

The Kangra Central Cooperative Bank Ltd. HO Dharamshala

Invitation for EOI from CA firms of HP for Special Audit of Loan Portfolio

The bank invites EOI from practicing Chartered Accountant firms from HP for allotment of Special Audit of Loan Portfolio of 51 branches of the bank. The eligibility criteria, Terms & Conditions, Scope of Audit & other details are hosted on Bank's website www.kccb.in. Interested and eligible firms may submit their application along with necessary documents, latest by 20th August 2022 by post.

Sd/-

Managing Director



ANNEXURE -I

Scope of Work (Special Audit of 100% Loan Portfolio)

1. Scrutinize all borrower accounts
2. Whether Terms of Sanction have been complied
3. Whether required entries are made in CBS system including KYC, Terms of repayment etc.
4. Whether there is a possibility to amend terms of repayment in CBS system without authorisation
5. Whether the documents obtained are duly signed & enforceable at law
6. Whether Primary Security/Collateral Security obtained are duly hypothecated/Registered in the name of the Bank.
7. Whether uptodate valuation of property is available
8. Whether the borrower account is migrated under the same product category in which it was opened initially.
9. Whether system identified NPA & downgraded as per IRAC norms.
10. In case of House Loans it should be checked whether physical verification of the built house on the mortgaged land has been done or not besides checking the availability of Utilization Certificate.
11. Whether the property mortgaged is SARFAESI compliant & free from encumbrance.
12. In case of Non Farm Sector Loans it should be ascertained whether payment of disbursed loan has been directly made to the borrower or not. Are the copies of relevant bills/invoices intact in the file. Have the Security norms as prescribed by HO been fulfilled?
13. In case of CCLs it should be checked whether regular stock statements are being taken? Whether the stock is duly insured? Whether the CCLs are opened/allowed only for a term as prescribed by HO? Have the Security norms as prescribed by



HO been fulfilled?

14. In all loans, the application of Rate of Interest as per Bank's circular & its change from time to time on a historical basis must be verified.
15. All serialized & multiple furnishings of Guarantors in multiple loan cases must also be reported.
16. It should be checked that there is no deviation of funds & bonafide loanees have rightfully received the disbursed loan amount (whether full or in parts) in their respective accounts only
17. Any suspected case of Fraud or Proxy loaning must be reported separately to the Head Office.
18. The CA firm is advised to submit its branchwise report within two months of the date of allotment.

Fees

Minimum fee is Rs 200/- per borrower account subject to maximum fees of Rs 100000/- per branch (whichever is less) + applicable GST shall be paid to the CA firm. GST number of the bank (02AAAJT0749B1ZM) has to be necessarily quoted on the bill raised by Auditing Firm upon submission of report. Admissible TDS shall be deducted upon final payment. The above rate is inclusive of TA & DA.



ANNEXURE- II

Zone	Branches to be Audited							
<u>Una</u>	Thanakalan	Bangana	Lathiani	Una	GC Una	RH Una	Behdala	Dehlan
<u>Amb</u>	Gagret	Amb	S.M Daulatpu r Chowk	Daulatpur Chowk				
<u>Palampur</u>	SA Palampur							
<u>Galore</u>	Bani							
<u>Hamirpur</u>	L B Hamirpur	Bhota						
<u>Nagrota Bagwan</u>	Yol							
<u>Kangra</u>	Kangra	Zamanabad						
<u>Bathu</u>	Mehatpur	Ajouli	Pubowal	Santokhgarh	Tahliwal			
<u>Dada Siba</u>	Sansarpur Terrace							
<u>Indora</u>	DhanguPeer	Damtal	Kandrori	Indora	Thakurdwara	Sathana	Makroli	
<u>Nurpur</u>	Sadwan	Baranda						
<u>Anni</u>	Brow	Bail	Anni	Kaza				
<u>Banjar</u>	Larjee	Banjar	Bajaura					
<u>Kullu</u>	Udaipur	Manali	Kullu					
<u>Alampur</u>	Upper Lambagaon							
<u>Baijnath</u>	TC Bir							
<u>Galore</u>	Nadaun	Chakmoh						
<u>Samirpur</u>	Jahu	Ukhali	Ladraur					



ANNEXURE III

ELIGIBILITY FOR SPECIAL AUDIT ASSIGNMENT

The following norms shall be made applicable for appointment of firms of Chartered Accountants for Special Audit of 100% Loan Portfolio of branches.

I. Applicant firm should be a Member of ICAI and only a Category I or Category II Auditor having its Head Office in Himachal Pradesh besides being duly empanelled with Registrar Cooperative Societies as eligible Auditing Firm for Audit of Banks.

II. The CA firm or its partners are duly qualified as auditors in terms of Section 141 of the Companies Act. 2013 .

III. 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 Special Audit.

IV. The Firm would be preferably allotted Special Loan Portfolio Audit of not more than five branches of the Bank under normal circumstances however, depending upon partners' strength of the applicant, the number of branches allotted can be increased or decreased as per Bank's discretion.

V. Besides Chartered Accountants, the firm should have other qualified and experienced staff, infrastructure and office within the State of Himachal Pradesh.

VI. The firm should not have any professional or commercial relationship either direct or indirect with borrowers/beneficiaries of the branch / department under audit and also shall not have in future, as far as possible, for a minimum period of three years.

VII. If any of the Directors of Bank is a partner in a firm, such firm shall not be considered for appointment as Special Auditor.

VIII. The Partner(s) should get the special audit conducted under his/their direct supervision.

IX. The assignment of special audit cannot be given to others on sub-contract basis.

X. Mere submission of application for Special Audit & fulfilling the criteria thereof does not, in any way, constitute guarantee for assigning any type of audit of the Bank.



XI. Physical applications only addressed to **General Manager (Admin), The Kangra Central Cooperative Bank Ltd. Head Office Dharamshala (HP) PIN 176215** shall be considered. The envelope containing the Application should be superscribed with **"Application for Special Audit"** on it's top. Allotment will be considered after prioritizing and selecting from the eligible applications received on or before the due date only. The Bank reserves the right to add / delete name of branch(es) from the list and final decision with regard to allotment of Special Audit lies with the Management of the Bank. No correspondence whatsoever shall be entertained in the matter.

XII. If firm or partners are availing any credit facility(s) from any branch of the Bank or have guaranteed any credit facility in favour of a third party exceeding Rs10000/-, the same shall be a disqualification.

XIII. Bank reserves the right to modify / alter any terms of selection process at any point of time. Selection process will be at Bank's absolute and sole discretion. No representations /claims will be entertained whatsoever.

XIV. The Partner (s) of CA Firms should not be defaulter (s) of any Bank for any liability / loan or obligation. An undertaking to this effect is to be submitted to the bank along with the application.

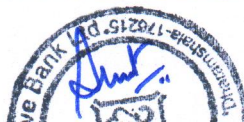


ANNEXURE IV

Application Form for conduct of Special audit of 100% Loan Portfolio of branches

(Only For Category I & II CA firms empanelled with Registrar Cooperative
Societies in State of Himachal Pradesh)

1.	Name of the Audit Firm	
2.	Address of Audit Firm in HP along with e mail & contact numbers	
3.	Contact Person with Mobile No & e mail address	
4.	Date of Incorporation of Audit Firm as per ICAI & FRN (Please send latest copy of Constitution certificate as per ICAI records)	
5	Number of FCA & years of association with firm	
6	Number of ACA & years of association with firm	
7	Number of partners/CA employees (as per ICAI record) with CISA/DISA qualification/Certified Concurrent Auditor of ICAI	
8	No. of Paid CA employees as per ICAI record	
9	PAN of (LLP/firm/proprietorship)	
10.	GST No (HP)	



11	Copy of RBI Category	
12	Copies of DISA/Membership of ICAI	
13	Copies of Experience of Statutory audit/credit audit/Stock Audit etc.in PSB/Pvt/Co-operative Banks	
14	Turnover of the Firm in the FY 2021-22 & Copy of ITR	
15	Number of Professional Audit Staff (excluding Admn. Staff)	

I/We hereby declare that above listed information is true & as per record. Further, I/We accept the Scope of Special Audit & the Terms & conditions therein & if appointed, accord my acceptance to conduct the special audit as per given scope besides charging the Minimum audit fee of Rs 200/- per borrower account subject to maximum fees of Rs 100000/- per branch (whichever is less besides being inclusive of TA & DA) + applicable GST as offered by the bank for conduct of Special Audit of 100% Loan Portfolio of allotted branch/branches.

I/we further declare that the firm has not been debarred by any Govt. Authority or held guilty of professional misconduct by ICAI.

Dated:.....

Place _____

Name of Signing partner with Seal

Membership Number

