on 31/03/2021

Sl. No	Name of the District	Name of the Block	Block Advances	SDMC Advances			General Advance	Total
				School Grant	Maintenance Grant	Uniform Grant		

Annexure-Z

Samagra Shiksha – Karnataka
Statement of Outstanding Internal audit Objections

Sl. No	Periods of Accounts covered by internal audit	Internal audit para No.	Date of issue	Brief details of Internal audit objection	Action Taken	Date of Settlement	Remarks

Intervention wise details of the Unspent Balance at District Project Offices as on 31/03/2021 Annexure-XVI

Sl.no	Name of the Intervention	Amount (Rs.)
1	Unspent Balance details	
a.	Residential Schools for Specific Category of Children 50 Children	
b.	Transport / Escort Facility	
c.	RTE	
d.	Special Training for Mainstreaming of OOSC	
e.	Free Text Book	
f.	1 Set of Uniform under SSA	
g.	Teachers Salary	
h.	Teachers Training	
i.	Academic Support Through Block Resource Centre (BRC)	
j.	Academic Support Through Cluster Resource Centre (CRC)	
k.	Computer Aided Education	
l.	Teacher Grant	
m.	School Grant	
n.	Maintenance Grant	
o.	Intervention for CWSN (IED)	
p.	Innovative Activity	
q.	SMC/PRI Training	
r.	Civil Works Construction	
s.	Dist Management & MIS & State Component	
t.	State Component	
u.	KGBV	
v.	Management Cost State Level Activities	
w.	LEP	
x.	Community Mobilisation	
y.	RAA(Rastriya Aviskar Abhiyan (CALC)	
z.	REMS	
aa.	Unidentified Balances	
2	MIÅÖ šrØªÉÆvÅÜ (2002 to 2019)	
3	Current Liabilities:-	
a.	EMD (Agency Wise details)	
b.	Duties and Taxes.	
c.	Other Current Liabilities.	
d.	Un Identifiable Liabilities.	
4	Non SSA:-	
a.	Eco Club	
b.	Non SSA	
e.	Closed Schools bank balances returned to DPO	
Closing Balance as on 31/03/2020		

Checklist for the Internal Audit Assignment**A. Financial Books****a. Cash Book/ Bank Book:-**

- 1) Cash book/ bank book verification
- 2) Is cash book maintained properly? Is cash on hand verified? [Further cash balance, cash on hand] should be verified at the end of each month with cash book. i.e. Physically Balance shown must tally with cash book which must be certified by Auditor

b. Receipts And Vouchers

- 1) Are all the receipts and vouchers verified with the cash Book/Bank book of Implementing Office?
- 2) Are all the receipts by cheques/ D.D.S. deposited in the banks on the next day?
- 3) Are all the vouchers approved by the Competent Authority?
- 4) Are all the vouchers serially numbered?
- 5) Have you notice any corrections/ deletion / addition in figures of the vouchers? (If yes, give full details)
- 6) Have to verify authority for payments of vouchers
- 7) Is proper Accounting treatment given to receipt/payment?

c. Bank Reconciliation Statements:

- 1) Are bank reconciliation statements prepared?
- 2) Have to verify all the reconciliation statement?
- 3) Are there any outstanding cheques issued for more than 3Months?
- 4) Any other debts raised by the banks accounted for in the cashbook?
- 5) Are correct entries passed for returned cheques/ D.D.S. by the bankers?
- 6) Are there any cheque deposited with the bank but not credited by the bank with 3 months of deposit? If yes, please give details relating to date of deposit, amount, cheque No. bank etc.
- 7) Have to verify original Bank Balance certificates with bank reconciliation statements. (If any corrections are made in certificates, verify it's correctness)

d. Verification Of Ledger / Financial Books of Accounts

- 1) Preparing and checking of important balance sheet statements like trial balances, groupings made of the trial balances, schedule of profit and loss account and balance sheet.
- 2) Verification of statutory compliance of the contracts.
- 3) To duly verify whether necessary provisions are created.
- 4) Note: Internal Auditor has to put initial on the vouchers checked during Audit.

e. Verification Of Register

- 1) Verification of Fixed asset Register
- 2) Verification and preparation of Fixed Deposit & Liquid Deposit Register
- 3) Verification of cheque book register.
- 4) Internal Auditor would check Bank Guarantee Register and Fixed Deposit Register to ensure that the Bank guarantees are renewed or return back as per provision of Concession Agreement.

f. Deductions /Recoveries

- 1) Are statutory deductions i.e. Income Tax, Professional Tax, Tax Collected at Sources, GST etc. made according to rules?
- 2) Whether the same is deposited in the prescribed time with the concerned authorities? If not give details asunder:

Due date of deposit of Tax	Amount of be deposited Rs.	Actual Date of Deposit	Delay in deposit	Interest payable as per law	Reason of such delay?
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3) Are the same accounted properly? If not, get it corrected.

4) Are Statutory returns like Income Tax, (ETDS) Professional Tax, Service Tax, etc. filed in time If not, give details.

g. Compliance With The Points Raised In The Earlier Internal Audit Reports And Cag Commercial Audit Reports

1) Whether the previous IAR Report have been complied by the corporation?

2) How many comments are outstanding?

3) What decision has been taken by the Corporation for compliance at outstanding comments?

4) To Assist GARUD in Preparation of replies of comments / draft comments of Commercial Audit & Proprietary Audit.

h. Accounting Standards

1) Whether the Accounting Standards issued by the Institute of Chartered Accountants of India are followed by the company appropriately?

2) Applicability of accounting standards in final accounts and Cash Flow Statement.

i. Depreciation

1) Calculation & Verification of Depreciation at the end of six months and at the end of the year.

j. Pre Audit

1) Pre audit of all vouchers over Rs.15,000/- except Pay and allowance to employees and statutory payments, committed regular & routine payment.

k. Stock Audit

1) Physical verification and certification of stocks and cash balance on half yearly basis.

B. Establishment and Administration:-

1) Verification of Salary, Provident fund, Prof. Tax, TDS etc. & to verify whether returns are filed before competent authority in time.

2) To verify in case of new employees about their inclusion of names in salary sheet.

3) To check the records with respect to purchase & other stationary items.

Technical Evaluation Criteria

Sl. No	Criteria	Basis of Evaluation	Points	Maximum Points
i.	The existence of the Firm at least 10 years before 01/01/2020	More than 10 years up to 15 years	05	10
		for existence of additional year 01 marks will be assigned up to Max of 10 Marks	10	
ii.	No. of CA Articled Assistants who have been qualified IPC/IPCC/IPCE examination of ICAI Enclose evidence of Articled Assistant Registration in ICAI. enclose the detail in Annex A-3 of technical proposal	Having Minimum 20 to 25 Articles Assistants with the specified qualification	10	15
		Having more than 25 Articles Assistants with the specified qualification	15	
iii.	No. of Audit Staff employed in the same firm for more than two years as on 01/01/2020. who have been qualified with CA,/M.com/B.com 1) Minimum Audit staff -16 2) Minimum FCAs -04 3) Minimum CAs -08 ❖ Mandatory :- Total 16 Audit staff must Passed the Kannada Examination. Enclose the details in Annex A-3 of technical proposal with proof of SSLC/Equivalent/ Higher Studies Marks card for each staff. Otherwise disqualified.	For every additional audit staff 01 mark will be given maximum of 07.	07	30
		For every additional FCA 02 mark will be given maximum of 08.	08	
		For every additional CA 03 mark will be given maximum of 15 Marks	15	
iv.	(Audit work undertaken in last 5 financial years (2014-15 to 2018-19) Audit work undertaken in Education Projects/ Govt. Institutions/ Boards/ Universities. etc. financed by Government of India or Government of Karnataka.	For every additional project (in addition to mandatory 05 projects) 02 marks will be assigning up to maximum of 10 marks. Note: Minimum 05 audit works should be undertaken in preceding 05 years. (10 Points)	10	10

v.	The firm's average annual turnover of the last 5 financial years must not be less than Rs. 100 Lakhs. i.e, FY 2014-15 to FY 2018-19.	From 100 lakhs to 150 lakhs	05	10
		From 150 Lakhs and above Maximum allotted points will be 10 (Enclose the turnover certificate, Certified by the CA)	05	
vi	Adequacy of the proposed project and methodology of work plan for performing the assignment	Detailed audit work plan to be submitted. Please submit document you're your understanding of the department, scope, work plan, tentative schedule, resource deployment plan and deliverables. (Points for the work plan will be allotted depending on the audit performing the assignment submitted by the bidder)	15	15
Vii	Suitable weightage will be given to firms, which are implementing quality control policies and procedure as provided in statement on Standard Auditing Practice (SAP 17) issued by public company accounting Oversight Board /Slandered on auditing prescribed by the ICAI.	A brief note on the procedures adopted by them is to be given by the firm for this purpose.	05	05
Viii	Experience in region & Language, well versed-in Kannada	List of staff and Articled Assistants/Audit Staff/FCA's and Chartered Accountants who are to be deputed for audit work should be well versed with Kannada, He/she should have passed in Kannada, 1st or 2nd Language in SSLC, (submit the Copy of attested SSLC marks card for proof) refer Annex A-3 of technical proposal	05	05

