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झारखण्ड शिक्षा परियोजना परिषद

जे एस सी ए स्टेडियम रोड, सेक्टर-3,

धुर्वा, राँची - 834 004

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Letter No. : AUD/02/468/2024/..1587

Date : 28/4/2025

Notice Inviting "Expression of Interest" from Chartered Accountant Firm

Expression of Interest is invited from the C & AG empanelled Chartered Accountant firms having branch/head office in Jharkhand and at least five years of experience with sufficient number of audit staff, for shortlisting to engage as Statutory Auditor for Samagra Shiksha, PM SHRI and PM JANMAN programme (including State project office, District level Offices, Block Resource Centers, Jharkhand Balika Awasiya Vidyalaya, Kasturba Gandhi Balika Awasiya Vidyalaya, NSCAB, DIET, JCERT and School Management Committee) being implemented by Jharkhand Education Project Council, Ranchi. The prescribed application format as annexure 'A', Terms of Reference as annexure 'B' and self certified format as annexure 'C' is available in our official website www.jepc.jharkhand.gov.in .

Expression of Interest in prescribed format is to be submitted to the State Project Director, Jharkhand Education Project Council, JSCA Stadium Road, Jagannathpur, Sector -3, Dhurwa Ranchi-834004 through Registered /Speed Post only upto 30 May 2025. Expression of Interest received after prescribed due date and time or incomplete format or with conditional offer, by hand and through courier delivery will not be entertained / accepted.

Furnishing of required information of annexure 'A' & 'C' is mandatory .


28/04/25
(State Project Director)
JERC, Ranchi

Selection of Chartered Accountants firms for the audit of Samagra Shiksha Accounts

Expression of Interest is invited from the C & AG empanelled Chartered Accountant firms (Partnership / Sole proprietorship) having its branches in Jharkhand . Applicant Chartered Accountant firms should have at least one full time FCA and at least 5 (five) years audit experience with sufficient number of audit staff for engagement in Statutory Audit of the Samagra Shiksha District Level Office (DLO), Block Resource Center (BRC), Kasturba Gandhi Balika Awasiya Vidyalaya (KGBV) and School Management Committee(SMC) programme being implemented in the State of Jharkhand .

1. The prescribed format and the terms of reference is available on our website (www.jepc.jharkhand.gov.in). Expression of interest in the prescribed format is to be submitted to the State Project Director , Jharkhand Education Project Council , JSCA stadium road, Sector -III , Dhurwa Ranchi – 834004 through **registered / speed post only** upto **30 May 25 (6:00 PM)** . Incomplete formats or formats received after prescribed date and time will not be considered .

2. The term full time partner / CA employee does not include those persons (Partner/ sole) who are :-

- (i) Partners in the other firms.
- (ii) Employed part time / full time elsewhere , practicing in their own name or engaged in practice otherwise or engaged in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act 1949.
- (iii) Partners who have earned more professional income from other sources than their income from the firm.

Similarly , the full time Sole Proprietor does not include a person who is a partner in other firms or is employed elsewhere or otherwise engaged in any other business / activity as mentioned above. Accordingly, a person who is a partner / employee in another firm , should not apply in his capacity as Sole Proprietor.

3. The expression of Interest must be submitted in the prescribed format given in the attachment. Only the Expression of Interest in the prescribed format accompanied with all requisite documents would be considered .

4. All firms are required to enclose the following documents along with Expression of interest . (**Please prepare a Index of Documents along with page no.**)

- (i) A copy of constitution certificates of firms issued by the ICAI containing inter-alia.
 - (a) Date of formation of the firms with a full time FCA.
 - (b) Details of partners / Sole proprietor / CA Employees as on 1st January 2025, date of joining the firm, date of becoming FCA, their other interest , if any.
- (ii) A copy of the latest partnership deed in the case of partnership firms.
- (iii) A copy of the acknowledgement of the IT return of the firm and of all full time partners/ sole proprietors for the Assessment Year 2024-25 and a copy of computation of income of full time partners / Sole proprietor.

Note: Full time partners joining the firm on after 1st January 2024 and firms constituted on or after this period should submit their latest available acknowledgement of IT return/ computation statement.

- (iv) A copy of financial statement of the firm along with schedules for the preceding financial year 2023-24 .
- (v) Details of court cases / arbitration cases/ or any other cases pending against the firm.

5.Details of audit experience of the firm for the last 5 years in the following proforma. (Only assignments which carry a fee of Rs. 25000/- and above should be mentioned).

| Name of the area/sector | Name of the company/body audited | Years of audit e.g. | Fees charged for each of the assignments in each year | Nature of audit assignment viz | Nature of special assignment | Name of the full time partner who supervised the audit and signed the financial statement who is still working in the firm |
|-------------------------|---|---------------------|---|--------------------------------|------------------------------|--|
| | (a) Society/PSU/autonomous body | 2019-20 | 2019-20 | Statutory audit or | | |
| | (b) Companies in private sector | 2020-21 | 2020-21 | Internal audit | | |
| | (c) Banks | 2021-22 | 2021-22 | | | |
| | (d) Social Sector Programmes / Projects | 2022-23 | 2022-23 | | | |
| | (e) Externally aided social sector projects | 2023-24 | 2023-24 | | | |
| | (f) Education Project programmes | | | | | |

6.The Expression of Interest must be delivered by **Speed post/Registered post (in a sealed envelope)** in the office of the State Project Director, Jharkhand Education Project Council, Ranchi. The Expression of Interest must be addressed to:

The State Project Director,
 Jharkhand Education Project Council,
 JSCA Stadium Road,
 Sector-3, Dhurwa, Ranchi-834004

7.Suitable weightage will be given to firms, which are implementing quality control policies and procedures as provided in Statements on Standard Auditing Practices (SAP 17). A brief note on the procedures adopted by them is to be given by the firms for this purpose. (Please refer to Sl. No. 11 of the Expression of Interest format).

8.Please indicate:-

The particulars of specialization gained by the firm in audit of

- (i) EDP systems
- (ii) IT assisted audit
- (iii) Any other important special assignments etc. in the following format.

| Sl.No. | Description of specialisation | Specify nature of assignment, if that is other than audit | Name of the organisation | Name of the partner/sole proprietor who handled this assignment | Whether partner sole proprietor mentioned in is still with the firm (Y/N) |
|--------|-------------------------------|---|--------------------------|---|---|
| | | | | | |

9. Full time partners/sole proprietor should invariably sign the undertaking appended as section B to the Expression of Interest. Similarly full time Chartered Accountant employees of the firm should sign in the column provided at Annex A-3 to the format.

**Application for short listing Chartered Accountant
Firms for the audit of the accounts of Samagra Shiksha (SS)**

Status of Firm: Partnership Sole Proprietorship

- 1 (a) Name of the firm (in Capital letters) -----
 (b) Address of the Head office -----
 (Please give telephone no. and -----
 e.mail Address also) -----

 Address of office in Jharkhand -----
 (Please give telephone no. and -----
 e.mail Address also) -----

 (c) PAN No. of the firm -----
 (d) C&AG Empanelment No. for Year2024-25 -----
 (A Copy of empanelment letter to be enclosed)-----
 (e) GST Registration No. -----

2 ICAI Registration No.-----Region Name -----Region Code No.-----

3 (a) Date of constitution of the firm: -----

3 (b) Date since when the firms has a full time FCA -----

4 Full-Time Partner/Sole Proprietor of the firm as on 1.1.2025 (Please fill up Annex A-1)

| S.No. | Years of continuous association in the firm | Number of FCA | Number of ACA |
|-------|---|---------------|---------------|
| (a) | Less than one year | | |
| (b) | 1 year or more but less than 5 years | | |
| (c) | 5 years or more but less than 10 years | | |
| (d) | 10 years of more but less than 15 years | | |
| (e) | 15 year or more | | |

5 Number of part Time Partners if any, as on 1.1.2025 -----
(Please fill up Annex A-2)6 Number of full Time Chartered Accountant Employees
as on 01.01.2025 (Please fill up Annex A-3) -----

7 Number of audit staff employed full-time with the firm:

(a) Articles/Audit Clerks -----

(b) Other Audit Staff (with knowledge of book
keeping and accountancy) -----

(c) Other professional Staff (Please specify) -----

8 Number of Branches (Please fill up Annex-B) -----

| 9 | Fee earned by the firm from April 2019 to March 24 | PSU/ autonomous body | Companies in Private sector | Banks |
|---|--|----------------------|-----------------------------|-------|
| | (i) Statutory/ Branch Audit 6 monthly Audit Review | | | |
| | (ii) Internal/ Concurrent Audit | | | |
| | Total (i) and (ii) above | | | |

10 Whether the firm is engaged in any internal/ concurrent audit of any other services of any Govt. Companies/ corporations etc. If yes, details may be given in Annex "C" Yes/No

11 Whether the firm is implementing quality control Policies and procedures designed to ensure that all audits are conducted in accordance with Statements on Standard Auditing Practices (SAP17) (If yes, a brief note on the procedure adopted in to be given) Yes/No

12 Whether there are any court/arbitration/any other legal case against the firm (If yes, give a brief note of the case indicating its present status) Yes/No

(33)

SECTION -B
Undertaking

I/We the sole proprietor / following partners of M/S..... Chartered Accountant do hereby jointly and severally verify and declare.

- (i) that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application form is later found not correct or false or there has been suppression of material information , the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants act , 1949 and the regulations framed there under;
- (ii) that the firm , proprietor or partners has not been debarred or cautioned by ICAI during the last three years, (if debarred ,give details);
- (iii) that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under section 2(2) of the Chartered Accountants Act,1949;
- (iv) that the constitution of firm as on 1st January 2025 shown in the Expression of Interest is same that in the constitution certificate issued by ICAI

| Sl.No. | Name of the partner/sole proprietor | Membership registration no. | PAN No. | Dates of payment of fees for the year 2021 A/B* | Signature of Partner/ Sole proprietor |
|--------|-------------------------------------|-----------------------------|---------|---|---------------------------------------|
| | | | | | |
| | | | | | |

(Seal of the Firm)

*A For membership

B For issue of certificate of practice

Place:

Date:

Enclosures:----- Pages

1. Firm's Name
2. Details of Full time partners/ Sole proprietor of the firm (Please refer to Sl.No. 4 of the Expression of interest format)

| Sl.No | Name of the Partner/ Sole proprietor | Membershi p No. | Whether FCA/ACA | Date of Joinin g the firm (full time) | Date of becomin g FCA | Station & Region where residin g at present | Whether acknowledgement of Income Tax Return for the relevant year attached Yes/ No | Whether has ISA (Information system audit/CISA or any other equivalent qualification (specify the qualification) * |
|-------|--------------------------------------|-----------------|-----------------|---------------------------------------|-----------------------|---|---|---|
| | | | | | | | | |
| | | | | | | | | |

*If yes , please attach a copy of the certificate

(Annex A-2)

- Details of Part- Time partners of the firm (Please refer to Sl.No. 5 of the Expression of Interest format)

| Name of Partners | Members hip No. | Whether FCA/ACA | Date of becomi ng FCA | Date of joining partnership | No. of other firms in which he is partn er | Whether practicin g in his own name also (Y/N) | Whether employe d elsewhere (Y/N) | Wether has ISA(Information system audit / CISA or any other equivalent qualification (specify the qualification) * |
|------------------|-----------------|-----------------|-----------------------|-----------------------------|--|--|-----------------------------------|---|
| | | | | | | | | |
| | | | | | | | | |

*If yes, please attach a copy of the certificate.

(Annex A-3)

- Details of full time Chartered Accountant Employees (Please refer to Sl. No. 6 of the Expression of Interest format)

| Sl.No. | Name | Membership no. | Whether FCA/ACA | Date of Joining the firm as full time employee | Whether has ISA(Information system audit / CISA or any other equivalent qualification (specify the qualification)* | Signature of the employee |
|--------|------|----------------|-----------------|--|---|---------------------------|
| | | | | | | |
| | | | | | | |

*If yes, please attach a copy of the certificate.

Details of partners and full time Chartered Accountant Employees of the firm included this year in Annex A-1, A-2 & A-3 above.

| Sl.No. | Name | Membership No | Whether Full Time Partner/ Part Time Partner/ Full Time CA Employee |
|--------|------|---------------|---|
| | | | |
| | | | |

*If yes, please attach a copy of the certificate.

(Annex B)

Particulars of branches (including foreign branches if any)

| Sl.No. | Station at which located | Complete address with PIN Code & Telephone No. | Name of the Partner Incharge of the branch | Date of Opening of the Branch | Region | Whether included in Lat year application (Yes/ No) |
|--------|--------------------------|--|--|-------------------------------|--------|---|
| | | | | | | |
| | | | | | | |

(Annex C)

Details of Internal audit work/ any other accounting work of Public Sector Undertaking in hand with the firm (please refer to Sl no. 10 of the Expression of Interest format)

| Sl.no | Name of PSU/ Unit | Nature of assignment | Year for which appointed |
|-------|-------------------|----------------------|--------------------------|
| | | | |
| | | | |

JHARKHAND EDUCATION PROJECT COUNCIL, RANCHI

TERMS OF REFERENCE FOR APPOINTMENT OF CHARTERED ACCOUNTANT FIRM FOR THE AUDIT OF SAMAGRA SHIKSHA (PE,SE & TE), KASTURBA GANDHI BALIKA VIDYALAYA (KGBV), BLOCK RESOURCE CENTRE (BRC) AND SCHOOL MANAGEMENT COMMITTEE (SMC)

FOR THE YEAR 2024-25

(FINANCIAL/STATUTORY AUDIT)

1. BACKGROUND

The JEPC, Ranchi is a registered society which is implementing the centrally sponsored programmes of Samagra Shiksha (SS) and Kasturba Gandhi Balika Vidyalaya (KGBV) to attain the goal of Universalization of Elementary Education in all the districts of Jharkhand State for which funds are shared between the Government of India and State Government in the ratio of 60:40 during 2024-25.

2. OBJECTIVE

The objective of the audit of the said Programme Accounts [Programme Financial Statement (PFS)] is to enable the auditor to express a professional opinion on the financial position of Samagra Shiksha (DIET & JCERT) and KGBV programme at the end of each fiscal year and of the funds received and expenditure incurred for the accounting period ended March 31st 2025, as reported in the Programme Financial Statement.

The programme accounts (books of accounts) provide the basis for preparation of the PFS and are established to reflect the financial transactions in respect of the project, as maintained by the project implementing agency Jharkhand Education Project Council, Ranchi and its subordinate offices.

3. SCOPE:

Expenditure is incurred against various activities approved in the Annual Work Plan & Budget for the year from funds released by the Government of India and the State Government covering the programme cost. A Statement of Expenditure (SOE) based on actual amount spent under various interventions is sent to the Government of India. The C.A. firm is required to exercise such tests/checks of the accounting records, internal checks and control and other necessary audit of the accounts as per general principles and standard of audit of the Institute of Chartered Accountants of India.

In conducting the Audit, attention should be given to the following:

- a) All funds have been used in accordance with the conditions of the relevant financial norms and financial regulations with due attention to economy and efficiency, and only for the purpose for which the finance was provided.
- b) Generally accepted accounting principles are followed by all entities who are authorized to incur expenditure under Samagra Shiksha.
- c) Goods, works and services financed have been procured in accordance with relevant provisions of the procurement procedure prescribed for the purpose, Proper documents, namely, notice inviting tenders, purchase/work orders, tender documents, invoices, vouchers, receipts, and pay bills, TA bills etc. are maintained and linked to the transactions and retained till the end of the Programme.
- d) All necessary supporting documents, records and accounts have been kept in respect of all programme expenditure including expenditure covered by Statement of Expenditure. Clear linkages should exist between the books of accounts and reports presented to the Government of India and the State Government.
- e) Expenditure incurred under Samagra Shiksha is strictly in accordance with the financial norms prescribed in the Samagra Shiksha framework or any other clarifications issued from time to time. The expenditure statements/financial statement included in the statement of expenditure of the relevant period represent a true and fair view of implementation and operations of the programme at the end of the financial year and of resources and expenditure for the year ended on that date.
- f) Expenditure is incurred with reference to the budget allocation approved by the PAB. In case the budget allocation is exceeded, proper re-appropriation duly approved by the competent authority has been obtained. The CA should point out expenditure activity wise that exceeded the budget allocation.
- g) Samagra Shiksha /KGBV funds are utilized efficiently and economically to achieve the purpose for which they are intended.
- h) Reconciliation of Bank Statements and accounts is regularly carried out on a monthly basis.
- i) **The C.A. firm appointed for the audit should also look into the position of audit compliance of previous audit objections raised, if any. Audit report should include a Separate para in this regard.**
- j) The C.A. firm appointed for the audit should be required to give Audit Certificate including procurement audit certificate, utilization certificate and any other certificate required from time to time and a copy of the same with comment be sent to SLO.
- k) Certification of only those expenditures, which are supported by expenditure Statements/Utilization Certificates/Vouchers etc. as per the provisions of the Manual and budget allocation for the same exists in the approved AWP&B for the year 2024-

25. It may also be ensured that the expenditure certified by the audit is as per the activity heads under which allocation has been approved by PAB.

- l) The audit report should clearly state the details of unadjusted advances. These should not be certified as expenditure but as advances only.
- m) The audit under Samagra Shiksha should cover the accounts of SLO, DLO, BLO, SMC and KGBV's through which funds are being disbursed, as per the auditing arrangements prescribed in the acts/rules/regulations under which they have been setup/constituted .
- n) **The Preliminary audit objection, if any, should be submitted to the implementing agency for their reply/compliance. In case the replies are found satisfactory the audit objection will be treated as settled, otherwise the same would be included in the audit report. A copy of the objection issued should also be submitted to State Project Office.**
- o) **Specific observations in respect of financial irregularities must also be given in detail. (Separate Para in audit report must be incorporated).**
- p) **Audit Report should clearly state the details of unadjusted advances.**
- q) **A separate audit para, showing number of SMCs & SMDC's audited along with audit findings of specific nature, must be reflected in Audit Report of Samagra Shiksha at District Level.**
- r) **Compulsory coverage of audit of SMC & SMDC or its equivalent that have received more than Rs. 1 lakh in 2024-25 year and 1/3rd of rest so as to cover all the SMC's in a audit cycle of three years. For the purpose DLO should give particulars of such SMC and SMDC to Chartered Accountant. The Audit reports should clearly indicate coverage of such VEC/SMCs / SMDC reporting on number of such SMCs/ SMDC and the amount covered during the audit.**
- s) **Manual on Financial Management and Procurement of Samagra Shiksha can be Seen/downloaded from website www.https://samagra.education.gov.in/docs/FMP.pdf for reference during audit.**
- t) **Scheme wise separate and consolidated Audit Report of each DLO, BRC and KGBV has to be submitted to respective KGBV, BRC,DLO and SLO.**

4. Samagra Shiksha (SS): Procurement Audit Checklist

General Instructions:

- a. The purpose of this checklist is to guide the auditors in the procurement audit processes in a systematic manner so that all key aspects of the procurement process are looked into and there is consistence of approach across the State/districts before recording their general comments on procurement audit. Responses to the check lists need not be submitted along with the audit report.
- b. **Before conducting the procurement audit, the auditors should familiarize themselves with the agreed procurement procedures for Samagra Shiksha as detailed in Chapter 7 of the Manual on Financial Management and Procurement as amended from time to time.**

- c. For transaction specific audit, it is suggested to cover detailed review of few major contracts (Rs. 5 lakh and above) awarded at any level from the list of major contracts in terms of MHRD's letter No. 15/2/2003-SSA(PR) dated 3-8-2007. In places where major value contracts were not awarded, detailed review of some of value contracts may be carried out.
- d. While furnishing procurement audit report, the auditors should furnish the same in the following format in the annual audit report in terms of MHRDs letter No. 15/2/2003- SSA (PR) dated 29th September 2006.

"This is to certify that we have gone through the procurement procedure used for the State for Samagra Shiksha and based on the audit of the records/accounts for the year 2024-25 for the Jharkhand Education Project Council and inputs from the district audit reports, we are satisfied that the procurement procedure prescribed in the Manual on Management and Procurement under Samagra Shiksha has been followed/ or the following deviations were observed."

| Sl.No. | Details | Deviations | Amount involved (for declaring as mis-procurement/any other recommended action) |
|--------|---------|------------|--|
| | | | |

Procurement audit check list related to Goods/Works

Once contracts for goods/works have been selected for detailed audit review, the following check list may be followed:

- 1) Date of audit
- 2) Procurement by State/District/any other organization or agency receiving Samagra Shiksha funds.
- 3) Description of items procured, quantity and estimated value
- 4) Whether procedure laid down in Chapter 7 of the Manual was observed while procuring goods and works?
- 5) If not, any other, justification was available?
- 6) Whether bid was advertised/placed in public domain?
- 7) Whether sufficient time was given to bidders for preparing and submitting the bids?
- 8) Whether the bids were opened at the notified time in the presence of bidders?
- 9) Whether the bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available?
- 10) Whether contract was awarded to the lowest evaluated responsive bidder fulfilling the qualification requirements indicated in the tender document?
- 11) If rates were negotiated, was it done with L-1 and records thereof were available as envisaged in Para 7.17.28 to 7.17.31 of the Manual?
- 12) Whether the contract was awarded within original bid validity period?

- (96)
- 13) Whether the signed copy of the contract/purchase order was available?
 - 14) Whether articles received/work completed in time?
 - 15) Whether payment released timely to the supplier/ contractor or valid reasons for delay?
 - 16) Whether the assets procured are accounted for?
 - 17) Whether the provisions of the manual were followed in case of limited and single tender method of contracts?
 - 18) Whether price preference was given to bidder as per State procedure and justification was available?
 - 19) If an organization or agency is receiving Samagra Shiksha funds, then examine whether its audit report reflects on procurement aspects?
 - 20) Whether any complain was received regarding the procurement and was addressed?
 - 21) Whether procurement related complaint handling mechanism as envisaged in Para 7.30 of the Manual on Financial Management and Procurement is available?
 - 22) Whether any procurement related irregularities reported in the previous audit report have been complied with?

Procurement audit check list related to Service Contract

Once service contracts have been selected for detailed audit review, the following check list may be followed:

1. Date of audit
2. Procurement by State/district/any other organization or agency receiving SSA funds.
3. Whether the Terms of Reference covering the scope of work, time schedule, output required etc were prepared ?
4. Whether the Expressions of Interest were checked against advertisement and short list of service providers/consultants prepared?
5. Whether the Request for Proposals (RFPs) was issued to short listed service providers/consultants?
6. Whether sufficient time was given to service providers/consultants for preparing and submitting the proposals ?
7. Whether the proposals were invited in two separate envelopes, one containing technical and another for financial proposals?
8. Whether the evaluation was done in two stages, first the evaluation of technical proposals and then opening of the financial proposals of only technically qualified service providers/consultants and reports are available thereof?
9. If rates were negotiated, was it done in terms of Para 7.17 of the Manual and records thereof were available?
10. Whether the contract was awarded within the validity period of the original proposal?

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11. Whether the signed copy of the contract was available?
 12. Whether the services were completed within the prescribed time limit or valid reasons of delayed completion?
 13. Whether payment was released timely to the service providers/consultants or valid reasons for delay?
 14. In the case of single source selection, if there was justification for the purpose?
 15. Whether price preference was given to service providers/consultants as per State procedure and justification for that was available?
 16. Whether any complaint was received regarding the procurement and was addressed?
 17. Whether procurement related complaint handling mechanism as envisaged in Para 7.30 of the Manual on Financial Management and Procurement is available?
 18. Whether any procurement related irregularities reported in the previous audit report have been complied with?

5. DATE OF SUBMISSION

- (i) Shall be communicated after award of audit work

6. PROGRAMME FINANCIAL STATEMENTS

Programme Financial Statements should include:

- a) A summary of funds received from Government of India and State Government separately;
- b) Any other receipt accruing separately;
- c) A summary of expenditure shown under the main programme heading both for the current fiscal year and accumulated to date; and
- d) A Balance Sheet showing accumulated funds of the programme, bank balances other assets of the programme, and liabilities, if any.
- e) Annual Consolidated financial Statement
- f) Utilization Certificate

7. MANAGEMENT LETTER

In addition to the audit reports, the auditor will prepare a "Management Letter" in which the auditor will:

- a) Give comments and observation on the account records, system and internal control that were examined during the course of the audit.
- b) Identify specific deficiencies and areas of weakness in systems and internal controls and make recommendations or their improvement;
- c) Reports on the degree of compliance of each of the financial covenants of the financial agreement and give comments, if any, on internal and external matters affecting such compliance;

- (24)
- d) Communicate matters that have come to the attention during the audit which might have a significant impact on the implementation of the programme; and
 - e) Bring to the Implementing Agencies attention any other matters that the auditor considers pertinent.

8. Term & Conditions

- (I) **Time schedule for submission of report must strictly be adhered to, failing which the assignment may be cancelled and the audit allotted to the auditor will be allotted to any other audit firm and as to this the fees for the said audit will be paid to the auditor so authorized.**
- (II) **Appointment has been considered on the basis of information and documents produced in the application for empanelment. Information/ documents provided, if found incorrect at any later stage may attract legal actions against the firm.**

9. AUDIT FEE

- (I) Rs. 18,000/- (Rupees Eighteen thousand only) as audit fee for the statutory audit of the entire accounts of Samagra Shiksha (including KGBV) maintained by each DLO allotted while fees of Rs.900/- (Rs Nine Hundred only) for each KGBV and Rs.600/- (Rs Six Hundred only) for each BRC & JCERT, JBAV and Samarth Awasiya Vidyalaya audited , while be paid for separate audit report and audit fees of Rs 125/- (One hundred twenty Five only) per SMC/SMDC & DIET will be paid for audit of school management committee/ school management development committee as pointed out in para 3(r) above.
- (II) Travelling allowance for a team of 3 members including CA for the audit of each DLO, KGBV & BRC (including VEC/SMC/SMDC) to and fro destination once only by AC-II on production of rail ticket, or places not connected by rail, travelling by deluxe/AC Bus or hired taxi on production of proper receipted bill subject to verification from the issuing travel agency. No other mode of conveyance will be allowed.
- (III) DA and Hotel charges for a team of 3 members including CA for the audit of each DLO, KGBV & BRC(including SMC/ SMDC)for allotted period of audit only at the rate as admissible to personnel of JEPC as per JEPC Financial Regulations (Equivalent to ADPO for member of ICAI, equivalent to Accounts Officer for Semi qualified & Article clerk and equivalent to Accountant for other audit staff) .
- (IV) For Statutory Auditor working at the same station or at his headquarters, only fixed charge of Rs. 50/- per day per member will be allowed.
- (V) **Claim for TA/DA can be made at DLO in respect of hotel and other charges etc.**
- (VI) In the event of delay in completion/ submission of the Audit Report due to the delay by DLO in respect of readiness of accounts , JEPC shall examine the

same and grant necessary extension of time , provided if it is brought to the notice of JEPC with positive evidence from DLO and request for extension of time in writing.

- (VII) Audit fees for audit of SMC's will be paid @125/- per SMC on submission of report in formats (7 nos) provided. The detailed report of SMC/ SMDC will be submitted to DLOs and consolidated report with audit observations to State Project Office (JEPC).

10. GENERAL

1. The Auditor should be allowed access to all account records, legal documents, correspondence relating thereto and any other information associated with the project activities and accounts as deemed necessary by the Auditor. The auditor is required to certify in addition to (a) & (b) of Para 3 of the TOR, audited Income and Expenditure Accounts and Balance Sheet, Unit wise and consolidated (E.E, S.E.& T.E.).
2. **The audit team having sufficient number of audit staff commensurate with the size and scope of assignment, should be led by a Chartered Accountant with a minimum 5 years of experience.**
3. **Payment of audit fee shall be made on satisfactory and timely completion of the audit of accounts and submission of the Audit Report along with audited account including Annual Financial Statement, Receipt and Payment Statement, Income & Expenditure for 2024-25, Balance Sheet as on 31/03/2025 for Samagra Shiksha (PE, SE & TE), KASTURBA GANDHI BALIKA VIDYALAYA (KGBV), BLOCK RESOURCE CENTER(BRC),SCHOOL MANAGEMENT COMMITTEE (SMC) and SCHOOL MANAGEMENT DEVELOPMENT COMMITTEE (SMDC) subject to acceptance of the audit report by the State Executive Committee of Jharkhand Education Project Council, Ranchi.**


State Project Director
J.E.P.C., Ranchi.

JHARKHAND EDUCATION PROJECT COUNCIL, RANCHI



TERMS OF REFERENCE FOR APPOINTMENT OF A LEAD CHARTERED ACCOUNTANT FIRM FOR THE COMPILATION OF AUDIT REPORTS OF SAMAGRA SHIKSHA (PE, SE & TE), DIET, JCERT, KASTURBA GANDHI BALIKA VIDYALAYA (KGBV), BLOCK RESOURCE CENTRE (BRC), SCHOOL MANGEMENT COMMITTEE (SMC) AND AUDIT OF ACCOUNTS OF SAMAGRA SHIKSHA OF STATE PROJECT OFFICE

**FOR THE YEAR 2024-25
(FINANCIAL/STATUTORY AUDIT)**

1. BACKGROUND

The JEPC, Ranchi is a registered society which is implementing the centrally sponsored programmes of Samagra Shiksha (SS), Kasturba Gandhi Balika Vidyalaya (KGBV) to attain the goal of Universalization of Elementary/Secondary/Teacher Education in all the districts of Jharkhand State for which funding was shared by the Government of India and State Government in the ratio of 60:40 during 2024-25.

2. OBJECTIVE

The objective of the audit of the said Programme Accounts [Programme Financial Statement {PFS}] is to enable the auditor to express a professional opinion on the financial position of Samagra Siksha (including DIET & JCERT) and K.G.B.V programmes at the end of each fiscal year and of the funds received and expenditure incurred for the accounting period ended 31st March 2025, as reported in the Programme Financial Statement.

The programme accounts (books of accounts) provide the basis for preparation of the PFS and are established to reflect the financial transactions in respect of the project as maintained by the project implementing agency i.e. Jharkhand Education Project Council, Ranchi.

3. SCOPE:

Expenditure is incurred against various activities approved in the Annual Work Plan & Budget from funds released by the Government of India and the State Government covering the programme cost. A Statement of Expenditure (SOE) based on actual amount spent under various interventions is sent to the Government of India. The C.A. firm is required to exercise such test/checks of the account records, internal checks and control and other necessary audit of the accounts as per general principles and standard of audit of the Institute of Chartered Accountants of India.

In conducting the Audit, attention should be given to the following:

- a) All funds have been used in accordance with the conditions of the relevant financial norms and regulations with the attention of economy and efficiency, and only for the purpose for which the finance was provided.
- b) Generally accepted accounting principles are followed by all entities who are authorized to incur expenditure under Samagra Shiksha (including DIET & JCERT).
- c) Goods, works and services financed have been procured in accordance with relevant provisions of the procurement procedure prescribed for the purpose, Proper documents, namely, notice inviting tenders, purchase/work orders, tender documents, invoices, vouchers, receipts, and pay bills, TA bills etc. are maintained and linked to the transactions and retained till the end of the Programme.
- d) All necessary supporting documents, records and accounts have been kept in respect of all programme expenditure including that covered by Statement of Expenditure. Clear linkages should exist between the books of accounts and reports presented to the Government of India and the State Government.
- e) Expenditure incurred under Samagra Shiksha(including DIET & JCERT) is strictly in accordance with the financial norms prescribed in the Samagra Shiksha framework or any other clarifications issued from time to time. The expenditure statements/financial statements included there in for the relevant period represent a true and fair view or implementation and operations of the programme at the end of the financial year and of resources and expenditure for the year ended on that date.
- f) Expenditure is incurred with reference to the budget allocation approved by the PAB. In case the budget allocation is exceeded proper re-appropriation duly approved by the competent authority has been obtained.
- g) Samagra Shiksha(including DIET & JCERT) /KGBV funds are utilized efficiently and economically to achieve the purpose for which they are intended.
- h) Reconciliation of Bank Statements and accounts is regularly carried on a monthly basis.
- i) **The C.A. firm appointed for the audit should also look into the position of audit compliance of previous audit objections raised, if any. (Separate para in audit report should be given)**
- j) The C.A. firm appointed for the audit should be required to give Audit Certificate including procurement audit certificate, utilization certificate and any other certificate required from time to time with their comment be sent to SLO.
- k) Certification of only those expenditures, which are supported by expenditure Statements/Utilization Certificates/Vouchers etc. as per the provisions of the Manual and budget allocation for the same exists in the approved AWP&B for the year 2024-25. It may also be ensured that the expenditure certified by the audit is as per the activity heads under which allocation has been approved by PAB.

- l) The audit report should clearly state the details of unadjusted advances. These should not be certified as expenditure but as advances only.
- m) The audit should cover the accounts of State Level Office through which funds are being disbursed, as per the auditing arrangements prescribed in the acts/rules/regulations under which they have been setup/constituted by the State. **Detailed information's regarding audit of SMCs accounts should invariably be included in the audit report. (Separate Para in audit report must be incorporated).**
- n) **Specific observations in respect of financial irregularities must also be given in detail. (Separate Para in audit report must be incorporated).**

4. Samagra Shiksha (SS): Procurement Audit Checklist

General Instructions:

- The purpose of this checklist is to guide the auditors in the procurement audit processes in a systematic manner so that all key aspects of the procurement process are looked into and there is consistence of approach across the State/districts before recording their general comments on procurement audit. Responses to the check lists need not be submitted along with the audit report.
- Before conducting the procurement audit, the auditors should familiarize themselves with the agreed procurement procedures for SSA as detailed in Chapter VII of the Manual on Financial Management and Procurement as amended from time to time.
- For transaction specific audit, it is suggested to cover detailed review of few major contracts (Rs. 5 lakh and above) awarded at any level from the list of major contracts in terms of MHRD's letter No. 15/2/2003-SSA(PR) dated 3-8-2007. In places where major value contracts were not awarded, detailed review of some low value contracts may be carried out.
- While furnishing procurement audit report, the auditors should furnish the same in the following format in the annual audit report in terms of MHRDs letter No. 15/2/2003- SSA (PR) dated 29th September 2006.**

"This is to certify that we have gone through the procurement procedure used for the State for Samagra Shiksha and based on the audit of the records/accounts for the year 2024-25 for the Jharkhand Education Project Council and inputs from the district audit reports, we are satisfied that the procurement procedure prescribed in the Manual on Management and Procurement under Samagra Shiksha has been followed/ or the following deviations were observed."

| Sl.No. | Details | Deviations | Amount involved (for declaring as mis-procurment/any other recommended action) |
|--------|---------|------------|---|
| | | | |

Procurement audit check list related to Goods/Works

Once contracts for goods/works have been selected for detailed audit review, the following check list may be followed:

- 1) Date of audit
- 2) Procurement by State/District/any other organization or agency receiving SS funds.
- 3) Description of items procured, quantity and estimated value
- 4) Whether procedure laid down in Chapter VII of the Manual was observed while procuring goods and works?
- 5) If not, any other, justification was available?
- 6) Whether bid was advertised/placed in public domain?
- 7) Whether sufficient time was given to bidders for preparing and submitting the bids?
- 8) Whether the bids were opened at the notified time in the presence of bidders?
- 9) Whether the bids were evaluated in terms of the provisions of the bid documents and the evaluation report was available?
- 10) Whether contract was awarded to the lowest evaluated responsive bidder fulfilling the qualification requirements indicated in the tender document?
- 11) If rates were negotiated, was it done with L-1 and records thereof were available as envisaged in the Manual?
- 12) Whether the contract was awarded within original bid validity period?
- 13) Whether the signed copy of the contract/purchase order was available?
- 14) Whether articles received/work completed in time?
- 15) Whether payment released timely to the supplier/ contractor or valid reasons for delay?
- 16) Whether the assets procedures are accounted for?
- 17) Whether the provisions of the manual were followed in case of limited and single tender method of contracts?
- 18) Whether price preference was given to bidder as per State procedure and justification was available?
- 19) If an organization or agency receiving SSA funds, then examine whether its audit report reflects on procurement aspects?
- 20) Whether any complaint was received regarding the procurement and was addressed?
- 21) Whether procurement related complaint handling mechanism as envisaged in Para 7.30 of the Manual on Financial Management and Procurement is available?
- 22) Whether any procurement related irregularities reported in the previous audit report have been complied with?

Procurement audit check list related to Service Contract

Once service contracts have been selected for detailed audit review, the following check list may be followed:

1. Date of audit
2. Procurement by State/district/any other organization or agency receiving Samagra Shiksha funds.
3. Whether the Terms of Reference covering the scope of work, time schedule, output required etc were prepared ?
4. Whether the Expressions of Interest were checked against advertisement and short list of service providers/consultants prepared?
5. Whether the Request for Proposals (RFPs) was issued to short listed service providers/consultants?
6. Whether sufficient time was given to service providers/consultants for preparing and submitting the proposals ?
7. Whether the proposals were invited in two separate envelopes, one containing technical and another for financial proposals?
8. Whether the evaluation was done in two stages, first the evaluation of technical proposals and then opening of the financial proposals of only technically qualified service providers/consultants and reports are available thereof?
9. If rates were negotiated, was it done in terms of Para 7.17.29 of the Manual and records thereof were available?
10. Whether the contract was awarded within the validity period of the original proposal?
11. Whether the signed copy of the contract was available?
12. Whether the services were completed within the prescribed time limit or valid reasons of delayed completion?
13. Whether payment was released timely to the service providers/consultants or valid reasons for delay?
14. In the case of single source selection, if there was justification for the purpose?
15. Whether price preference was given to service providers/consultants as per State procedure and justification for that was available?
16. Whether any complaint was received regarding the procurement and was addressed?
17. Whether procurement related complaint handling mechanism as envisaged in Para 7.30 of the Manual on Financial Management and Procurement is available?
18. Whether any procurement related irregularities reported in the previous audit report have been complied with?

5. Terms & Conditions

- (I) Time schedule for submission of report must strictly be adhered to, failing which the assignment may be cancelled and the audit allotted to the auditor will be allotted to any other audit firm and as to this the fees for the said audit will be paid to the auditor so authorized.**
- (II) Appointment has been considered on the basis of information and documents produced in the application for empanelment . Information/ documents provided, if found incorrect at any later stage may attract legal actions against the firm.**
- (III) Audit Report of the State and DLO offices submitted by the concerned other Statutory auditor to the Lead Auditor which will be reviewed and compiled by the Lead auditor and the consolidated report of the State complete in all respect must be submitted to the State Project Office within 10 days of the receipt of appointment letter.**
Time schedule for submission of report must strictly be adhered to, failing which consideration for payment of fees will be on the discretion of State Project Director.

6. PROGRAMME FINANCIAL STATEMENTS

Programme Financial Statements should include:

- a) A summary of funds received from Government of India and State Government separately;
- b) Any other receipt accruing separately;
- c) A summary of expenditure shown under the main programme heading both for the current fiscal year and accumulated to date; and
- d) A Balance Sheet showing accumulated funds of the programme, bank balances other assets of the programme and liabilities, if any.
- e) Utilisation certificate Separately for Capital Head (Annexure I & II (FMP)for Elementary Education, Secondary Education & Teacher Education) and Separately for General Head (Annexure I & II(FMP) for Elementary Education, Secondary Education & Teacher Education)
- f) Consolidated Annual Financial Statement (Annexure XIII) (FMP)
- g) Consolidated Balance Sheet (Annexure XIV) (FMP)along with schedule forming part of the Balance Sheet and previous year data
- h) Consolidated Income and Expenditure Account (XV) (FMP) along with schedule forming part of the Income and Expenditure Account
- i) Consolidated Receipt and Payment Accounts (XVI) (FMP) along with schedule forming part of Receipt and Payment Accounts
- j) Management letter

- k) Procurement Audit certificate in the format sent under this Ministry's letter No. 15/2/2003-SSA(PR) dated 29th September, 2006
- l) The IUFRRs I,II & III duly filled in. These IUFRRs Should be duly Signed by SPD/FC and Statutory auditor
- m) Para on Settlement of outstanding/previous years Audit objections.
- n) Para on coverage of SMCs receiving grants of more than Rs.one lakh per year

7. AUDIT OPINION

The primary audit opinion includes the Programme Financial Statements, and the Annual Audit Report on the Programme Account. The financial statements, including the audit report should be received by the State Implementing Society not later than 10 days from the receipt of appointment letter. The auditor should submit the reports to the State Project Director of the Society well in advance, who will take further action to have two copies of the Audited Accounts and Report forwarded to the Government of India (E.E.Bureau).

8. The duties and responsibilities of the Lead Auditor are as under:-

- a) Review of the Audit Reports pertaining to the districts received from other CA firms/Resource Persons entrusted with audit of the School bodies and suggest modifications, if any.
- b) Preparation of the consolidated annual Audit Report and Management Letter of the State as a whole based on the Annual Report received from other CA Firms/Resource Persons and certification thereof.
- c) Preparation of the consolidated Annual Financial Statement, Balance Sheet, Income & Expenditure Account, Receipts and Payments statement and certification thereof.
- d) Certification of the consolidated annual Utilization Certificate for submission to the Government of India.
- e) **Lead auditor is required to filter and compile the points of specific nature of SMC's audit report of other Statutory Auditors in the consolidated Audit Report.**

9. MANAGEMENT LETTER

In addition to the audit reports, the auditor will prepare a "management letter" in which the auditor will:

- a) Give comments and observation on the account records, system and internal control that were examined during the course of the audit.
- b) Identify specific deficiencies and areas of weakness in systems and internal controls and make recommendations for their improvement;
- c) Reports on the degree of compliance of each of the financial covenants of the financing agreement and give comments, if any, on internal and external matters affecting such compliance;

- 15
- d) Communicate matters that have come to the attention during the audit which might have a significant impact on the implementation of the Programme; and
 - e) Bring to the Implementing Agency's attention any other matters that the auditor considers pertinent.

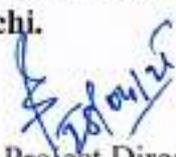
10. AUDIT FEE etc

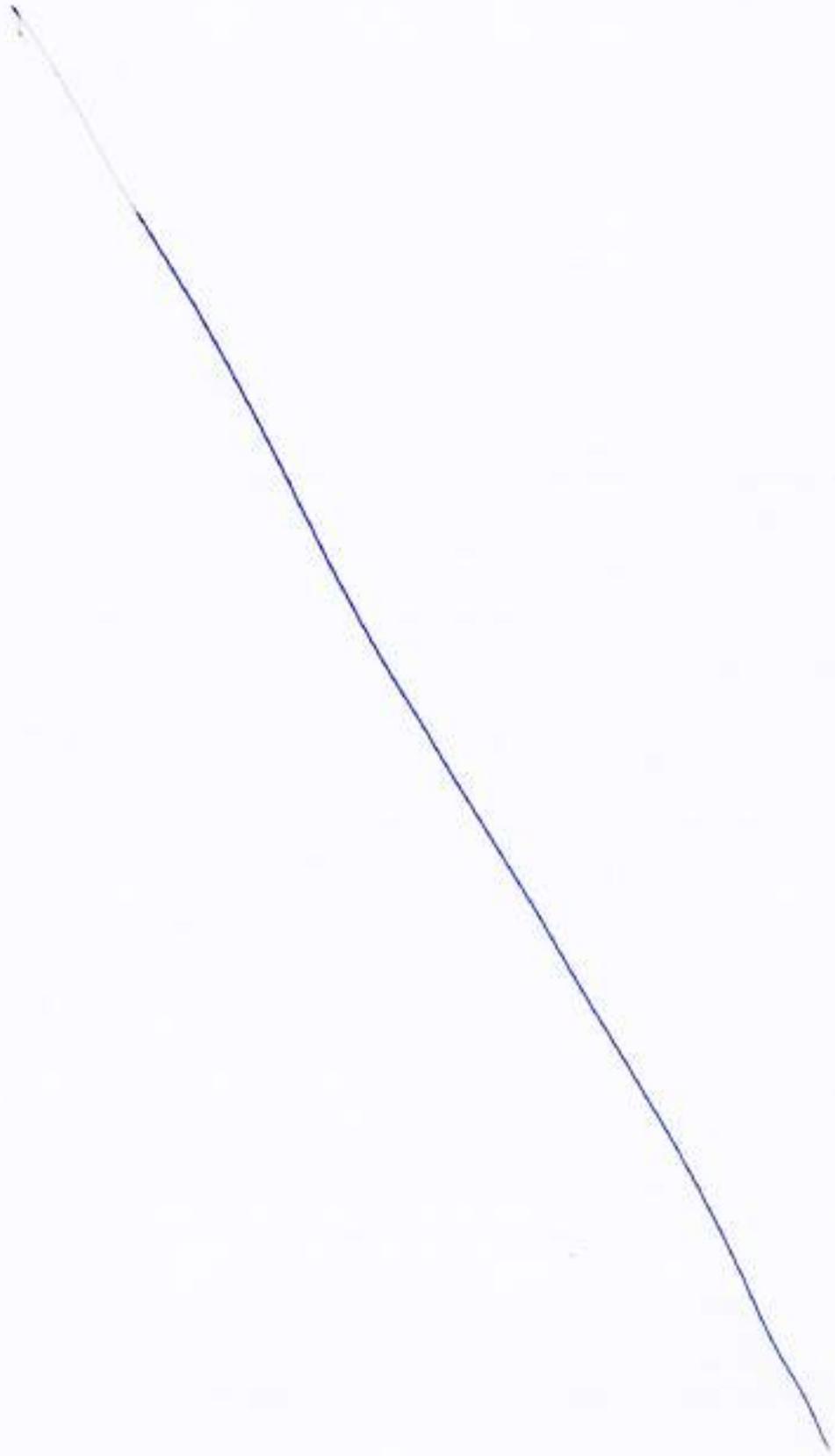
- (I) (Rs. 70,000/- (Rupees Seventy thousand only) as audit fee for the statutory audit of the entire accounts of Samagra Shiksha (including KGBV) maintained by the State Project Office, Ranchi and compilation of the Audit reports on accounts of Samagra Shiksha including TE, K.G.B.V., SMDC and SMC, s Submitted by other Auditors.
- (II) Travelling allowance for qualified C.A for monitoring of Statutory Audit of Districts to and fro destination once only by AC-II on production of rail ticket, or places not connected by rail, travelling by deluxe/AC Bus or hired taxi on production of proper receipted bill subject to verification from the issuing travel agency. No other mode of conveyance will be allowed.
- (III) DA and Hotel charges for the monitoring of each DLO & KGBV as admissible to Grade-I personnel of JEPC as per JEPC Financial Regulations.
- (IV) For Statutory Auditor working at the same station or at his headquarters, only fixed charge of Rs. 50/- per day per member will be allowed.

11. GENERAL

The Auditor should be allowed access to all account records, legal documents, correspondence relating thereto and any other information associated with the project activities and accounts as deemed necessary by the Auditor. The auditor is required to certify in addition to (a) & (b) of Para 3 of the TOR, audited Income and Expenditure Accounts and Balance Sheet, Unit wise and consolidated.

Payment of audit fee shall be made on satisfactory and timely completion of the audit of accounts and submission of the Audit Report along with audited account including Annual Financial Statement, Receipt and Payment Statement, Income & Expenditure for 2024-25, Balance Sheet as on 31/03/2025 for Samagra Shiksha (PE, SE, TE), KGBV, BRC, SMC and SMDC subject to acceptance of the audit report by the State Executive Committee of Jharkhand Education Project Council, Ranchi.


State Project Director
J.E.P.C., Ranchi.



Annexure C

| Sl No. | Particulars | Status | Page number of Annexure A supporting document where this information is available |
|--------|--|--------|---|
| 1 | Name of Applicant Firm | | |
| 2 | Address of Head Office | | |
| 3 | Complete address of Branch Office in Jharkhand | | |
| 4 | Contact Number | | |
| 5 | Email ID | | |
| 6 | Whether the firm is C& AG empanelled in FY: 2024-25 | | |
| 7 | Total No. of FCA in the firm as on 01.01.2025 | | |
| 8 | Number of Article Clerk working in Jharkhand Branch/ Head Office | | |
| 9 | Number of Audit Staff other than Article Clerk working in Jharkhand Branch/ Head Office. | | |
| 10 | Number of years of experience of Audit | | |
| 11 | Age of the Firm in completed years as on 01.01.2025 | | |
| 12 | Age of Jharkhand Branch/lead Office as on 01.01.2025 | | |
| 13 | Whether the firm was appointed as Statutory Auditor of JEPC during FY:21-22,22-23 & 23-24. | | |
| 14 | Whether the firm is appointed as Internal Auditor of JEPC FY:2024-25 onwards | | |
| 15 | Court cases pending against the applicant firm if any | | |
| 16 | Whether Constitution Certificate of the firm is attached | | |
| 17 | Whether Partnership Deed of the firm is attached | | |
| 18 | Whether Income tax return of Firm A.Y: 2023-24 is attached | | |
| 19 | Whether Financial Statement of Firm F.Y: 2023-24 is attached | | |

This is to certify that the above information is true and correct with respect to our firm and application, if any information found untrue at any stage our selection shall be liable to be rejected .

**Signature
Name
Membership no of ICAI**