



# KARNATAKA RURAL ROAD DEVELOPMENT AGENCY

III FLOOR, "Grameenabhivruddhi Bhavan" Ananda Rao Circle, Bangalore -09

Phone No.080-29710021, 29710022. Fax: 080-29710025.

Email: [coo.krrda.karbnq@gmail.com](mailto:coo.krrda.karbnq@gmail.com)

KRRDA/Accounts/Internal/Audit/2024-25

## **SHORT TERM - TENDER NOTIFICATION** **Through e-Procurement only**

e-Tenders in two bid system (Technical bid and Financial bid) are invited by the undersigned through e-Procurement platform from the **Chartered Accountants empanelled with The Comptroller and Auditor General of India (Submit a self-attested copy of the latest empanelment intimation letter issued by the CAG containing the Unique Identification Number and the score) and having experience in Public works Audit for Internal Audit of "Accounts of KRRDA and 29 subordinate divisional offices for the year 2024-25"**. The details of Instruction to Bidders (ITB). Terms of References (ToR), Checklist for Internal Audit and Item wise Sample for Internal Audit (Schedule-1), Forms - T-1, T-2, T-2A, T-3, F-1, F-1A (**with authentic supporting financial turn over documents for Form T-1**) List of PIU's / KRRDA (Annexure-1) and Sample of Agreement may be obtained from the e-procurement portal <http://www.eproc.karnataka.gov.in>

Calendar of Events of tendering is as follows:-

Sl. No.	Particulars	Date and Time
1	The last date and time for online submission of Technical Bid and Financial Bid along with necessary documents	26.11.2024, 17:30hrs
2	Tender processing fee	Rs. 500/-
3	The date of opening Technical Bid	28.11.2024, 16:00hrs
4	The date of opening Financial Bid	17.12.2024 11:00hrs or their after.

Further details may be obtained from e-Procurement Portal website <http://www.eproc.karnataka.gov.in>. For any queries/Clarification contact office of the Chief Operating Officer, KRRDA, 3<sup>rd</sup> Floor, Grameemabhivruddhi Bhavana, Anandarao Circle, Bangalore-09, Phone No.080-29710021, 29710022 & 29710023 during office hours.

Sd/-

Tendering Officer/  
Executive Engineer,  
KRRDA, Bangalore



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## **Instructions To Bidders**

1. Technical and Financial Proposals by the eligible Chartered Accountants for **Internal Audit** of Pradhan Mantri Gram Sadak Yojana and Namma Grama Namma Rasthe in the State of Karnataka have been invited.
2. Details of the services are given in the Terms of References (TOR).
3. The following documents are enclosed for being filled by the bidders:
  - (a) Form No. T-1, T-2, T-2A, T-3, F-1& F-1A.
  - (b) List of PIUs /KRRDA and their location (Annexure-1).
  - (c) Terms of Reference (TOR) [Annexure-2]
  - (d) Check List for Internal Audit (Annexure-3)
  - (e) A Sample Form of Contract under which the Internal Audit will be carried out. (Annexure-4)
  - (f) Item-wise sample sizes for Internal Audit (Schedule-1)

#### **4. Clarification and Amendments to Tender Documents**

Any clarification on Tender documents up to seven (7) days prior to the submission date. Any request for clarification must be sent in writing to the address as indicated above.

#### **5. Submission of Proposals**

- 5.1 The proposals shall be submitted in two parts, viz., Technical and Financial Proposals in the forms provided in formats T-1, T-2, T-2 A, T-3, F-1and F-1A as referred to in para 8 and 9. The proposals must be sent through e-procurement not later than the time and date indicated in Notification or any extension to this date in accordance with para 5.3.
- 5.2 The "Technical" and "Financial" Proposals must be submitted in two separate bids. The "TECHINICAL PROPOSAL" should include the description of the bidder's general experience in the field of the assignment, the qualification and competency of the personnel proposed for the assignment in response to suggested Terms of Reference (Annexure II) in Forms T-1, T-2, T-2A and T-3. The "TECHINICAL PROPOSAL" should not contain any cost information whatsoever. The 'FINANCIAL PROPOSAL' should contain the detailed price offer in Form F-1 and F-1A for the internal audit.

- 5.3 At any time before the submission of Proposal, the SRRDA may amend the Tender document by issuing an addendum in writing or by standard electronic means. The addendum shall be sent to all the bidders and will be binding on them. The bidder should acknowledge receipt of all amendments. To give bidders a reasonable time in which to take an amendment into account in their proposals, the SRRDA will, if the amendment is considered as materially substantial, extend the deadline for the submission of Proposal.

## **6. Information to Bidders**

- 6.1 The bidder shall bear all costs whatsoever associated with the preparation and submission of their Proposals. The costs might include site visit, collection of information, and if selected, attendance at bid opening and contract negotiations.
- 6.2 There is no objection to your firm associating with another firm to enable a full range of expertise to be presented. However, joint ventures between firms on the shortlist are not permitted. The request for a joint venture should be accompanied with full details of the proposed association.
- 6.3 KRRDA is not bound to accept any proposal and reserves the right to annul the selection process at any time prior to contract award, without thereby incurring any liability to the bidder.
- 6.4 In preparing their proposals, the bidder is expected to examine in detail the documents comprising the Tender document. Material deficiencies in providing the information requested may result in rejection of a Proposal.
- 6.5 It may be noted that any manufacturing or construction firm, with which the Statutory Auditor might be associated with, will not be eligible to participate in bidding for any goods or works resulting from or associated the project of which this Internal audit assignment forms a part.
- 6.6 A list of the PIUs and KRRDA (which will be audited) indicating their locations is given in **Annexure-I**
- 6.7 Turnover of KRRDA for financial year **2023-24 is Rs.764.00 Cr.** (Rupees Seven Hundred & Sixty Four Crore only)

## 7. Opening of Technical Proposal

- 7.1 Technical proposals are evaluated by the Evaluation committee (EC) Consist Chief Operating Officer, Finance controller and Audit officer of The KRRDA. The Technical Proposal will be opened by Evaluation committee in the KRRDA office at Bangalore. It may please be noted that Financial Proposals containing the Price Bid will not be opened until technical evaluation has been completed and the result approved and notified to all the bidders. The bidder's representatives shall be encouraged to be present at the time of opening of the Technical Proposal. The bidders' representatives, who choose to attend the bid opening proceedings, will sign an Attendance Sheet.
- 7.2 The KRRDA shall notify those bidders whose proposals did not meet the minimum qualifying marks or were considered non-responsive to the Letter of Invitation and Terms of Reference, indicating that their Financial Proposals will be unopened after completing the selection process. KRRDA shall simultaneously notify the bidders who have secured the minimum qualifying marks, indicating the date and time set for opening of Financial Proposals. The notification may be sent by registered letter or electronic mail.

## 8. Evaluation of Technical Proposal

### **The Technical Proposal will be evaluated using the following criteria:**

The Internal Auditor firm's relevant experience in audit of Government or Autonomous Bodies of the Central /State Government or Public Sector Undertakings. The Internal Auditor firms should furnish year-wise financial turnover of the each organization audited by them during the last three years. The Internal Auditor firms must have audited accounts of three Government/Autonomous bodies of Central or States Governments in the last three years **(2021-22, 2022-23 & 2023-24)**. **The total of yearly financial turnover of all organizations audited during any one year of last three years should be at least 50% of the financial turnover of Karnataka Rural Roads Development Agency during the preceding financial year failing which the bidder would be treated as disqualified.** The Internal Auditor firms should provide the aforesaid information in **Form No. T-1, T-2, T-2A & T-3 (with Authentic supporting Financial turnover documents for Form-T1)**. The EC will subsequently review the detailed contents of each Technical Proposal. Tender inviting Authority / Evaluation Committee may Call

any Relevant Documents at the time of Tender scrutiny.

**Explanatory Note:** *In case the Internal Auditor firm has audited any unit(s) or division(s) of any organization then the turnover of that particular unit (s) or division n(s) should be shown in Form T-1 and not the turnover of the organization as a whole.*

#### 8.1 Criteria for Evaluation of Technical Proposal.

The following criteria and point system shall be followed:-

(A)	Financial Turn over	25 points.
(B)	Qualifications and experience of key personnel on the rolls of the Internal Auditor Firm	30 points.
(C)	Capacity of the Internal Auditor Firm	40 points.
(D)	Support Staff possessing experience of public works audit and accounts.	5 points.
Total		100points

##### (A) Financial Turn Over (25 points)

The qualified bidders, short listed on the basis of adequate turnover prescribed in Para 8 above would be awarded points based on the maximum turn over during any one year. The information furnished in Form T-1 shall be evaluated as follows:-

- (a) The Internal Auditor firms which have audited organizations whose sum of audited annual financial turnover is 50 to 60% of the KRRDA turn over in the preceding financial year would be awarded 10 points out of 25 points.
- (b) The Internal Auditor firms which have audited organizations whose sum of audited annual financial turnover is 61 to 75% of the turnover of the KRRDA in the preceding financial year would be awarded 15 points out of 25 points.
- (c) The Internal Auditor firms which have audited organizations whose sum of audited annual financial turnover is 76% to 100% of the turnover of the KRRDA would be awarded 20 points out of 25 points.
- (d) The Internal Auditor firms which have audited organizations whose sum of audited annual financial turnover is more than 100% of the turn over of the KRRDA would be awarded 25 points out of 25 points.

**(B) Qualifications and experience of key personnel on roll of The Internal Auditor firm (30 Points)**

For qualifications and experience of the key personnel, on roll of The Internal Auditor firm, the firm should submit details of five senior personnel in the **Form No. T-2** and their curriculum vitae (CVs) in **Form No. T-2A**.

The Points for key personnel will be awarded as under:-

**Points for Professional Qualifications:-**

Sl. No.	Number of key personnel	Points to be awarded
1. i)	One or two FCAs on roll of The Internal Auditor firm	4
ii)	Over two FCAs on roll of The Internal Auditor firm	8
iii)	One to Three ACAs on roll of The Internal Auditor firm	4
iv)	Above three ACAs on roll of The Internal Auditor firm	7
v)	One to four DISAs on roll of The Internal Auditor firm	4
vi)	Above four DISAs on roll of The Internal Auditor firm	5
2.	Experience* of key personnel in audit of public works accounts*.	1 point to each key personnel (Maximum point 5).
3.	Experience* of key personnel in audit & accounts autonomous body/PSU of State Governments or Central Government.	1 Point to each key personnel (Maximum point 5).

*\*Details of professional qualifications will be extracted from the CVs of the professionals.*

**(C) Capacity and Quality of the Audit Team (40 points)**

The Internal Auditor will make his own assessment about adequate number of audit teams required for conducting the audit as per the TOR. Each audit team should comprise of one CA (FCA or ACA or DISA) and two support staff. Details of personnel in each team should be submitted in **Form No. T-3**. The details of teams for which information shall be provided will be as under:-

No. of PIUs under the KRRDAs	No. of teams to be evaluated (Teams as detailed in Form No. T-3)
25 or more	Top five
Between 10 to 24	Top three
Under 10	Top two

The evaluation of team shall be done on the basis of CVs. The number of teams to be deployed for internal audit may be decided by the bidders in consultation with KRRDA based on the number of PIUs, their locations, etc.

**(D) Support Staff possessing experience of Public Works Audit and Accounts**

**(5 points)**

Based on the information furnished in Form T-3 one (1) point will be assigned to each support staff of the team who possesses audit of public works accounts experience subject to maximum of 5 points.

**8.2 Cut off points for qualifying Technical Proposal**

Based on the points and criteria as set out for Technical Proposals, all the bidders who have secured **60 or more points** shall be treated as successful bidders. Their Financial Proposals shall be opened.

***Note: - In the States where the number of successful bidders after technical evaluation are less than three (3), the competent authority of the State can relax the aforesaid cut off criteria of technical bid to qualify top 3 bidders in the Technical Proposals.***

8.3 The EC will record in detail the reasons for acceptance or rejection of the Technical Proposal analyzed and evaluated by it and would recommend the names of Internal Auditor Firm qualified in the Technical Bids to the Competent Authority of the KRRDA.

**9. Opening of Financial Proposals**

9.1 At the second stage, financial bids of only those bidders who have been Declared qualified in the Technical proposal will be opened by the Evaluation Committee **(EC)**. The “Financial Proposal” should be submitted in the Schedule – “Price Bid” in **Form No. F-1**. The Internal Auditor Firm should provide detailed break down of Costs Estimates of Services in the format given in **Form No F.-1A**

9.2 Each Financial Proposal will be inspected by the EC .

9.3 KRRDA’s representatives or member (in EC) will open each Financial Proposal. KRRDA’s representatives (in EC) will record this information in writing.

9.4 The bidders representative shall be encouraged to be present at the time of opening of Financial Proposal. The bidder’s representatives, who choose to attend the bid proceeding will sign an Attendance Sheet.



## **10. Evaluation of Financial Proposals**

- 10.1 The Financial Proposals will be checked for computational errors or material omissions and prices will be corrected and adjusted as necessary. In the case of material omissions, the cost of the relevant Financial Proposal will be increased by application of the highest unit cost and quantity of the omitted item as provided in the other submitted Financial Proposals.
- 10.2 A comparative statement shall be prepared by the EC to analyse and select the successful bidder and award of work. This will be approved by the Competent Authority of the KRRDA. The eligible Internal Auditor Firm who has quoted lowest rates would be awarded the work of internal audit after price negotiations if any, required.

## **11. Confidentiality**

Information relating to evaluation of Proposals and recommendations concerning contract award shall not be disclosed to bidders who have submitted Proposals or to other persons not officially concerned with the selection process until the successful firm has been notified and contract awarded.

## **12. Award of Contract**

- 12.1 After completion of negotiations<sup>1</sup>, KRRDA shall award the contract to the selected Internal Auditor Firm and promptly notify the other Internal Auditor Firm who had submitted Proposals that they were unsuccessful.
- 12.2 The validity of the proposal shall be for 90 days from the date of opening of the Technical Bid without change in the personnel proposed for the assignment and proposed price. The KRRDA will make its best efforts to select an Internal Auditor within this period.
- 12.3 Internal Auditor will be expected to take-up/commence with the assignment within a Fifteen days of award of assignment order by the KRRDA and complete it by the stipulated time.



- 12.4 Under the overall guidance of the KRRDA, the Internal Auditor Firm will work directly with the respective PIUs. The Internal Auditor Firm is expected to conduct audit of KRRDA PIUs **from 01.04.2024 to 31.03.2025**. Contract may be terminated anytime after giving one month notice if performance of the Agency is found unsatisfactory.
- 12.5 The remuneration which the Internal Auditor receives from the contract will be subject to normal tax liability as per the Tax Laws.

Yours faithfully,

**CHIEF OPERATING OFFICER**  
KRRDA, BANGALORE

## **Term of Reference for Internal Audit of KARNATAKA RURAL ROAD DEVELOPMENT AGENCY.**

### **I. Introduction**

#### **Project Objective**

Ministry of Rural Development, Government of India, has launched a programme known as Pradhan Mantri Gram Sadak Yojana (PMGSY) in December, 2000 to provide connectivity to all unconnected habitations in rural areas by way of all weather roads. In addition to new connectivity to the target habitations,

up-gradation of existing through route is also envisaged under the programme for providing farms market connectivity. The Ministry of Rural Development and its associated technical arm, the National Rural Infrastructure Development Agency (NRIDA) has been tasked with designing the programme strategy and overseeing actual implementation by States and District bodies. The NRIDA is an autonomous body of the Ministry of Rural Development registered under the Societies Registration Act, 1860. The PMGSY is a 100% centrally sponsored scheme which is being implemented by the State Governments.

Each State Government has nominated a department (Rural Development or Public Works Department or Panchayati Raj Department) as Nodal Department which is responsible for the implementation of the programme in the State. The Nodal Department has set up a State level autonomous agency; called the State Rural Road Development Agency (KRRDA) with a distinct legal status. These agencies are registered under Societies Registration Act, 1860. The KRRDA get the works executed through Programme Implementation Unit(s) [PIU] at the district or tehsil level. The PIU is headed by an officer of the rank of Executive Engineer. He has technical and clerical staff to support him on the pattern of public works system. Under the same guidelines of Pradhan Mantri Gram Sadak Yojana, the Karnataka State Government also has launched a programme called Namma Grama Namma Rasthe in March 2011. Under the scheme, about 50km of rural roads per constituency has been taken up to provide connectivity to all unconnected habitations in rural areas by way of all weather roads

### **II. Funds Flow for the Project**

The major source of funds for development of roads is the Central Road Fund accretion through cess on diesel oil for PMGSY and State consolidated fund for NGNRY.

### III. Accounting System

A common accounting system has been developed for the projects which are based on Central Public Works Accounting System and double entry accounting system (Mercantile Accounting). The accounting and financial management system of PMGSY has been codified in the following manuals developed by the NRIDA:-

- a) PMGSY Accounts Manual Programme Fund;\*
- b) PMGSY Accounts Manual Administrative Expense Fund\*; and
- c) User Manual for the Online Management Monitoring and Accounting System (OMMAS).\*

*\* amended upto date*

The same accounting system is adopted for Namma Grama Namma Rasthe Yojana also.

The Ministry of Rural Development has also laid down guidelines for PMGSY programme which are codified in a book called PMGSY Programme Guidelines. All these publications are available on the NRIDA's website [www.pmgysy.nic.in](http://www.pmgysy.nic.in) and OMMAS on website [www.pmgysyonline.nic.in](http://www.pmgysyonline.nic.in).

### IV. Internal Audit (applicable for both the schemes)

1. Internal audit aims at helping the management achieve the stated objectives. It involves analyzing business processes, procedures and activities with the goal of highlighting organizational problems and recommending solutions.
2. The coverage of internal audit within an agency is broad and may involve topics such as the efficacy of operations, reliability of financial reporting, deterring and investigating fraud, safeguarding assets, and compliance with laws and regulations. Thus, the internal audit should ascertain the compliance with established policies, plans, procedures and reliability of management data developed within the agency and recommend operating improvements.
3. Internal Audit has been dealt with in Chapter 16 of PMGSY ACCOUNTS MANUAL PROGRAMME FUND and in the Chapter of 14 PMGSY ADMINISTRATIVE EXPENSES FUND ACCOUNTS MANUAL.

4. Karnataka Rural Road Development Agency, Bangalore now wishes to commission an Internal Auditor Firm (name of the Internal Auditor Firm) to undertake the work of internal audit of KRRDA and its PIUs from **01.04.2024 to 31.03.2025**. Performance of the Internal Auditor Firm would be reviewed at the end of the year and the contract may be terminated after giving one month notice if performance of the Internal Auditor Firm is found unsatisfactory.

#### **V. Objectives of Internal Audit**

The objectives of the internal audit are to:

1. Review the adequacy of the project financial management arrangements, including adherence to the Operational and Accounting manuals; and
2. Provide the project management with timely information on financial management aspects of the project to enable appropriate corrective / follow-up action;

#### **VI. Scope of Internal Audit**

The internal audit will be carried out for full financial year in accordance with the relevant national standards of auditing, and will include such tests and controls as the auditor considers necessary under the circumstances. When conducting internal audit, special attention should be paid to the following:-

1. Ensure that the accounting and financial management systems remain reliable and effective in design and to assess the extent to which they are being followed;
2. Review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts;
3. Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications;
4. Identify areas of significant inefficiencies in the existing systems and suggest necessary remedial measures;
5. Confirm the existence of financial propriety in all decision and verify compliance to government and statutory requirements.
6. Confirm that the agreed procurement procedures and arrangements have been followed for works, goods and services.
7. Check that all expenditure incurred from Programme Fund Account and Administrative Expenses Fund Accounts has the necessary supporting documents and have been incurred in accordance with the applicable rules.
8. Confirm that Bank Authorization given to PIUs for incurring expenditure under

the project is used for purpose intended to. To establish this, the auditor should visit PIUs and conduct such audit/tests as may be deemed appropriate and necessary for the purpose of the audit.

9. That adequate records are maintained regarding the assets created such as Laboratory Equipments, IT equipments etc. and assets acquired by the project, including details of cost, identification and location of assets
10. That physical verification of assets is being carried out with due diligence. The above are illustrative only and not exhaustive. The Internal Auditor may look into the areas which he/ she considers necessary based on the examination of the records /accounts of the PIUs / KRRDA.

## **VII. Extent and coverage of internal audit:**

The extent and coverage of examination of accounts /records will be as follows:

1. The internal auditor shall exercise such checks of accounts and records as are necessary for providing assurance on the compliance with the Programme Guidelines, relevant provisions/ Rules and procedures in respect of awarded and on-going contracts. He will exercise 100% check in respect of the vouchers relating to the month having maximum number of transactions and all documents/registers/books etc. in respect of one completed contract including liquidated Damages. All contracts awarded since last audit will be examined by him. In respect of maintenance of roads, all records relating to one contract completed at least a year back will be examined by the auditor. Item-wise sizes of internal audit are given in **Schedule 1**. This is the minimum percentage of check required to be exercised by internal audit, however, the internal audit may increase the coverage of audit, if scrutiny of the accounts and records suggest so.
2. The auditor will vouch 50% of the cheques payment transactions and 100% of cash payment vouchers, bank statements and transfer entry vouchers in respect of the months selected.
3. A list showing the months / year for which vouching has been carried out shall be mentioned in the report.
4. Routine errors of omissions or commissions noted during the course of internal audit may be rectified on the spot.

5. The Internal Auditor Firm shall check the records of PIUs/KRRDA for the period **01.04.2024 to 31.03.2025**. However, records of earlier period can be checked, if required, wherever necessary.
6. The internal audit should pay special attention to see that:-
  - i. Bank Reconciliation Statement till the month prior to audit is duly been carried out by the PIUs/ KRRDA;
  - ii. The amount of Statutory / tax deductions at source have timely been remitted to the accounts of the concerned authorities;
  - iii. all the Bank Guarantees tendered by the contractor have been posted in Register of Bank Guarantees (Form PMGSY/SR/F-27);
  - iv. The Register has been reviewed each month by the Officer-in-charge of PIU for timely renewal and release;
  - v. the Bank Guarantees are effective throughout till the amount of advance has been fully recovered from the contractor against which the Bank Guarantee was tendered by him; and
  - vi. the monthly account of March should have a note showing the details of Bank Guarantees or Interest Bearing Securities held by the PIUs and their effectiveness  
(Para 13.4 of PMGSY Accounts Manual Programme Fund refers).
7. The Internal Auditor shall comment on the effectiveness of the mechanism available in the PIUs/ KRRDA for ensuring compliance with observations of the earlier audit reports. He shall report on the corrective action taken on the observations of the earlier audit reports and also list out the serious observations made by statutory auditor/AG/C&AG which have not yet been complied with.

#### **VIII. Check list of Records to be examined by Internal Auditors**

A check list showing the records to be examined is enclosed for guidance of internal auditors (**Annexure -III**).

#### **IX. Period of Internal Audit**

The internal audit will be undertaken on half yearly basis viz April to September and October to March. Both the half yearly internal audit report for the year 2024-25 will be submitted to the management of KRRDA latest by 31<sup>st</sup> July 2025. The period may be extended to Two more years.

## **X. Duration of Internal Audit**

The duration of internal audit will be based on the work load of each PIU/KRRDA. The duration may be in the range of 3 to 5 days per PIU and 7 days for KRRDA for transactions in each half year. The above norms are tentative, however, the Internal Auditor Firm may make its own assessment for qualifying their rates on the time required for internal audit of each PIU (based on the number of PIUs and their locations) and the KRRDA. Duration of assignment of each PIU may be assessed taking due allowance for travel time to the locations.

## **XI. Internal Audit Reports**

1. The internal audit report should be structured in a manner to provide the following: (a) audit observations; (b) implications of the observations; (c) suggested recommendations; (d) management's comments/agreed actions and (e) status of action taken on the previous recommendations. In addition, the internal auditor should prepare and submit a consolidated report on a six monthly basis, summarizing the individual unit wise reports and highlighting the critical issues which require the immediate attention of the KRRDA. The reports should be submitted to the management of the KRRDA within the time schedule mentioned
2. The auditor should discuss results of audit with the officer in-charge of PIU / KRRDA in each phase and all important observations will be brought to his notice for taking timely corrective and preventive action.
3. The report in respect of PIU shall be submitted in triplicate for each phase of audit to the Chief Operating Officer of the KRRDA, with two CDs of the report.
4. Internal auditor will send two copies to the Officer-in-charge of PIU.
5. As regards KRRDA, the internal audit report will be submitted to the head of the KRRDA.

## **XII. Action Taken Report**

The Internal auditor will bring out in his report aspects relating to the compliance with audit observations made in the reports relating to earlier audits duly elaborating the corrective action taken by the concerned PIUs and KRRDA.

## **XIII. General**



The auditor will be given access to all legal documents (agreements), correspondence, financial manuals, notices from the Project Management/State Implementing Units and any other information associated with the project as deemed necessary by the auditor. The Internal Auditor Firm should familiarize themselves with the procedures laid down in the following publications:

- a. the tripartite agreement on Banking Arrangements, guidelines for banking arrangement codified in the PMGSY Programme Guidelines,
- b. accounting system of PMGSY codified in the PMGSY Accounts Manual Programme Fund and PMGSY Administrative Expenses Fund Accounts Manual
- c. PMGSY Supplemental Operation Manual
- d. PMGSY Online Management, Monitoring and Accounting System.
- e. Standard Bidding Document.

The Internal Auditor Firm entrusted with the job of internal audit should deploy some personnel who are conversant with Public Works Account System of Central PWD/State

PWD at Divisional level.

Annexure 1 (Refer Para 6 of ITB)

**List of PIUs /SRRDA and their location**

<b>Sl. No.</b>	<b>Name of PIU/SRRDA</b>	<b>Locati</b>
1	Karnataka Rural Road	Bangalore
2	Project Division, Bagalkot	Bagalkot
3	Project Division, Bangalore ®	Bangalore
4	Project Division, Bangalore (U)	Bangalore
5	Project Division, Belgaum	Belgaum
6	Project Division, Gokak	Gokak
7	Project Division, Bellary	Bellary
8	Project Division, Bidar	Bidar
9	Project Division, Bijapur	Bijapur
10	Project Division, Chickmagalur	Chickmagalur
11	Project Division, Chitradurga	Chitradurga
12	Project Division, Dakshina	Mangalore
13	Project Division, Davanagere	Davanagere
14	Project Division, Dharwad	Dharwad
15	Project Division, Gadag	Gadag
16	Project Division, Gulbarga	Gulbarga
17	Project Division, Hassan	Hassan
18	Project Division, Haveri	Haveri
19	Project Division, Kolar	Kolar
20	Project Division, Chikkaballapur	Chikkaballapur
21	Project Division, Koppal	Koppal
22	Project Division, Mandya	Mandya
23	Project Division, Mysore	Mysore
24	Project Division, Raichur	Raichur
25	Project Division, Shimoga	Shimoga
26	Project Division, Shikaripura	Shikaripura
27	Project Division, Tumkur	Tumkur
28	Project Division, Sira	Sira
29	Project Division, Udupi	Udupi
30	Project Division, Uttarakannada	Karwar

## Schedule 1 (Refer to Para VII of Annexure-2)

### Item – wise sample sizes for internal audit

1. <b>Cash Book</b> :	Besides the routine checks exercised in respect of Cash Book, 100% payment vouchers for the month having maximum number of transactions shall be examined.
2. <b>Ledger:</b>	Entries with respect to one completed contract in every ledger
3. <b>Registers:</b>	Test checking of all Registers for proper entries
4. <b>Measurement Book:</b>	One contract finalized during audit period. All prescribed checks to be conducted
5. <b>Mobilization and Machinery Advance:</b>	Proper recovery and related bank guarantee and their upkeep.
6. <b>Final Bills:</b>	Complete scrutiny of one final bill
7. <b>Liquidated Damages:</b>	One completed contract full analysis
8. <b>Maintenance of Roads:</b>	All roads of one contract completed at least one year back
9. <b>Contracts:</b>	All contract awarded since last audit
10. <b>Bank Reconciliation:</b>	Upto the month prior to month of audit





**Form No. T-1 (Refer to Para 8 of ITB)**

**Financial turn-over of the firms audited by the Internal Auditor Firm/Association during the last three year**

<b>Sl. No.</b>	<b>Name of the Organization audited (year-wise) during the last 3 years</b>	<b>Financial Turnover of the organization audited* (Rs. in lakhs)</b>
<b>1</b>	<b>2</b>	<b>3</b>
1	<b>2021-22</b>	
	(i)	
	(ii)	
	(iii)	
	<b>Total (2021-22)</b>	
2	<b>2022-23</b>	
	(i)	
	(ii)	
	(iii)	
	<b>Total (2022-23)</b>	
3	<b>2023-24</b>	
	(i)	
	(ii)	
	(iii)	
	<b>Total (2023-24)</b>	

**Signature of Authorized Representative of Internal Auditor Firm**

**Seal of the Internal Auditor Firm**

**\* Authentic supporting documents to be attached.**

### Form No. T-2 (Refer to Para 8 of ITB)

#### Details of qualifications and experience of key personnel

SI No	Name of senior personnel	Qualification of key personnel			Experience	
		Educational	Professional			
			FCA	ACA	DISA	Audit of Public Works accounts experience (1 point to each key personnel)
Points to be awarded		8 (Max)	7 (Max)	5 (Max)	5 (Maxi)	5 (Maximum)

**Signature of Authorized Representative of Internal Auditor Firm**

**Seal of the Internal Auditor Firm**





From [Year]: to [

Year]: Employer:

Positions

held:

Location:

Activities performed:

From [Year]: to [

Year]: Employer:

Positions

held:

Location:

Activities performed:

**Note : Write tasks performed under various employer year-wise.**

10. Detailed Tasks Assigned

[List all tasks to be performed under this Assignment/job]

11. Certification

I, the undersigned, certify that to the best of my knowledge and belief, this CV correctly describes myself, my qualifications, and my experience, I understand that any willful misstatement described herein may lead to my disqualification or dismissal, if engaged.

Date : [Signature of key personnel]

Place:

Verified

Signature of Authorized Representative of  
Internal Auditor Firm

**Form No. T-3 (Refer to Para 8 of ITB)**

**Details of No. of team to be deployed with details of personnel in each team**

No. of team	Name of the team leader/support staff of the team	Position held in the Internal Auditor firm by the team		Audit experience in years	
		FCA or ACA or DISA	Support staff's designation	Audit of Public Works accounts experience	Autonomous bodies/PSU of State/Central Government
1	2	3	4	5	6
Team					
Team					
Team					
Team					
Team					

**Signature of Authorized Representative of Internal Auditor Firm**

**Seal of the Internal Auditor Firm**

**Form No. F-1 (Refer to Para 9 of ITB)**

**Price Bid**

<b>1</b>	<b>Name of work :</b>	
<b>2</b>	<b>Name of Internal Audit Firm :</b>	
<b>3</b>	<b>Audit fees per annum (Excluding GST.) :</b>	<b>Rs.....(In Figures).</b> <b>(Rupees.....</b> <b>.....</b> <b>.....)(In words)</b>

**Signature (Authorized representative of Internal Auditor**

**Firm) Seal of the Internal Auditor Firm**

**Note :-**

1. GST as applicable on the date of payment will be paid extra by the KRRDA.
2. The rates quoted are for one year which will be applicable for next year also, if the contract is extended to second year.
3. TDS or other statutory deductions as applicable in the State will be deducted by the KRRDA at the rates notified by Government of India from time to time from each bill.

**Form No. F-1 A (Refer to Para 9 of ITB)**

**Break up of Cost Estimate of Services**

<b>Sl. No.</b>	<b>Particulars</b>	<b>Amount (Rs.)</b>
1.	Remuneration to staff	
2.	Out of pocket expenses	
3.	Contingency charges	
4.	Total cost estimates	

**Signature (Authorized representative of Internal Auditor**

**Firm) Seal of the Internal Auditor Firm**

**Note:** The amount of total of cost estimate (F-1A) should agree with the total amount written in Price Bid (F-1). In case of discrepancies in the amounts, the amount quoted in Price bid form F-1 would prevail.

