



BSNL : 2204543, 2202976/ Rly. Auto : 44065, 44064
email ID- recbbank2008@yahoo.in
Website : www.recbjaipur.com

दी रेलवे एम्पलाईज को-आपरेटिव बैंक लि., जयपुर The Railway Employee's Co-operative Bank Ltd. Jaipur

FOR EXPRESSION OF INTEREST FOR EMPANELMENT OF CONCURRENT AUDITORS/ISA AUDITOR.

Bank invites applications from practicing firms of Chartered Accountants/system audit within India, who are willing to have their firms empaneled as Concurrent/ISA Auditors of the Bank.

The CA firms already on the job of doing concurrent audit of branch (es) allotted to them are also required to apply for getting renewal of existing assignment of concurrent audit for the audit year 2020-21. It is made very clear that the existing assignment to concurrent auditors, based on the application submitted in response to notifications published during the previous years will not be automatically renewed and they will have to apply for renewal of existing assignment of concurrent audit for the audit year 2020-21 i.e. from 01.04.2020 to 30.03.2021.

I ELIGIBILITY CRITERIA FOR EMPANELMENT:

- a) CA firm should preferably be a partnership concern having experience in the field. The Bank may also consider the sole proprietorship concerns and in that case they would be required to submit a declaration that they are full time practicing Chartered Accountants and are not employed elsewhere and do not have any other business interest.
- b) Audit firms should preferably have at least qualified FCA partner. For ISA audit, Firm should have at least one DISA/CISA qualified Partner.
- c) Audit firm should not have been disqualified by any Bank IBA/RBI/ICAI/COOPERATIVE DEPARTMENT, while taking-up audit work on earlier occasions.
- d) Weightage would be given to the CA firms where the partners themselves are ex-bankers or the firm(s) has got tie-up with ex-bankers with requisite experience and exposure.
- e) It is to be ensured that the audit firm or any sister / associate concern / network firm is not conducting statutory or any other assignment of the bank HO/ branches.
- f) Weightage will be given to a firm having exposure in conducting concurrent audit of the Bank branches for public sector / major private sector banks/Co-operative Banks.

- g) The firm should have necessary office set up and adequate personnel to ensure proper deployment and timely completion of the assignments. The Headquarter or branch of the CA firm should be located at the place for which they wish to take up audit work. Preference would be given to CA firms which are located at the places of our Bank's Branches.
- h) The assignment should be carried out in a professional manner and in case of any misconduct or negligence; the Bank is free to report the matter at any time to ICAI / IBA/RBI/COOPERATIVE DEPARTMENT. This will be in addition to the disengagement from the Concurrent Audit assignment.
- i) The firm will not be allowed to sub-contract the audit work assigned to any outside firm or other persons even though such persons are qualified chartered accountants.
- k) The firm should execute undertaking of fidelity and secrecy on its letter head in the format prescribed by the Bank.
- l) Concurrent Auditors would have to sign Do's & Don'ts statement in order to have proper arms length relationship with the Branch/ Department of which they are conducting Concurrent Audit. Such undertaking would be submitted annually.
- m) Any other terms and conditions of the assignment as decided by the Bank from time to time.

II SCOPE OF CONCURRENT AUDIT:

- 01. Areas covered in the Bank's Standard format for Concurrent Audit specify the scope of Concurrent Audit. Concurrent Auditor would examine all the transactions and identify the ones which are not as per the Bank's laid down rules/circulars and guidelines/instructions received from regulators & authorities like Govt. of India, Reserve Bank of India. Co operative department etc. from time to time.
- 03. Concurrent Auditors will also get rectified all the irregularities identified by them during the course of the audit. Monthly Concurrent Audit reports should reach HO by the 10th day of the month succeeding the month of reporting, pointing out the remaining irregularities/deficiencies for rectification, with reasons as to why these were not rectified.
- 04. Comment on Bank's policies or Evaluation of the decisions taken by Branch Managers/authorized officials are beyond the scope of concurrent audit. However, the auditor would necessarily have to see whether the transactions or decisions are within the policy parameters laid down by the Bank and whether they violate the instructions or policy prescriptions of the Bank/RBI and that they are within the delegated authority of the concerned officials.

III. REQUIREMENTS FROM AUDIT FIRMS:

1. Bank would provide to the concurrent auditors a suggestive/illustrative checklist of items/areas to be checked daily/weekly/monthly/quarterly and concurrent auditors should identify the deficiencies/irregularities in accordance with the checklist.
2. Concurrent Auditors shall be required to get rectified all the irregularities identified by them during the course of Audit and report only those irregularities, which remained un-rectified, with reasons as to why the same were not rectified and submit the Concurrent Audit Report within 10 days of the month succeeding the month of reporting to Branch/HO.
3. The concurrent auditor would also be required to report immediately to the Bank's higher authorities wherever any serious irregularity or transactions involving malafide, corrupt practices and gross indiscipline or any fraudulent transaction is detected by them.
4. The Monthly Audit Reports shall be required to be submitted in an approved structured format, which would be provided to the auditors by the Bank. The reports should be submitted within 10 days from the end of the month to which the report relates. Suitable penal provisions would be applicable for delayed submission of audit reports. The firms should strictly adhere to the format and the time limit.

III. TERMS & CONDITIONS:

- (a) Empanelment: Applications received from the Chartered Accountant firms in response to the notification, within the given time limit and in the given format fulfilling the prescribed eligibility criteria shall be empanelled by the Bank. The panel shall remain valid for a period of one year i.e. from 01.04.2020 to 30.03.2021 thereafter it would be automatically lapsed.
- (b) Engagement of Concurrent Auditors & other conditions
 - (i) Suitable firms would be identified for each assignment and be approved taking into account their experience and exposure, similar activity carried out for the Bank or other banks, availability of adequate trained resources, location of the audit unit etc. Such approved Concurrent Auditor's firms would be issued letters of engagement by the HO.
 - (ii) The tenure of the concurrent auditor would be initially for one year and would be subject to fresh renewal every year and can be extended maximum up to a period of 3 years overall at bank's discretion.

- (iii) After completion of specified maximum period of three years, cooling period of one year would be observed for a firm to become eligible for engagement. This will be purely at the discretion of the Bank and no rights whatsoever accrue to the firm for such engagement.
- (iv) The concurrent auditors should adhere to the audit coverage strictly as per the scope as may be decided by the Bank from time to time.
- (v) The concurrent auditors should not undertake any other activities / assignment on behalf of the branch or unit, other than the activities for which they are engaged, without obtaining the concurrence of the Head Office in writing.
- (c) Period of Audit/Assignment: External Audit firms empanelled/selected would be engaged for a period of one year i.e. from 01.04.2020 to 30.03.2021 for the branches/offices identified for monthly/Quarterly concurrent audit.
- (d) Performance Review: The performance of the empanelled firms would be periodically reviewed, at least once a year and if found unsatisfactory, the Bank may remove the name of the Concurrent Audit firm from the panel of the bank for a minimum period of two years.
- (e) De-empanelment: The empanelled firms may be de-empanelled at the Bank's sole discretion. If the performance of the concurrent auditor is found unsatisfactory or any serious act of omission or commission is noticed in their working, their engagement may be cancelled at any point of time. If felt necessary, the matter may be reported to ICAI and/or RBI/IBA for necessary action.
- (f) The application only shall be considered submitted between 13/03/2020 to 23-03-2020.
- (g) Documents to be submitted with the application.

No documents need to be submitted with application. But in the event of any Firm being selected for engagement as concurrent auditor of any of our branches, they are required to furnish self attested photocopies of all documents along with Original documents in support of their credentials furnished in application to HO for verification and record. The originals will be returned after verification. In case any of the information furnished by the Firm in application found to be inconsistent with Original documents, the selection of the Firm will be cancelled forthwith. Further, if any such inconsistency(ies) noticed subsequent to engagement even post verification of documents, the engagement will be discontinued with appropriate reporting of Firm's name to RBI/IBA/ICAI etc. The Bank shall send engagement letters to all selected Chartered Accountant firms through HO. However, CA firms which do not get our letter of engagement are to be treated as 'not selected' and no further correspondence shall be entertained in respect of fate of their application.

THE BANK RESERVES THE RIGHT TO ACCEPT OR REJECT ANY APPLICATION AND ANNUL THE PROCESS AT ANY TIME WITHOUT ANY LIABILITY AND ASSIGNING ANY REASON THEREOF.

- (h) Evaluation of applications: The applications received by the Bank would be screened by a Committee of Executives constituted for this purpose, which will consider empanelment of CA firms based on their experience, CISA/DISA qualifications, number of partners, seniority, CA firms having tie-up with Ex-Bankers etc. and any other factor considered necessary by the Committee for which the decision of the Committee shall be final. Merely meeting the eligibility criteria shall not automatically entitle the firm for empanelment. After empanelment, the work will be allotted as and when need arises at the sole discretion of the Bank. The empanelment will not give any right to the empanelled firms for carrying out the assignments. The Bank reserves its right to cancel any or all the offers without assigning any reason whatsoever.
- (i) Selection of Concurrent Auditors: Selection of Concurrent Auditors shall be made from among the applications received from the chartered accountant firms by the audit committee of the bank. The list of selected concurrent auditors would be placed before the Board of the Bank for final approval.

V. Payment Terms:

The audit fees shall be paid to the firm as decided by the Bank from time to time and mentioned in offer letter for allotment of assignment, on submission of the relevant audit reports and the relevant bill along with supporting documents.

The following schedule of fees being paid by the Bank depending on the volume of advances at the branch. No out of pocket expenses or travelling allowance/ halting allowance would be paid to the Concurrent Auditors. However, Goods & Service Tax etc. would be paid as applicable in addition to the Audit Fees. The payment to Concurrent Auditors would be subject to TDS at the applicable rates.

The amount of Concurrent Audit Fee payable would be as under:

S.No.	Branch Name	Payable Fees
01	Jaipur, Ajmer, Kota, Bandikui, Phulera	₹ 8500.00 (GST Extra) Per Month for each branch.
02	Head Office at Jaipur	₹ 1500.00 (GST Extra) Per month