

**Government of Bihar**  
**Department of Agriculture**  
Bihar Agricultural Management & Extension Training  
Institute (BAMETI), Patna, Bihar

**Empanelment of Chartered Accountant Firms for conducting  
Statutory Audit of Department of Agriculture Schemes/  
programmes across all its administrative units**

Applications are invited from the eligible Chartered Accounting Firms in the prescribed format for conducting Statutory Audit of Department of Agriculture's schemes/ programmes across all its administrative units functioning in 38 districts including State Nodal Cell.

Detailed Terms of Reference (ToR) and RFP document can be found at [www.krishi.bih.nic.in](http://www.krishi.bih.nic.in) and [www.bameti.org](http://www.bameti.org) Last date for submission of response is 30 May, 2015.

**Director, BAMETI**  
**Bihar, Patna**

**Department of Agriculture  
Government of Bihar**

**Bihar Agricultural Management & Extension Training Institute (BAMETI), Patna**

**Empanelment of Chartered Accountant Firms for conducting Statutory Audit of ATMA Schemes/ Agriculture Department programmes across all its administrative units.**

Applications are invited from the eligible Chartered Accountant Firms in the prescribed format for conducting Statutory Audit of Agriculture Department schemes/programmes across all its administrative units functioning in the 38 districts including State Nodal Cell of the state. The audit period will be **from financial year 2014-15 to 2016-17.**

The Chartered Accountant firms will be appointed Scheme wise as Statutory Auditors by the department and schemes/programmes will be assigned by Department of Agriculture (DoA). The empanelled C.A. firms will conduct the audit of the books of accounts of the State Nodal Cell of the scheme at state level, District Agriculture Office, Agriculture Technology Management Agency (ATMA), District Soil Conservation Office, at district level and also of field offices. Kindly refer to the detailed Terms of Reference (ToR).

The audit fee will be paid as per the rate approved by the competent committee constituted by the Department of Agriculture, Government of Bihar, against the bill submitted by the C.A. firm to the concerning officer after satisfactory completion of the audit and submission of Audit Report and other related documents.

The Technical Committee of the department will scrutinize the applications and only those firms will be selected who fulfil the minimum eligibility criteria. The department will have the right to cancel any application and/or postpone the process of selection at any stage without assigning any reason thereof.

The applications completed in all respects along with enclosures of necessary and required/ prescribed documents should reach the following address by **30 May, 2015** by **3.00 P.M.**

To

Director  
Bihar Agriculture Management and Extension Training Institute (BAMETI)  
BAMETI Complex, Opp. – Women's Polytechnic College  
Sahay Nagar, P.O. – B.V. College,  
Patna -800014 (Bihar)

## **TERMS OF REFERENCE (ToR)**

### **Introduction**

The Department of Agriculture (DoA), Government of Bihar (GoB), intends to empanelled suitable Chartered Accountant firms for conducting statutory audit of **ATMA schemes and Department of Agriculture's programmes** across all its administrative units including-

- State Nodal Offices
- Office of District Agriculture Officer
- Office of the Project Director, ATMA
- Office of the Assistant Director Horticulture
- Office of the District Soil Conservation Officer
- Office of the Sub-Divisional Agriculture Officer
- Office of the Block Agriculture Officer including ATMA.

The Block Agriculture Office, including ATMA is at the block level, Sub-Divisional Agriculture Office at the Sub-Division level and DAO, PD-ATMA, ADH, DSCO are at the district level and the Bihar Agriculture Management and Extension Training Institute (BAMETI) is at the state level.

The key Agriculture Department schemes and programmes implemented & administered at the Block, Sub-Division and District levels are;

- DAO, PD ATMA, ADH & DSCO administration
- Rastritiya Krishi Vikas Yojana (RKVY)
- National Food Security Mission (NFSM)
- Agriculture Technology Management Agency (ATMA)
- National Horticulture Mission (NHM)
- Integrated Watershed Development Programme

At present, for Department of Agriculture, BAO office functions as the primary unit for recording transactions which originate at the Block Unit.

Transactions originating at State level, District & Sub-Division level related to schemes/ programmes and activities of said offices are recorded at their level. Accounting functions for schemes/ programmes at the District/Sub-division level is vested with the office of District/Sub-division level officers & accountants. Accounting at the Block level for different schemes is undertaken by Block level officer (BAO) & accountants.

At the state level the Department of Agriculture secretariat has no accounting route for the scheme/programme but he has accounting establishment of central sponsored schemes like ATMA, RKVY, NFSM, National Project on Management of Soil Health & Fertility (NPMSH&F) etc. through his Societies/ Board/Nigam. The Secretariat undertakes monitoring of performance of

the schemes, approves and authenticates financial reports of districts as well as their funding requests, establishes systems and procedures for efficient financial, accounting and fiduciary management across the state for DoA schemes/programmes. The secretariat also coordinates with the funding agencies, essentially MoA, GoI and the Finance Department, GoB on allocation of funds, to the districts.

Further, the secretariat has also accounting and budgeting units/ sections that undertake accounting and budgeting functions for the secretariat (including release of state share of funds for DoA programmes/schemes) as well as discharge of payment (bills as well as salaries) and other entitlement functions.

All accounting is programmatic (apart from general administration related budgets/ expenditure relating to each administrative unit) and is consolidated at the district level. District's statements of Expenditure/Utilization Certificates (UCs duly audited annually through statutory audit) serve as the basis for reviewing financial & physical performance and for seeking funds.

### **Current Accounting Practice**

Accounting in the DoA secretariat in respect of State Government funds follows single entry cash based system of accounting as per norms prescribed by the government. The custodian for prescribing norms of accounting for budgets allocated through consolidated fund of the state is the state Finance Department. GoB has also recently computerized its treasury accounts, which is expected to be followed by all departments.

Accounting of District, Sub-divisional and Blocks level follows Cash/ Accrual and Single/ Double Entry System of accounting.

It is mandated that the audit of accounts of Districts, Sub-Division and Blocks should be completed by 30<sup>th</sup> June every year comprising Receipt and Payment Accounts, Income and Expenditure Account and Balance Sheet.

To audit the accounts it is now proposed to empanelled Chartered Accountant firms for conducting the audit for the financial year ending 31<sup>st</sup> March 2015. For the purpose of the audit, the selected firm is expected to visit all units of the DoA in the district/s assigned to it.

### **Audit Objectives**

The objective of the audit by an external agency is to ensure through the auditor's professional opinion on the financial position of each programme at the end of each fiscal year and of the funds received and expended for the accounting period ended as reported by the Programme, that the funds are utilized properly to achieve the intended objectives of the programme, and that the covenants of the funding are adhere to. The programme accounts provide the basis for preparation of the Programme Financial Statement and are established to reflect the financial transaction, as maintained by the project executing agency.

## **Audit Scope**

(A) The Auditor shall be required to carry out the following tasks;

- Accounting Policies and Change: The auditor should comment on the accounting policies and confirm the extent to which all the programmes accounting policies have been applied. In particular, the auditor should report any deviations from the agreed accounting standards. The auditor should also comment on any accounting policy changes, either during a financial year, or from one year to another.
- The auditor will verify all expenditure incurred by the programmes.
- The Auditor will also verify the amounts admitted and reimbursed by Districts/ State Govt. and Central Govt. and will report on the disallowances, if any with reasons for the same and suggest corrective measure needed not to repeat the same for future claims.
- Verify that the procurement of goods, services and civil works have been made following the guidelines issued by the Governments as applicable to each programme.
- Verify that the accounting transaction in all programme units are duly supported by adequate documentation and are duly approved.
- Verify that the funds have been used in accordance with the relevant guidelines.
- Verify that the Bank Accounts at all levels are reconciled and reconciliation statement checked.
- Verification and reporting on statutory compliances, deductions and deposit of TDS etc.
- All necessary supporting documents, records and accounts have been kept in respect of all programme expenditures.
- The financial statements follow acceptable accounting standards and give true and fair description of the financial positions.
- Report audit compliances and persisting irregularities.
- Any other matter incidental to above matters.

## **(B) Audit Report:**

An Audit Report on the Programme Financial Statements should be prepared in accordance with the standards on auditing promulgated by the Institute of Chartered Accountants of India. These standards require that the audit opinion to be rendered related to the financial statements taken as a whole, indicating unambiguously whether it is unqualified or qualified and if latter, whether it is qualified in certain respects or is adverse or disclaimer of opinion.

A sample Audit Report as Per SA 700 (revised) has been attached in Annexure - I

## **(C) Management Letter:**

In addition to the audit report on Programme Financial Statements, the Auditor shall submit a Management Letter, requiring the auditor to prescribe recommendations for

improvements in internal control and other specific matters coming to the attention of the Auditor during the course of Audit examination, this possibly shall include matters such as;

- i. Deficiencies or weakness in systems with respect to Compliance of previous years Audit Observations.
- ii. Any issues of the past financial year which remain unaddressed and any issues which have recurred.
- iii. Provide a feedback on the system of 'Advance Settlements' Adopted by the Agency; suggest measures for improvements of the same.
- iv. Any other matters that Auditor thinks pertinent.

A Sample cover letter to be used to transmit a management letter is shown in Annexure – II

**Summary of Auditing Requirements:**

1. Government of India guidelines clearly mentions that all the programmes require audited financial statements and separate programme accounts and records exclusively to ensure that the funds were used only for the objectives set out and for release of funds.
2. The accounts and records pertaining to all the Programmes must be consistently maintained in accordance with the standard laid down by the statute governing the respective Scheme/ Programme.
3. The programme accounts are to be maintained on Double Entry System of accounting, as per accounting standards notified by the Institute of Chartered Accountants of India. In this context, the auditor's responsibilities will be to verify, if the stated accounting standard have been followed consistently.
4. The project account should be audited in accordance with appropriate auditing standards consistently applied by the Auditor. The Auditor should specify in the Auditor's Report the auditing standards followed by them in conducting their audits. Furthermore, they should expand the scope paragraph in the Auditor's Report by disclosing, at least, the key audit procedures followed in the audit. If there are any supplementary Financial Statements to the Programme main financial statements, the Auditor should also make a statement whether the same audit procedures have been followed for the supplementary financial statements as for the main financial statements.
5. Apart from expressing an opinion on the financial condition of the Programme, the Auditors should also express an opinion as to whether:
  - a. The proceeds have been utilized only for the Programme activities;
  - b. The financial information complies with relevant regulations and statutory requirements; and
  - c. All the covenants of the Grant Agreement have been complied with
6. When a qualified opinion, adverse opinion, or a disclaimed opinion is given, the Auditor's Report should state in a clear and informative manner all the reasons therefore. In this respect, the Auditors are expected to follow SA 700.

7. Action or deficiencies disclosed by the Auditors in their Report should be resolved by the Government effectively and within a reasonable time. The Auditors should review and comment upon the adequacy of the corrective measures taken by the Government in the subsequent Auditor's Report.

**Programme Financial Statements shall include the following:**

- i. Balance Sheet at 31<sup>st</sup> March 2015 showing accumulated funds and assets and liabilities of the programme.
- ii. Income & Expenditure account for the year ending on 31<sup>st</sup> March, 2015 showing the grant and other income received and expenditure incurred on the programme.
- iii. Receipts and Payments Account for the year ending on 31<sup>st</sup> March, 2015 showing the receipts and payments of the programme.
- iv. Other Schedules to the Programme Financial Statements as appropriate, but which shall include:
  - Statements of Fixed Assets,
  - Schedule of Loans and Advances (including Age-wise analysis)
  - Schedule of all Cash & Bank Balances (also attach bank reconciliation statements as at 31<sup>st</sup> March, 2015)
  - Programme wise Statement of Expenditure
- v. Notes on Accounts explaining, wherever necessary, the transactions relating to the programme including any significant events during the year or changes in accounting policies etc. that would provide the reader a better understanding of the programme financial statements.
- vi. Statement of Significant Accounting Policies followed in the preparation of accounts/ financial statements in the administrative units.
- vii. Scheme wise Utilization Certificates (UCs); duly tallied with the aggregate of Income & Expenditure and Expenditure on Fixed Asset (which have been shown as capitalized in the schedule of fixed assets) during the financial year.
- viii. Action taken report on the previous year's audit observations.

**Key Professional/ Persons required for the purpose of Audit at each of the levels:-  
District/Sub-Division level**

| <b>S. No.</b> | <b>Key Professionals</b> | <b>Description of Services to be provided</b>   | <b>Experience</b>  | <b>Minimum Mandays Required</b> |
|---------------|--------------------------|---|--|---------------------------------|
| 1.            | Chartered Accountant     | <ul style="list-style-type: none"> <li>Overall coordination &amp; planning, team leadership, reporting, liaison with client.</li> <li>Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with heads of offices at Block/ District/ State units and report writing and finalization.</li> </ul> | Qualified Chartered Accountant with at least 3 years experience with expertise in the area of statutory audit planning execution and reporting of Govt. of India/ State Govt. Schemes. | 2                               |
| 2.            | Team Member              | Audit of Districts level and consolidation  | CA (Inter) with 2 years of experience in Accounting, audit and report writing.   | 8                               |

**For Each Block Level**

| <b>S. No.</b> | <b>Key Professionals</b> | <b>Description of Services to be provided</b>   | <b>Experience</b>   | <b>Minimum Mandays Required</b> |
|---------------|--------------------------|---|---|---------------------------------|
| 1.            | Chartered Accountant     | <ul style="list-style-type: none"> <li>Overall coordination &amp; planning, team leadership, reporting, liaison with client.</li> <li>Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with heads of offices at Block/ District/ State units and report writing and finalization.</li> </ul> | Qualified Chartered Accountant with at least 3 years experience as a partner with expertise in the area of statutory audit planning execution and reporting of Govt. of India/ State Govt. Schemes. | 1                               |
| 2.            | Team Member              | Audit of Districts level and consolidation  | CA (Inter) with 2 years of experience in Accounting, audit and report writing.  | 2                               |

The audit firm will provide CVs of key personnel who are expected to be engaged in audit work for evaluation purpose.



### **Monitoring & Review of the Final Draft Report:**

Final draft report may be reviewed to assess whether Auditor Delivered all reports and documents specified in the contract, in the form and matter and within the time period as specified; Assess whether the reports and documents are easily understandable or not; Has the Auditor satisfied the expectations of service quality, such as adequacy, applicability, effectiveness, innovativeness and impartiality, to examine whether Auditors are covering the scope of work and achieving the objectives of assignment set forth in the description of service mentioned. Compilation & consolidation of Audit report at District level. The proposed assignment will be reviewed and monitored by District Magistrate or a review committee formed by District Magistrate at the district level and take further remedial measures on the discrepancies pointed out. The Auditor shall submit a work plan at every auditee unit to the DMs office before the start of the audit, clearly stating the key professional undertaking the audit with date. A Nodal person will be deputed to interact with the Auditor at the Districts office.

### **Reporting and Timelines:**

The Final Audit Report should be submitted by 31<sup>st</sup> May, 2015 to the Department of Agriculture in 3 hard copies and 1 soft copy.

**Eligibility Criteria:** Firms must qualify the following minimum criteria:

| <b>S. No.</b> | <b>Particulars</b>  | <b>Minimum Criteria (Years/ Number)</b> |
|---------------|---|---|
| 1.            | The firm must be empanelled with C & AG for the year 2013-14. The particulars of the Firm's Head Office, Branch Office/s, Partners/ Proprietor and paid Chartered Accountants should match with the certificate issue by ICAI, without which the application of the firm would not be considered. | Provide details                         |
| 2.            | Average Annual Turnover of the firm in the last three financial years (As per Income Tax department records)  | Minimum Rs. 10 Lakhs                    |
| 3.            | Minimum No. of years of Firm existence as per ICAI Certificate  | 3 Yrs.                                  |
| 4.            | Minimum no. of audit assignments of Statutory Audit of Government departments, schemes and programmes/ PSUs.  | 05                                      |
| 5.            | The firm should have either have their head office or branch office in Bihar. (The Proof of established office should be provided along with the phone numbers for verifying the same.)   | Compulsory                              |

#### **Note**

- Any firm not qualifying these minimum criteria need not apply as their proposal shall be summarily rejected.
- Supporting Documents for Eligibility Criteria : The firm must submit required supporting documents to establish the minimum eligibility criteria.

- The firm or any partners of the firm should not be black listed by any PSL's or Govt. Co. or any other organisation in respect of any assignment or behaviour. Any partner/qualified employee of the firm whose name is included in the First or Second Schedule of the Chartered Accountants Act. 1949 will not be considered in the evaluation and the firm will provide and undertaking that such partner/ employee will not be involved in the audit, directly or indirectly.

**Scoring criteria:**

| Criteria   | Marking Criteria  | Maximum Marks |
|--|---|---------------|
| 1. Experience of the firm*   | > 5 years & up to 6 years – 5 Marks<br>> 6 years & up to 7 years – 10 marks<br>> 7 years & up to 8 years – 15 Marks<br>(*Counted from the date of constitution of the firm, certification to that effect needs to be provided)  | 20            |
| 2.Full time FCA/ ACA Partners  | 5 points for each partners (Maximum marks will be 25 under this Criteria)   | 25            |
| 3. Full time CA Employees  | 5 points for each CA Employee ( Maximum marks will be 20 under this criteria)   | 20            |
| 4. Assigned key professional staff qualifications and competence to be working on the single district assignment | 1. Qualified Chartered accountant (Two)<br>i. CA with at least 3 years post qualification experience – 20 Marks<br>ii. CA with at least 2 years post qualification experience – 15 Marks<br>iii. CA with at least 1 year post qualification experience – 10 Marks<br>iv. CA with less than 1 year post qualification experience - 0 Marks<br>2. CA Inter (Two)<br>i. CA inter with at least 2 years post qualification experience – 15 Marks<br>ii. CA inter with at least 1 year post qualification experience – 10 Marks<br>iii. CA Inter with less than 1 year post qualification experience – 0 Marks | 35            |
| Minimum technical marks for award of Contract will be 70%  |   |               |
| The firm having local experience may get preference.   |   |               |

All the firms qualifying against the eligibility criteria will be ranked based on the scoring criteria given above. The firms will be assigned a rank based on the marks scored. Top firms would be issued a letter of award subject to their submission of a Performance Guarantee of Rs. 50,000 only, drawn in favour of "SAMETI Bihar" for 6 months from the date of issue.

**Letter of Transmittal**

To,

The Principal Secretary  
Department of Agriculture  
New Secretariat  
Patna, Bihar

Dear Sir,

We, the undersigned, offer to provide the audit services in accordance with your Request for Proposal dated (Insert Date). We are hereby submitting our Proposal, which includes this Technical Proposal scaled under a separate envelope.

We are submitting our Proposal in association with: (Insert a list with full name and address of each associated Consultant)

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

We agree that we will be paid according to the guidelines of the Agriculture Department, Govt. of Bihar.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that the Department of Agriculture, Bihar is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of (Insert Name of the C.A. firm) to submit the proposal and to negotiate on its behalf.

Yours faithfully

**Particulars/ Details of the Firm**

| <b>S.No.</b> | <b>Particulars</b>   | <b>Supporting Documents required to be submitted along with this Form</b>                                      |
|--------------|--|--|
| 1.           | Name of the Firm   |  |
| 2.           | Addresses of the Firm  |  |
|              | Head Office  | Name of the In-charge<br>Phone No.<br>Fax No.<br>Mobile of Head Office In-charge                               |
|              | Branch Office 1,2,3,----<br>(Particulars of each branch to be given)   | Name of the In-charge<br>Phone No.<br>Fax No.<br>Mobile of Head Office In-charge                               |
| 3.           | Firm Income Tax PAN No.  | Attach copy of PAN card  |
| 4.           | Firm Service Tax Registration No.  | Attach copy of Registration (if applicable)  |
| 5.           | Registration No. with ICAI   |  |
| 6.           | Empanelment No. with C & AG  | Attach proof of latest empanelment with C & AG for the year under Audit.                                       |
| 7.           | No. of years of Firm Existence & Date of Establishment of Firm   | Attach copy of Partnership Deed  |
| 8.           | Turnover of the Firm in last three completed years ( As per Income Tax records)<br>year 2010-11<br>Year 2011-12<br>Year 2012-13<br>Average   | Attach audited accounts for the last three completed years<br><br>Rs. ....<br>Rs. ....<br>Rs. ....<br>Rs. .... |
| 9.           | Audit Experience of the Firm<br>1. Number of Assignments in Commercial/ Statutory Audit<br>2. Number of Assignments in Social Sector Audit (Other than audit of Charitable Institutions) | Copy of the Offer Letter & the Fee Charged<br><br>Copy of the Offer Letter & the Fee Charged                   |

|     |  |  |
|-----|--|--|
|     |  |  |
| 10. | <p>Details of Partner: Provide following details:</p> <ul style="list-style-type: none"> <li>• Number of Full Time Fellow Partners associated with the firm</li> <li>• Name of each partner</li> <li>• Date of becoming ACA and FCA</li> <li>• Date of joining of the firm</li> <li>• Membership No.</li> <li>• Qualification</li> <li>• Experience</li> <li>• Whether the partners is engaged full time or part time with the firm</li> </ul> | <p>Attested copy of Certificate of ICAI on or later than 01.01.2013</p> <p>Provide the details in a separate sheet in a tabular format</p> |
| 11. | Details of Full Time CA Employee   | With similar details as above.   |
| 12. | Details of other Employees, CA (Inter) etc.  | Details of qualification and experience  |

**A. Details of Qualified Staff (Chartered Accountants)**

(Please provide attested copy of Certificate of ICAI on or later than 01.01.2013 for each qualified staff)

| <b>S. No.</b> | <b>Name of Staff</b> | <b>Length of Association with the Firm (in years)</b> | <b>Educational Qualifications</b> | <b>Area of Key Expertise</b> | <b>Membership No.</b> | <b>Relevant Experience</b> |
|---------------|----------------------|---|-----------------------------------|------------------------------|-----------------------|----------------------------|
| 1.            |                      |   |                                   |                              |                       |                            |
| 2.            |                      |   |                                   |                              |                       |                            |
| 3.            |                      |   |                                   |                              |                       |                            |
| 4.            |                      |   |                                   |                              |                       |                            |
| 5.            |                      |   |                                   |                              |                       |                            |
| 6.            |                      |   |                                   |                              |                       |                            |

**B. Details of Semi-qualified Staff (including Article Clerks etc.)**

| <b>S. No.</b>                 | <b>Name of Staff</b> | <b>Length of Association with the Firm (in years)</b> | <b>Educational Qualifications</b> | <b>Area of Key Expertise</b> | <b>Membership No.</b> | <b>Relevant Experience</b> |
|-------------------------------|----------------------|---|-----------------------------------|------------------------------|-----------------------|----------------------------|
| <b>Semi Qualified Staffs:</b> |                      |   |                                   |                              |                       |                            |
| 1.                            |                      |   |                                   |                              |                       |                            |
| 2.                            |                      |   |                                   |                              |                       |                            |
|                               |                      |   |                                   |                              |                       |                            |
| <b>Article Clerks :</b>       |                      |   |                                   |                              |                       |                            |
| 1.                            |                      |   |                                   |                              |                       |                            |
| 2.                            |                      |   |                                   |                              |                       |                            |
|                               |                      |   |                                   |                              |                       |                            |
| <b>Others</b>                 |                      |   |                                   |                              |                       |                            |
| 1.                            |                      |   |                                   |                              |                       |                            |
| 2.                            |                      |   |                                   |                              |                       |                            |

**Details of Structure & Composition of Team and Task Assignments for Proposed Assignment**

| <b>Name</b> | <b>Position/Team Number</b> | <b>Nos.</b> | <b>Educational Qualification</b> | <b>Key Responsibilities or Task Assigned</b> | <b>Relevant Experience</b> | <b>Name of the firm to which he belongs in case of Associate</b> | <b>Number of Man days estimated for task completion</b> |
|-------------|-----------------------------|-------------|----------------------------------|--|----------------------------|--|---|
|             |                             |             |                                  |  |                            |  |   |
|             |                             |             |                                  |  |                            |  |   |
|             |                             |             |                                  |  |                            |  |   |
|             |                             |             |                                  |  |                            |  |   |
|             |                             |             |                                  |  |                            |  |   |
|             |                             |             |                                  |  |                            |  |   |

Attach detail CV of a qualified Chartered Accounts with one semi-qualified (C.A. inter) and support as appropriate to the assignment.

**Brief of Relevant Experience**

| <b>A. Experience of Statutory Audit in relation to Govt. Aided Projects</b> |                                       |  |                                   |   |   |  |
|---|---------------------------------------|--|-----------------------------------|---|---|--|
| <b>S. No.</b>   | <b>Name of the Audit Organization</b> | <b>Grant-in-aids handled of the auditee organization</b> | <b>Type/ Nature of Assignment</b> | <b>Scope &amp; Coverage of the Assignment</b> | <b>Duration of Completion of Assignment</b> | <b>Proof of the letter of Work or Assignment awarded by the Audit Organization (Pl. Attach a copy of the letter)</b> |
| 1.  |                                       |  |                                   |   |   |  |
| 2.  |                                       |  |                                   |   |   |  |
| 3.  |                                       |  |                                   |   |   |  |

| <b>B. Experience of Statutory Audit in Externally Aided Projects /PSUs etc.</b> |                                       |   |                                   |   |   |  |
|---|---------------------------------------|---|-----------------------------------|---|---|--|
| <b>S. No.</b>   | <b>Name of the Audit Organization</b> | <b>Turnover of the Audit Organization</b> | <b>Type/ Nature of Assignment</b> | <b>Scope &amp; Coverage of the Assignment</b> | <b>Duration of Completion of Assignment</b> | <b>Proof of the letter of Work or Assignment awarded by the Audit Organization (Pl. Attach a copy of the letter)</b> |
| 1.  |                                       |   |                                   |   |   |  |
| 2.  |                                       |   |                                   |   |   |  |
| 3.  |                                       |   |                                   |   |   |  |



## MODEL AUDITOR'S REPORT – UNQUALIFIED OPINION

[Appropriate Address]

We have audited the accompanying financial statements of <Scheme Name> of DOA <name of district > which comprise the Balance Sheet as at March 31, 2014 Income and Expenditure Account as on March 31, 2014 and Receipts and Payments Account as on March 31, 2014 for the year then ended. and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements. this responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standard require that we comply with ethical requirements. and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amount and disclosure in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) in case of Balance Sheet as at March 31, 2014
- b) in case of Income and Expenditure Account as on March 31, 2014
- c) in case of Receipts and Payment Account as on March 31, 2014

For << >>  
Chartered Accountants  
Firm's Registration Number

Signature  
(Name of The Member Signing the Audit Report)  
(Designation)

Place of Signature  
Date

Membership Number

**Sample Management Letter**  
**(Audit Firm Letter head)**  
**(Date)**

To Department of Agriculture.

In connection with our audit financial statements of DOA and all the schemes administrated by the said department for the year ended ....., we familiarized ourselves with internal guidelines and letter/circulars issued by the Department of Agriculture applicable during the period under audit. This letter to the department includes observation noted during the course of our audit examination in the following areas:

1. Status of compliance of Audit observations pertaining to pervious audit period.

| <b>Scheme</b> | <b>Audit Observation</b> | <b>Action taken by DAO</b> | <b>Auditor's Comments</b> |
|---------------|--------------------------|----------------------------|---------------------------|
|               |                          |                            |                           |

2. Matters arising current year and having significant impact on the financial statements of the schemes and/or .....

| <b>Scheme</b> | <b>Audit Observation</b> | <b>Status of the issue (Critical/ Moderate/ Negligible)</b> | <b>Auditor's recommendation for resolution</b> |
|---------------|--------------------------|---|--|
|               |                          |   |  |

3. Specific comments with respect to compliance of specific guidelines issue to the DAO/..... the Department

| <b>Date of issue of instruction(s)</b> | <b>Dept Letter No.</b> | <b>Status of compliance by DAO/ .....</b> | <b>Auditors suggestions/ comments</b> |
|--|------------------------|---|---------------------------------------|
|  |                        |   |                                       |

4. Status of maintenance of programme books and records

5. Opportunities for strengthening financial management records, systems and controls, together with recommendations for improvements

The matters contained in this Management letter are intended solely for the information Department of Agriculture for such timely consideration and action as the department may deem appropriate. They have been considered by us in formulating the audit opinion expressed on the project financial statements in our audit report dated ..... and they do not alter the opinion expressed in that audit report.

We also to take this opportunity to thank the department or the courtesies and cooperation extended to our auditors.

Yours truly,  
 (Name & title)

### Remuneration for the Audit

The following tables show the approved audit rates at various levels.

#### Each Block:

| S. No. | Name of the Scheme                              | Rate in (Rs.) |
|--------|---|---------------|
| 1.     | Rashtriya Krishi Vikas Yojna (RKVY)             |               |
| 2.     | National Food Security Mission (NFSM)           |               |
| 3.     | Agriculture Technology Management Agency (ATMA) |               |
| 4.     | Bank Reconciliation charges                     |               |
| 5.     | Financial Statement Preparation                 |               |
|        |   |               |

#### Each District :

| S. No. | Name of the Scheme              | Group wise Rate in (Rs.) |         |         |         |
|--------|---------------------------------|--------------------------|---------|---------|---------|
|        |                                 | Group A                  | Group B | Group C | Group D |
| 1.     | RKVY                            |                          |         |         |         |
| 2.     | NFSM                            |                          |         |         |         |
| 3.     | ATMA                            |                          |         |         |         |
| 4.     | Bank Reconciliation charges     |                          |         |         |         |
| 5.     | Financial Statement Preparation |                          |         |         |         |
|        |                                 |                          |         |         |         |

#### State :

| S. No. | Name of the Scheme              | Group wise Rate in (Rs.) |         |         |         |
|--------|---------------------------------|--------------------------|---------|---------|---------|
|        |                                 | Group A                  | Group B | Group C | Group D |
| 1.     | RKVY                            |                          |         |         |         |
| 2.     | NFSM                            |                          |         |         |         |
| 3.     | ATMA                            |                          |         |         |         |
| 4.     | Bank Reconciliation charges     |                          |         |         |         |
| 5.     | Financial Statement Preparation |                          |         |         |         |
|        |                                 |                          |         |         |         |

District classification :

Category A district (<6 blocks)

Category B district (<6-11 blocks)

Category C district (<11-15 blocks)

Category D district (<15 blocks)