

**THE H.P. STATE CO-OPERATIVE AGRICULTURE AND RURAL
DEVELOPMENT BANK LTD.KASUMPTI SHIMLA-171009**

**EXPRESSION OF INTEREST FOR CONDUCTING
Statutory Audit of the Bank for FY 2022-2023**

The H.P. State Cooperative Agriculture & Rural Development Bank Ltd invites bids for engaging Chartered Accountant, Firm (s) listed under the category **A and B** out of the panel approved by the H.P. Government on competitive rates for conducting Statutory Audit of Bank Branches of SARDB and KPARDB and their Head Offices for the financial year 2022-2023.

The interested Chartered Accountant Firm(s) as approved by the State Govt. having either **A or B** category vide notification No 3-19/2021-Coop (A) dated 07.09.2021 shall apply within a period of 10 days from the date of publication of their EOI quoting their rates to the Managing Director of the Bank in sealed envelope marking it at the top as "**EOI for Statutory Audit of the Bank for the FY 2022-2023.**" The Bank has fixed the minimum & maximum fee for the Statutory Audit of Head Office and Branches. The same can be downloaded from the official website of the Bank i.e. **hpardb.in**

This Bank reserves the right to decide and allocate the work to any firm based on its experience and capability as the lowest quoted rate will not be the sole criteria for allocation of work. For information regarding scope of work, requisite conditions and panel of CA's approved by the State Govt., the interested party/firm may refer to Bank's website **hpardb.in**

Dated: 05.06.2023


Managing Director

**THE H.P. STATE CO-OPERATIVE AGRICULTURE AND RURAL
DEVELOPMENT BANK LTD.KASUMPTI SHIMLA-171009**

The H.P. State Cooperative Agriculture & Rural Development Bank Ltd. Is looking for the engagement of services of Chartered Accountant Firm(s) listed under category A and B out of the panel approved by the H.P. State Government on competitive rates for conducting the Statutory Audit of the Bank Branches and Its Head Office for the financial year 2022-2023.

While conducting the audit the following conditions/instructions may be strictly complied:

1. Chartered Accountant, Firm(s) must be listed under category A and B out of the panel approved by the H.P. Government.
2. Audit should be completed on or before 31st July 2023.
3. Total Bank branches 81 and Head offices of SARDB and KPARDB.

Fee Structure

1. Head Office: The maximum Audit Fee for Head Office will be Rs 1,15,500/- (Rs one lakh fifteen thousand five hundred only + GST.
2. The TA /DA and halting charges will be paid separately as per the fee structure approved vide Registrar Cooperative Societies. office order No. 3-995/78-A VIII dated 02.06.2018 (copy attached)
3. Maximum Tax Audit Fee will be Rs 50000/- (Rs Fifty Thousand only).
4. Auditor shall submit the complete audit report on Long Form Audit Report (LAFAR) in duplicate supported by lists and detailed comments, where ever required filing along with scrutiny of ITR of concerned year and in future to plead the case of the Bank before the competent Authority, if so required without additional fee.
5. The Tax Audit under the income Tax Act, 1961 is also be conducted and all required statements is submitted on the prescribed format.

Additional Conditions:

1. Detailed comments on each head of Balance Sheet to be given in the audit report.
2. Comments upon composition of Management, BOD meetings held during the audit period and decisions taken in the BOD meetings, any decision in violation of provisions of HP SARDB Bank's Act, 1979 and Rules 1990 and HP Co-op Societies Act, 1968 or Guidelines issued by the RCS from time to time.
3. Review and detailed comments on each item of Long Form Audit report (LAFAR) for Cooperative Bank's revised framework i.e., CAMELSC (Capital, Asset quality,

Management Earning Appraisal, Liquidity Management, Systems and Controls and Compliance.

4. Audit Classification of Bank to be done as per directives of NABARD.
5. Adherence to relevant circulars of NABARD.
6. Review and comments of implementation of the Prudential Norms on Assets Classification and Income recognition.
7. Review of Investment Policy of Bank and categorization of investment and its valuations.
8. Physical verification of Investment instruments and scripts.
9. Assessment of bank's Operational Risk Management.
10. Assessment of bank's credit Risk Management (CRM) and Loan Mechanism.
11. Reviewing of position of Fraud cases in Bank and comments preventive measures and steps for early detection.
12. Maintenance of SLR as per NABARD Guidelines.
13. Comments on reconciliation of entries outstanding in the inter -branch, inter -bank accounts, Suspense Accounts, Sundry deposit Accounts.
14. Verification of compliance by the bank to the internal inspection, NABARD Inspection previous year Audit Report and comments.
15. Classification of Assets under NPA is checked exhaustively and MOC's be highlighted and incorporated in the Balance Sheet.
16. To check the Expenditure vouchers as per the limit or authorization from HO.
17. To check the cash retention by the branches as per the cash retention limit fixed by the Bank and excess/idle funds retained by the branches without justification.
18. To check the Demand Collection Balance (DCB) and its correctness.
19. To check the achievement of target fixed under Loans, Recovery and Deposits.
20. To check the correctness of loan accounts during its transfer from LP accounts.
21. Physical Verification of stock articles.
22. Any other area which Statutory Auditor feel necessary for true and fair picture of the Bank/Branches.

Managing Director.

Head Office Audit Fees

S.No.	Business Levels(Advances+ Deposit) as a whole	Audit fees(Rs)	
		Minimum fees	Maximum fees
1.	Head Office Audit fees	Rs 90,000/-	Rs 1,15,500/-

Branch Office Audit Fees

S.No.	Quantum of Loans and Advances of the concerned Branch.	Audit fees(Rs)	
		Minimum fees	Maximum fees
1.	Up to Rs 2.5 crore	Rs 4500/-	Rs 5000/-
2.	Above Rs 2.5 crore to Rs 5.0 crore	Rs 5500/-	Rs 6300/-
3.	Above Rs 5.0 crore to Rs 8.0 crore	Rs 7000/-	Rs 7900/-
4.	Above Rs 8.0 crore to Rs 15.0 crore	Rs 8500/-	Rs 9300/-
5.	Above Rs 15.0 crore to Rs 25.0 crore	Rs 10000/-	Rs 11000/-
6.	Above Rs 25.0 crore to Rs 40.0 crore	Rs 11000/-	Rs 13000/-
7.	Above Rs 40.0 crore	RS 14000/-	Rs 15350/-

Tax Audit Fees

S.No.	Business Levels(Advances+ Deposit) as a whole	Audit fees(Rs)	
		Minimum fees	Maximum fees
1.	Tax Audit fees	Rs 40,000/-	Rs 50000/-


Managing Director