

## Advertisement

**STATE BANK OF INDORE**  
**HEAD OFFICE : INDORE**

### **EMPANELMENT OF CONCURRENT AUDITORS**

State Bank of Indore intends to empanel Chartered Accountant firms for conducting concurrent audit at its branches located at the following centres:

Ahmedabad, Bangalore, Baroda, Coimbatore, Chandigarh, Chennai, Delhi, Gandhidham, Hyderabad, Jaipur, Kolkatta, Kanpur, Lucknow, Ludhiana, Mumbai, Surat,

Chartered Accountant firms having their office at the above centres and interested in empanelment for conducting concurrent audit may submit their applications for empanelment online through our Bank's website upto 03.09.2008. Applicants should take two printouts of the application submitted online from the website, one copy alongwith necessary certificates should be submitted latest by 10.09.2008 to:

Chief Manager (Inspection)  
State Bank of Indore,  
Head Office,  
5, Y. N. Road, Indore  
**INDORE - 452 003 (M.P.)**

The application may be downloaded from our Bank's website [www.Indorebank.org](http://www.Indorebank.org)

Merely meeting the eligibility criteria would not entitle the Chartered Accountant firms for empanelment. The criteria of empanelment and the decision for Chartered Accountant firms to be kept on the panel will be at the sole discretion of the Bank.

For full details please see our website [www.Indorebank.org](http://www.Indorebank.org)

The bank reserves it's right to reject any or all of the offers without assigning any reasons.

**Dy. General Manager**  
(Inspection)

## **INTRODUCTION**

### **BACK GROUND**

State Bank of Indore proposes to empanel practicing Chartered Accountant firms for conducting Concurrent Audit of its branches at the following centers.

- |               |              |
|---------------|--------------|
| 1. Ahmedabad  | 9. Hyderabad |
| 2. Bangalore  | 10. Jaipur   |
| 3. Baroda     | 11. Kolkatta |
| 4. Coimbatore | 12. Kanpur   |
| 5. Chandigarh | 13. Lucknow  |
| 6. Chennai    | 14. Ludhiana |
| 7. Delhi      | 15. Mumbai   |
| 8. Gandhidham | 16. Surat    |

### **ELIGIBILITY CRITERIA FOR EMPANELMENT**

The CA Firms must meet the following eligibility requirements:

1. The CA firm should have an office at the center where our branches proposed to be covered under concurrent audit are located.
2. The firm should have a standing of at least 5 years and sufficient experience of bank related audit work. It should preferably have undertaken/ Statutory Audit/ Internal Audit/ Concurrent Audit in SBI / Associate Banks / other Commercial Banks. At centers having population of more than 10 lac, the firm should have a standing of minimum 10 years.
3. The CA firm selected for concurrent audit should not be on the list of Central Statutory Auditors / Branch Statutory Auditors for our Bank. Also the firms with any of the partners being a Director in our Bank or any of the firm's Associate / Sister concerns doing special assignments in our Bank will not be eligible for Concurrent Audit work.
4. The Firm should have as a partner at least one FCA for undertaking concurrent audit of branches upto scale - III at least two FCA partners for scale - IV branches and at least 4 FCA partners for branches of Scale V and above.

### **OTHER TERMS & CONDITIONS**

- 1) The Chartered Accountant firm would be responsible to examine and comment on all the areas specified by the Bank / RBI in regard to audit of branches. A copy of relevant instructions shall be provided to the firm at the time of allotment of branch and from time to time thereafter.
- 2) Concurrent Audit work of a branch would include, inter alia, income leakage verification audit and any other special audit assignment(s).
- 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 at least 5 days in a week. The partner(s) will visit the branch themselves at least once a week.

- 4) Physical Verification of assets financed by the Bank.
- 5) 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.
- 6) The CA Firm shall not, without the Bank's written consent, disclose the terms of acceptance or any provision thereof, or any specification or information furnished by or on behalf of the Bank in connection therewith, to any person other than a person employed by the Auditors in the performance of the assignment.
- 7) The Auditors must strictly adhere to the implementation schedule, as specified in the letter of offer for performing the assignment including submission of reports.
- 8) The empanelled CA firms selected for the assignment of Concurrent Audit work for a particular branch or branches would be given an offer letter by the bank. On receipt of their acceptance of the Bank's offer they will be given an appointment letter alongwith the terms and conditions of conducting the Concurrent Audit.
- 9) The Bank may terminate the arrangement with any of the empanelled auditors. The Bank may / may not assign any reasons for terminating the arrangement at its discretion.
- 10) The audit firm appointed as branch Statutory Auditor / Central Statutory Auditor for the Bank will become ineligible for the Concurrent Audit work.
- 11) The Bank reserves 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.
- 12) The remuneration for conducting Concurrent Audit will be paid after deducting TDS as applicable.
- 13) Any document, other than the offer itself, shall 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.
- 14) The Auditors shall not, without the Bank's prior written consent make use of any document or information except for purposes of performing the assignment.
- 15) Where there are common partners in more than one firm, only one of the firms would be empanelled.
- 16) The firms presently on our panel shall also apply afresh.

## **PERFORMANCE REVIEW**

The performance of the empanelled Concurrent Audit Firms would be reviewed on an half-yearly basis mainly with the following yardsticks:

1. Quality of Reports submitted by the firms.
2. Timely submission of the audit reports.
3. Efforts put for on the spot rectification of irregularities.
4. Making the staff aware about the implication of the deficiencies / irregularities pointed out.
5. Detection of the income leakage.
6. Various Regularity/ Statutory/ legal/ Bank's laid down compliance at the Branch
7. Any other parameter as per the Bank's requirements.

## **DE-EMPANELMENT**

The empanelled firms may be de-empanelled at the Bank's discretion on account of following without assigning any reason:

1. On refusal to take up the allotted assignment;
2. If the firm stands dissolved / reconstituted under different names / style;
3. On not abiding by the terms and conditions stipulated in the Agreement;
4. If the performance of the firm is not found satisfactory.
5. If concurrent audit work is passed on to other firm / person under franchise arrangement.
6. Any other reason at the discretion of the bank.

## **PROCESS OF EMPANELMENT**

The interested firm will have to submit request for empanelment on the prescribed application form which will contain the Profile of the firm, number of FCA and other qualified auditors employed in the Firm, experience in the field, ability, capacity to conduct Concurrent audit of branches located in different parts of the country, details of major Concurrent Audit jobs undertaken during the last three years etc. The Proposal will be opened and short listed on the basis of eligibility criteria as mentioned in this document. These firms would further be evaluated on the basis of requirements as may be determined by the Bank.

## **DOCUMENTS TO BE SUBMITTED WITH THE APPLICATION**

The CA Firms shall submit the following documents alongwith the application:

1. Copy of application submitted on line.
2. Acceptance of the terms and conditions as contained in this document.
3. Copies of letters of empanelment by any other Bank.
4. Copies of certificate of experiences and conduct of Concurrent Audit in relation to similar assignment performed elsewhere, if any.
5. Copies of Certificates issued by the professional bodies in respect of relevant qualification of professionals as reported in the application.
6. Letter of authority.

## **INSTRUCTIONS TO CONCURRENT AUDIT FIRMS**

### **Submission of Applications**

1. Online application submission upto \_\_\_\_\_.
2. Copy of online submitted application with unique serial number alongwith copies of certificates to be submitted up to \_\_\_\_\_to:

**Chief Manager (Inspection)  
State Bank of Indore,  
Head Office,  
5, Y. N. Road, Indore  
INDORE – 452 003**

The sealed envelope must state 'APPLICATION FOR EMPANELMENT – "CONCURRENT AUDIT"

**Validity of proposal**

The Proposal for empanelment shall be valid for a period of one year 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 letter 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 compared.

**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 its 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 the Bank is not liable to disclose either the criteria or the evaluation report / reasoning to the participating firm(s).

**Information of empanelment**

The information of empanelment will be communicated in writing at the address supplied by the CA firm in the proposal or the last known address. Any change of address of the participating Firm, should therefore be promptly notified to the Chief Manager, Inspection Department, State Bank of Indore, Head Office, 5, Yeshwant Niwas Road, Indore - 452 003 [M.P.].

**Confidentiality agreement / undertaking**

As the successful Firm (s) will have access to the data of the bank while conducting 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 person or persons, as may come into possession of the Firm (s) during course of the 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 offer for conducting concurrent audit(s) of a branch (es) within a maximum period of fifteen (15) days from the date 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 data arising as a consequence of their conducting audit of the branch / office.

### **Delays 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**

<b>Branch Category</b>	<b>Remuneration Payable Per Month (Amount in Rs.)</b>
a) Upto Scale III	9000/- + Service Tax
b) Scale IV	10000/- + Service Tax
c) Scale V and above	12000/- + 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 Bills along with 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 1949.