



DATE:-18-05-2017

EMPANELMENT OF CONCURRENT AUDITORS

Central Madhya Pradesh Gramin Bank Intends to empanel Chartered Accountant firms for conducting concurrent audit work at below mentioned branches:

Sno	SOL ID	Branch	Distt	Regional Office
1	200408	GULABGANJ	VIDISHA	BHOPAL
2	200355	KASTURBA NAGAR-RA	RATLAM	MANDSAUR
3	200335	DALOUDA	MANDSAUR	MANDSAUR
4	200327	DALUMODIBAZAR-RAT	RATLAM	MANDSAUR
5	200324	BAGHANA-NEEMUCH	NEEMUCH	MANDSAUR
6	200305	SHANKARPUR (GWALI	Gwalior	GWALIOR
7	200282	DATIA	Datia	GWALIOR
8	200270	AANTARY KAILARAS	Muraina	GWALIOR
9	200252	AMBAH	Muraina	GWALIOR
10	200238	UMARIA	Umaria	SHAHDOL
11	200232	BURHAR	Shahdol	SHAHDOL
12	200231	KOTMA	Anooppur	SHAHDOL
13	200221	BIJURI	Anooppur	SHAHDOL
14	200204	SHAHDOL	Shahdol	SHAHDOL
15	200163	SHAH PURA	Dindori	MANDLA
16	200155	GADHI	Balaghat	MANDLA
17	200147	STATION GANJ NARS	NARSINGHPUR	JABALPUR
18	200139	HARDA	Harda	HOSHANGABAD
19	200138	MARKET-RAISEN	Raisen	BHOPAL
20	200122	KHARBAI	Raisen	BHOPAL
21	200102	SOHAGPUR	Hoshangabad	HOSHANGABAD
22	200089	PIPARIYA-HOSHANGA	Hoshangabad	HOSHANGABAD
23	200088	SILARI	Raisen	BHOPAL
24	200083	BANKHEDI	Hoshangabad	HOSHANGABAD
25	200081	BHARKATCH	Raisen	BHOPAL
26	200080	BARELI	Raisen	BHOPAL
27	200077	PATANDEO	Raisen	BHOPAL
28	200074	SULTANPUR	Raisen	BHOPAL
29	200062	JUNNARDEO	Chhindwara	CHHINDWARA

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30	200053	BARGHAT	Seoni	CHHINDWARA
31	200047	CHOURAI	Chhindwara	CHHINDWARA
32	200042	SAUSAR	Chhindwara	CHHINDWARA
33	200038	CHANDAMETA	Chhindwara	CHHINDWARA
34	200037	ITWARI	Chhindwara	CHHINDWARA
35	200002	CHHINDWARA	Chhindwara	CHHINDWARA
36	200422	LALGHATI	BHOPAL	BHOPAL
37	200406	BERASIA	BHOPAL	BHOPAL
38	200075	SIRALI	Harda	HOSHANGABAD
39	200393	NARSINGHPUR BASTI	NARSINGHPUR	JABALPUR

The number of Branches may increase or decrease as per requirements of the Bank and Bank deserves whole discretion in this regard.

Chartered Accountant firms interested in empanelment for conducting concurrent audit may submit their applications in the enclosed format along with necessary certificates/documents latest by 05.06.2017 05.00 pm.

General Manager (Audit & Insp.)
Plot no. 854, Near Maharishi Vidya mandir
Nagpur Road, Sarra, Chhindwara, M.P., 48001

All the application must be sent in a sealed envelope containing all necessary certificates/documents. The sealed envelope must be superscribed as “APPLICATION FOR EMPANELMENT OF CONCURRENT AUDITOR-2017-18”

Merely meeting the eligibility criteria doesn't entitle Chartered Accountants firm for empanelment. Bank reserves the Sole discretion for empanelment of Chartered accountant firms. The Bank reserves the right to reject any or all the applications without assigning any reason thereof.

ELIGIBILITY CRITERIA FOR EMPANELMENT

a) For District Head Quarter Branches/HO departments

- Professional Standing: More than 3 years
- Partnership Firms Only
- Of which FCA/s at least:1
- &DISA or CISA :1

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- Experience as Concurrent Auditors or Statutory Auditors in minimum 3 Public Sector Banks
- Experience of the Firm only as Statutory and Concurrent Auditors is to be taken and not that of individual partner shall be counted

b) For Branches other than above

- Professional Standing: More than 2 years
- Partnership/proprietorship firms /Individuals possessing FCA&DISA or CISA qualifications
- Experience as Concurrent Auditors or Statutory Auditors in at least 1 Public Sector Bank
- Experience of the Firm only as Statutory and Concurrent Auditors is to be taken and not that of individual partner shall be counted

1. The firm should be having Chartered Accountant(s) as partner(s)/proprietor.
2. The assignment of concurrent auditor shall be given initially for the period of one year.
3. On completion of the yearly assignment, the concurrent Auditors may be re- appointed for a further period of one year on each occasion depending upon their performance.
4. The firm or its proprietor/partners have not been the subject of inquiries in the past by the Institute of Chartered Accounts of India as per the provisions of Section 21 of the Chartered Accountants Act, 1949, and no such inquiry is pending, initiated, or contemplated by the Institute as on the date of application as well as date of acceptance of assignment
5. If any serious acts of omissions or commissions are noticed in the working of concurrent auditors their appointments shall be cancelled and the fact shall be reported to NABARD and ICAI.
6. Where there are group of firms of Chartered Accountants having common partners, only one of the firms in the group will be eligible for assignment of concurrent audit
7. The firm would normally be allotted concurrent audit of only one branch of the bank
8. Besides Chartered Accountants, the firm should have other qualified and experienced staff, infrastructure and office within an approachable distance from the location of the auditee branch/office to undertake concurrent audit
9. The firm which conducts Statutory Audit of the bank shall not be considered for appointment as concurrent auditor by the bank during that year and the next year
10. The firm which has a partner/proprietor who is also partner/proprietor of the firm entrusted with the Statutory Audit of the bank shall not be considered for appointment as concurrent auditors in the bank. In other words, sister/associate concerns of the firm

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carrying Statutory Audit of the bank shall not be considered for appointment as concurrent auditors of the bank.(Undertaking should be attached)

11. If any of the Directors of the bank is a partner/proprietor in a firm, such firm shall not be considered for appointment as concurrent auditor

12. In case the performance of the concurrent auditor falls short of the expectation of the management or Audit Committee of Board, the bank shall terminate the assignment of the concurrent auditor at any time.

13. After completion of assignment, the firm may be considered for audit assignment in other locations or areas. This will be purely at the discretion of the bank and no rights whatsoever shall accrue to the firm for such assignment

14. At any one point of time, not more than one audit assignment would be awarded to a firm. An audit assignment that needs to be carried out across the branches/units at different locations would be considered as a single assignment for this purpose.

OTHER TERMS AND CONDITIONS

1. The Chartered accountant firm would be responsible to examine and comment on all the areas specified by the Bank/RBI/NABARD with regard to audit of the branches.

2. Concurrent Audit work of a branch would include interalia income leakage, verification audit, comments on internal checks, counter checks, system and procedures, documentation, securities, Physical verification of assets financed by the bank on random basis, reconciliation and liquidation of nominal heads and any other special audit assignments.

3. The CA firm would do the audit work themselves and may depute an experienced employee/article to the branch for the purpose, who should visit the branch on all working days. The partner shall visit the branch at least on 5 working days in a month.

4. Franchise of the Audit work will not be permitted under any circumstances.

Reporting of such events may result in de-empanelment of the firm and its constituents.

5. The CA firm or any of its employee shall not, without the Bank's written consent, disclose the terms of acceptance or any provision thereof or any specification or information furnished by the or on behalf of the bank in connection therewith, to other person or entity unless legally required to do so.

6. The empanelled CA firms selected for the assignment of concurrent audit work for a particular branch would be given an offer letter along with the terms and conditions of conducting the concurrent Audit. On receipt of their acceptance of the Bank's offer they will be given an appointment letter.



7. The auditor must strictly adhere to the schedule, as may be specified in the letter of offer for performing the assignment including submission of reports.
8. The bank shall have the right to assign any concurrent audit assignment and terminate the arrangement without assigning any reason at its sole discretion.
9. The audit firm appointed as branch statutory auditor /Central statutory auditor for the bank for the financial year 2016-17 will become ineligible for the Concurrent Audit work.
10. The bank reserve its right not to accept any or all the proposals, or to accept or reject a particular proposal at its sole discretion, without assigning any reasons whatsoever.
11. Any document, other than the offer itself, remain the property of the bank and all copies thereof shall be returned to the Bank on completion of assignment, if required by the bank.
12. The auditor shall not, without the bank's prior written consent, make use of any of the Bank's any document or information except for the purposes of performing the assignment.
13. When there are common partner in more than one firm, only one of the firms would be considered for the empanelment.

PERFORMANCE REVIEW

The performance of the empanelled Concurrent Audit Firms would be reviewed on monthly basis mainly with the following yardsticks:

1. Quality of Audit Reports
2. Timely completion of audit assignment and submission of report
3. Effort taken for on the spot rectification of irregularities
4. Making the staff aware about the implication of deficiencies/irregularities pointed out.
5. Detection of Income Leakage.
6. Level of compliance of various statutory/Legal/Bank's laid down system and procedure of the branch.
7. Any other parameters which the bank may decide/determine from time to time.
8. Branch visiting by Article/Partner/Proprietor as per norms.

DE-EMPANELMENT

The Bank reserves the right to de-empanelment of firm of Chartered accountant as its sole discretion without giving any reason whatsoever.

PROCESS OF EMPANELMENT

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The interested firms will have to submit request for empanelment on the enclosed application form .The proposal will be opened and shortlisted on the basis of eligibility criteria as mentioned in this document. These firms would further be evaluated on the basis of other criteria as may be determined by the bank.

DOCUMENT TO BE SUBMITTED WITH THE APPLICATION

The CA firm shall submit the following documents along with the application:

1. Hard Copy of the Application
2. Acceptance of the terms and conditions as stipulated vide this document
3. Copies of letter of empanelment by any other banks.
4. Copies of certificate of experience and conduct of Concurrent Audit in relation to similar assignments performed, in other banks if any.
5. Copies of Certificate issued by the professional bodies in respect of relevant qualification of professionals as reported in the application.
6. Undertaking about not carrying statutory audit of CMPGB.
7. Undertaking about not any director of CMPGB is partner/proprietor in the firm

VALIDITY OF PROPOSAL

The proposal for empanelment shall be valid for a period of 3 months from the closing date for acceptance of the proposal.

FORMAT AND SIGNING OF PROPOSAL

Each proposal shall be made in the legal name of the participating firm and shall be signed and duly stamped by the person duly authorized to sign on behalf of the participating firm. An authority from the participating firm to this effect is to be submitted along with the proposal.

EVALUATION & COMPARISON OF PROPOSALS

Only proposals from CA Firms meeting the eligibility criteria and submitting complete and responsive information will proceed to the stage of being evaluated and considered.

Merely meeting the eligibility criteria would not automatically entitle the firm for empanelment. The Firms to be kept on the panel would be at the sole discretion of the Bank.

The bank reserves the right to reject any or all the offers without assigning any reasons. The evaluation procedures to be adopted for the empanelment will be the



sole discretion of the bank and bank is not liable to disclose either the criteria or the evaluation report/reasoning to the participating firm(s).

INFORMATION OF EMPANELMENT

If empaneled, the information in this regard shall be sent to the empaneled firms at the address provided in the application form or the last known address. Any change of address of the participating firm should therefore be promptly notified to the GENERAL MANAGER(A&ID) CENTRAL MADHYAPRADESH GRAMIN BANK, HEAD OFFICE, PLOT NO 854, NEAR MAHARISHI VIDYAMANDIR, NAGPUR ROAD, SARRA, CHHINDWARA, M.P.

CONFIDENTIALITY AGREEMENT/UNDERTAKING

As the firms selected for empanelment shall have the access to the data and information of the bank while conducting the concurrent audit of the various branches, Bank will require the Firm(s) to sign a confidentiality agreement/undertaking for not disclosing or part with any information relating to the bank and its data to any persons, as may come into possession of the firm(s) during the course of audit.

TENDERING OF ACCEPTANCE

The successful firm(s) shall be required to give an acceptance to the Bank containing the terms and conditions as may be determined by the bank to be necessary for the due performance of the work on receipt of the offer for conducting audit(s) of branch(es) within a maximum of fifteen(15) days from the date of receipt of offer letter.

INDEMNIFICATION

The auditors shall, at their own expense, defend and indemnify the Bank against any claims due to loss of data/damage to arising as a consequence of their conducting audit of the branch/office.

DELAY IN THE AUDITOR'S PERFORMANCE

The auditors must strictly adhere to the implementation schedule, as specified in the letter of undertaking for submission of reports failing which the Bank may resort to termination of the assignment and empanelment.

REMUNERATION



Fees shall be payable to CA firms on the basis of average business figure of the branch for the previous 2 financial years only(104 weeks).The present fee structure is as follows:

Average Business of the Branch(for Last 104 weeks) for previous 2 financial years	Remuneration payable per month
Above Rs. 50 Crore	Rs.11000/- + Service Tax
From Rs.35 Crore to 50 Crore	Rs.9000/- + Service Tax
Below Rs. 35 Crores	Rs.8000/- + Service Tax

PAYMENT TERMS

The audit fee shall be paid to the concurrent audit firm on submission of the relevant audit reports and the relevant Bill along with the supported documents.This payment will be subject to deduction of prevailing/applicable T.D.S.

DISCIPLINARY ACTION FOR PROFESSIONAL MISCONDUCT

The Audit firm shall be subject to Disciplinary Rules as enumerated in section(21) of the Chartered accountants act



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