

## Terms of Reference (ToR)

### **Section I: Background**

1. National Rural Health Mission (NRHM) of the Ministry of Health & Family Welfare was launched on 12<sup>th</sup> April, 2005 by the Government of India to improve medical facilities in all the rural area in the country. The NRHM seeks to provide accessible, affordable and quality health care to the rural population, especially the vulnerable sections. It also seeks to reduce the Maternal Mortality Ratio (MMR) in the country from 407 to 100 per 1,00,000 live births, Infant Mortality rate (IMR) from 60 to 30 per 1000 live births and the Total Fertility Rate (TFR) from 3.0 to 2.1 within the 7 year period of the Mission.
2. One of the visions of the Mission is to raise public spending on health from 0.9% to 2-3% of GDP, with the improved arrangement for community financing and risk pooling. The NRHM has provided an umbrella under which the existing Reproductive and Child Health Programme (RCH) and National Disease Control Programmes (NDCPs) have been repositioned.
3. At present the following Schemes comes under the National Rural Health Mission:
  - I. **National Disease Control Programmes:**  
(Funds are received separately in individual bank account of each of these programmes at State and District levels)
    1. National Vector Borne Disease Control Programme (NVBDCP).
    2. Revised National Tuberculosis Control Programme (RNTCP).
    3. National Leprosy Control Programme (NLEP).
    4. National Trachoma & Blindness Control Programme (NTBCP).
    5. National Iodine Deficiency Disorder Control Programme (NIDDCP).
    6. Integrated Disease Surveillance Project (IDSP).
    7. National Tobacco Control Programme (NTCP).
    8. Non Communicable Disease Control Programme (NCDCP)
    9. AYUSH.
  - II. **Reproductive and Child Health Programme:**  
(Funds received under "RCH Flexible Pool" from Centre to the State and from the State to Districts.)
  - III. **Additionalities under NRHM:**  
(Funds are received under "Mission Flexible Pool" from the Centre to the State and from State to Districts).
  - IV. **Operating Cost for Routine Immunisation & Injection safety.**  
(Funds received under "RCH Flexible Pool" from Centre to the State and from State to Districts)
  - V. **Operating Cost for Pulse Polio Immunisation.**
  - VI. **Others like: IEC, NGO, Deafness Control, etc.**
4. **Institutional and Funding Arrangements:**

For the implementation of the above programmes, MoHFW has required the creation of an Integrated Health Society at State and District levels (registered as a legal entity at the State and District under the National or District Societies Registration Act.). This is against the earlier arrangement of having distinct legal units (societies) for each program/scheme. Such Integrated District Health Society (DHS) works in close coordination with the Directorate of Health & Family Welfare and District Health Societies (DHS) work in coordination with

the District Collector and District CMO. Programme implementation is done through its District Chief Medical Officer's office, Blocks, Community Health Centres (CHCs), Primary Health Centres (PHCs), Sub-Centres (SCs) and Village Health Sanitation Committees (VHSCs). Certain activities may be managed at the District level such as drug procurement, IEC, Civil Works, Training using specialized entities such as SIHFW, IEC Bureau, PWD, the Directorate of Health and Municipal Corporation for the Urban Health components. In addition, funds are also released to NGOs and private entities under Public Private Participation arrangements.

**Funding & Accounting Arrangements:** Funds for various programs are transferred to the State from the Government of India in the form of Grants-in-Aid to State Health Society on the basis of respective State Programme Implementation Plan (SPIPs) and approved Annual Work Plans which are prepared on the basis of District Health Action Plans (DHAPs) of each of the districts in the State. Under the umbrella of Integrated DHS/DHS each program has separate bank accounts, maintains separate books of accounts and other financial records as required under each program and also submit separate financial; activity reports at varying frequencies to the respective monitoring unit in MoHFW (GoI).

#### 5. Financing by Developing Partners/Donors:

Some of the programs are supported by development partners such as the World Bank, DFID, UNFPA, GFATM etc for which grant/credit agreements have been entered into by GoI with the respective development partners. Compliance with specific fiduciary requirements of the development partners will additionally need to be reported by the auditors. Copies of the legal agreements and other project documents will be provided to the auditors.

### Section –II :

#### 6. Objective of Audit Services:

The objective of the audit is to ensure that MoHFW receives adequate, independent, professional audit assurance that the grant proceeds provided by MoHFW are used for purposes intended in line with approved PIPs and AWP of individual programs and that the annual financial Statements are free from material mis-statements and the terms of the credit/loan agreements of the development partners are complied with in all material respects.

The objective of the audit of the Financial Statements– individual District Health Society Financial Statements as well as the Consolidated Financial Statements of the District Financial Statements as a whole i.e. (Balance Sheet, Income & Expenditure, Receipt & Payment, together with relevant accounting policies, notes to accounts and schedules, Bank Reconciliation Statements, Statement of Funds Position, Reconciliation and Comparison of Expenditures as per Audit Report and as per the last Quarterly Financial Monitoring Report (FMR) for the Qtr. Ended 31<sup>st</sup> March the Notes and Accounting Policies) is to enable the auditor to express an professional opinion as to whether:

1. The Financial Statements give a true and fair view of the Financial Position of the individual District Health Society and Consolidated District Health Societies at the end of each fiscal year and of the funds received and expenditure incurred for the accounting period ended March 31, 2010.
2. The funds were utilized for the purposes for which they were provided and
3. Where programs are financed by development partners, the respective program expenditures are eligible for financing under the relevant grant/credit agreement.

The books of accounts as maintained by the District Health Societies and other participating implementing units (Blocks, PHCs Sub-Centres etc.) shall form the basis for preparation of the DHS Financial Statements as well as the Consolidated Financial Statements for the District as a whole.

7. **Standards:** The audit will be carried out in accordance with **Engagement & Quality Control Standards (Audit & Assurance Standards)** issued by the Institute of Chartered Accountants of India on this regard. The auditor should accordingly consider materiality when planning and performing (except where a certain minimum coverage of implementing units is specified) the audit to reduce the risk to an acceptance level that is consistent with the objective of the audit. In addition the auditor should specifically consider the risk of material mis-statements in the financial Statements resulting from fraud.

**8. Scope & Coverage of audit:** In conducting the audit special attention should be paid to the following:-

- a). An assessment of adequacy of the project financial systems, including financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls; level of compliance with established policies, plans and procedures; reliability of accounting systems data and financial reports; methods of remedying weak controls; verification of assets and liabilities; a specific report on this aspect would be provided by the auditor annually as part of the management letter;
- b). Funds have been spent in accordance with the condition laid down by the Department of Health & Family Welfare, Government of India from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided. Counterpart contribution from District Government, where required has been provided.
- c). Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GoI. However, for various programmes, special attention must be paid to the requirements of the agreement between GoI and development partners (such as for RCH-II, RNTCP, IDSP and NVBDCP). For such externally funded programmes, auditor must satisfy that all expenditure, including procurement of goods and services have been carried out as per the procurement manual of the individual programmes and guidelines issued by the Programme divisions of GoI and have all the necessary supporting documentation.
- d). Expenditures if any, ineligible for financing by the development partners (as documented in the Development credit agreement with IDA and equivalent agreement with DFID) are disclosed adequately in the financial Statements.
- e). All necessary supporting documents, records and accounts have been kept in respect of the project.
- f). **Sample Coverage of Sub District Implementing Units:** Audit will cover 100% District Health Societies (DHS) each being a legally registered society and at least 40% of the Block Level CHC/PHC. The sample shall be selected in a manner that Block level PHC/CHC in each district is included in the sample coverage. All the vouchers pertaining to all the health facilities within the Block level CHC/PHC will be available at the Block level CHC/PHCs for the purpose of audit.

**Scope & Coverage of audit:**

**Scope:**

1. The main purpose of Audit of Account of District Health Society shall be to enforce and ensure that the Book of Accounts and Registers prescribed for various purposes are accurately maintained and kept upto date.
2. Audit will cover 100% of the transactions of District Health Society (DHS) and of the Block Level CHC/PHC as the vouchers pertaining to all the health facilities within the Block level CHC/PHC will be available at the Block level CHC/PHCs.
3. Audit for the year will include all the components of RCH, Additionalities under NRHM, Routine Immunisation & Injection safety, Pulse Polio Immunisation and National Disease Control Programmes (as described above).

4. The auditor appointed shall be required to do the consolidation of audit reports of the District Health Society (DHS) and Block Level CHC/PHC, including merger of Vertical Health Societies in the books of District Health Society.
5. The audit will be carried out in accordance with Standards of Auditing issued by the Institute of Chartered Accountants of India in this regard and will include such tests and controls, as auditors consider necessary under the circumstances.
6. The auditor shall also furnish an audited FMR for the last quarters (quarter ending June 2009, September 2009 and December 2009 showing cumulative expenditure for the whole financial year expenditure head-wise) along with the Audited Statement of Accounts. The auditor should ensure that expenditure as per FMR/SoEs is also in agreement with the books of accounts and variances are documented.
7. Financial Statements and relevant schedules shall be prepared in accordance with the format provided by Ministry of Health and Family Welfare, GoI (Appendix A - Format of Financial Statements). However, specific programme requirements (in accordance with the agreement with the GoI and Development Partners) may also be incorporated in the separate schedule of the programme.
8. Auditor shall certify the Utilization Certificates in the prescribed format (Form 19 A of GFR, 2005) of GOI. The Utilization Certificates should be jointly signed by the District Account Manager and the Joint DHS & Member Secretary.
9. The auditor shall also append the Checklist (Appendix B - Checklist For Auditor)
10. In conducting the audit special attention should be paid to the following:
  - i. An assessment of adequacy of the project financial systems, including financial controls. This should include aspects such as adequacy and effectiveness of accounting, financial and operational controls, and any needs for revision; level of compliance with established policies, plans and procedures; reliability of accounting systems, data and financial reports; methods of remedying weak controls or creating them where there are none; verification of assets and liabilities; and internal controls, security and effectiveness of the operation of the computerised system. This would be done in every year of the plan implementation and specific report on this aspect would be provided by the auditor annually; and
  - ii. Funds have been spent in accordance with the condition laid down by the Department of Health & Family Welfare, Government of India from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided. Audit will be done in accordance with the relevant instructions issued by the GoI.
  - iii. Goods and services financed have been procured in accordance with the relevant procurement guidelines issued by the GoI. However, for various programmes, special attention must be paid to the requirements of the agreement between GoI and development partners (such as for RCH-II, RNTCP, IDSP and NVBDCP). For such externally funded programmes, auditor must satisfy that all expenditure, including procurement of goods and services have been carried out as per the procurement manual of the individual programmes and guidelines issued by the Programme divisions of GoI and have all the necessary supporting documentation.

- iv. Expenditures if any, ineligible for financing by the development partners (as documented in the Development credit agreement with IDA and equivalent agreement with DFID) are disclosed adequately in the financial statements.
- v. All necessary supporting documents, records and accounts have been kept in respect of the project. Clear linkage exists between the books of accounts and reports presented to MoHFW, GoI.

**Coverage:**

The Auditor must verify the following:

1. Standards Books of Accounts, such as Cash Book, Bank Book, Journal, Ledger, Stock register, Fixed Assets Register, Advance Tracking Register, paid vouchers, bank deposit receipts etc., at District/Block Level are maintained properly.
2. Vouchers are prepared and required documents i.e original bill/invoice and purchase order etc. have been enclosed with the voucher and necessary entries or certification have been recorded on the bills/cash vouchers
3. Expenditure has been incurred on the same scheme or activity for which it was approved and released. Check whether all expenditure incurred by DHS are properly authenticated as per financial delegation/rules.
4. Paid Vouchers and Liabilities of more than Rs.1000/- each, may be checked/examined with due care & attention.
5. Adjustments of suppliers advance against their bills etc., if any, have been correctly accounted for.
6. The interest accrued on grants/funds received for the Programme has been retained by the District Health Societies and reflected in the Books of Accounts for use of developmental activities as per prescribed guidelines.
7. District Health Society is maintaining and operating separate Bank Account for Programme funds received from State/ Government of India and for activities under Vertical Programmes.
8. Cash and Bank payments & advances to suppliers, contractors, various institutes etc. and receipt of funds from any other sources, if any are properly made.
9. Civil works have been carried out as per the prescribed guidelines and procurement is made in accordance with the procurement guidelines issued by the DOFW.
10. Annual physical verification of dead stock non-consumable and consumable articles have been carried out at the end of the financial year

## **Need & Objective of audit services:**

### **Need:**

Audit in the traditional sense particularly in government sector means either statutory audit by CAG or annual audit by Chartered Accountant engaged to fulfill a mandatory provision to claim grants from State or Central Government. Such one time audit has its own advantages and disadvantages, the main disadvantages are:

- a) It does not reveal the status of financial affairs of the system on a continuous basis, as a result of which the shortcomings that are observed or objections pointed out, did not get attended when it should be.
- b) In organisations particularly where consolidation of Books takes place, volume of transactions are so large and procedures are so complex that the continuous systematic corrections can not be applied by one time audit observations.
- c) Bureaucracy is so much overburdened with such a large volume of routine work that the CAG or the other auditor's observations were not attended with such priority which it deserves. As a result of this we have audit observations pending for decades and dealt with in a very casual manner.

The other problems and bottlenecks in the financial system due to which the introduction of audit of District Health Society on a monthly basis was felt were-

- a) Non submission/late submission of SOEs by the districts to the State and by the State to GOI resulting in delayed releases.
- b) Long outstanding Advances pending for settlement.
- c) Weak Fund Tracking System in the Districts.
- d) Advances given to different agencies were being recorded as expenses
- e) Errors in Reports submitted by the Districts

### **Objectives:**

The objective of the monthly Concurrent Audit is to enable the auditors to express a professional opinion on the financial position of the Programmes under the National Rural Health Mission (NRHM). In the past one decade there has been a massive jump in flow of funds to districts. It has been observed that the district set up has not been able to manage these funds in a systematic manner as required. The system of monthly Concurrent Audit was introduced to address the problem across all districts and blocks by adopting a systematic approach.

The focus of the initiatives will be to see that:

- Accuracy is ensured in maintenance of books of accounts and timeliness of Book Keeping.
- Advances are tracked, followed up and settle on a priority basis.
- Exclude advances being shown as expenditure in the FMR's.
- Bring accuracy to the monthly/quarterly Financial Monitoring Reports based on books of account.
- Ensure voucher/evidence based payments to improve transparency
- Enable timely and accurate submission of financial MIS to the management.
- Improve the accuracy and timeliness of financial reporting from block & district levels.
- Improve the internal control systems in the society.

## 9. Project Financial Statements

A format of such Financial Statements and relevant schedules showing the consolidation of all the programmes is given at **(APPENDIX A-FORMAT of FINANCIAL STATEMENTS)** and also on the website of MoHFW at [www.mohfw.nic.in](http://www.mohfw.nic.in). Project Financial Statement (DHS and Consolidated) must include the following:

- I. Balance sheet showing accumulated funds of the project balances other assets of the project, and liabilities, if any.
- II. Receipt and Payment Account for the year ending on 31<sup>st</sup> March....,
- III. Income & Expenditure account for the year ending on 31<sup>st</sup> March....,
- IV. Other Schedules to the Balance Sheet as appropriate, but which shall include
  - Statement of Fixed Assets in form of a schedule,
  - Schedule of Loans and Advances (Age-wise analysis)
  - Schedule of all Cash & Bank Balances (attach Bank Reconciliation Statement)
  - Program wise Statement of Expenditure
- V. Notes on Accounts showing the accounting policies followed in the preparation of accounts in the District Health Society and any other significant observation of the auditor.
- VI. Scheme wise Utilization Certificates (UCs) as per Form 19-A of GFR 2005; duly tallied with the Income & Expenditure and expenditure on Fixed Assets during the financial year (which have been shown as capitalized).
- VII. Action taken Report on the previous years' audit observations.
- VIII. Reconciliation of the expenditure as per the audited financial Statements with the expenditure reported as per FMR for the financial year covered by audit period identifying the variance and the reasons for the same. This should be certified by the auditor.
- IX. **Representation by Management:** The DHS management should sign the Financial Statements and provide a written acknowledgement of its responsibility for the preparation and fair presentation of the financial Statements and an assertion that the project funds have been expended in accordance with the intended purposes as reflected in the Financial Statement.

## 10. Financial Monitoring Reports (FMR)

In addition to the primary opinion on the Financial Statement, the auditor is required to audit last quarter FMR (quarter ending March) submitted to MoHFW. The auditor should apply such tests as the auditor considers necessary under the circumstance to satisfy the audit objective. Where ineligible expenditures are identified as having been included in the financial reports, these should be separately noted by the auditors. The audit report should include a separate paragraph commenting on the accuracy and propriety of expenditures included in the Financial Statements and FMRs including whether procurement procedures have been followed, and the extent to which the GoI can rely on Quarterly FMRs.

## 11. Management Letter:

In addition to the audit reports, the auditor will prepare a "Management Letter", in which the auditor should summarise the observation on the Internal Control issues (other than those which materially affect his opinion on the Financial Statements) as under:

- Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;

- Report on the level of compliance with the financial internal control, procedures as documented in the financial manual of the project;
- Report any procurement which has not been carried out as per the procurement manual of the individual programmes such as; RCH-II, RNTCP, IDSP etc.
- Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project; and
- Bring to Society's attention any other matter that the auditor considers pertinent.

The observations in the management letter must be accompanied by the implications, suggested recommendations from the auditors and management comments on the Observations/ recommendations have to be obtained and reported.

## **12. Reporting and Timing**

April'09 to September'09 Half Yearly Accounts:	on or before 31 <sup>st</sup> December'09
October'09 FMR with Status of Fund:	on or before 15 <sup>th</sup> November'09
November'09 FMR with Status of Fund:	on or before 15 <sup>th</sup> December'09
December'09 FMR with Status of Fund:	on or before 10 <sup>th</sup> January'09
January'09 FMR with Status of Fund:	on or before 10 <sup>th</sup> February'09
February'09 FMR with Status of Fund:	on or before 10 <sup>th</sup> March'09
March'09 FMR with Status of Fund:	on or before 10 <sup>th</sup> April'09

April'09 to March'10 Yearly Accounts in GoI Format by 20<sup>th</sup> April'10.

The final Audit Report should be submitted by 20<sup>th</sup> April'2010, (i.e. within 20 days of the end of the financial year), to the State Health Society and the State Health Society should then promptly forward 3 copies of the audited financial Statements and audit report alongwith the final Utilisation Certificates to GoI with their comments, if any.

## **13. Additional Instruction to Auditors**

- a). Audit Report of the District Health Society (DHS) shall include audit of all the transactions in the District Health Societies (DHSs) within the District.
- b). Audit for the financial year will include all the components under NRHM as mentioned in the Para 3 of section I (Background) above.
- c). The auditor will specially mention in the report about the coverage of audit on these components and also will ensure that the releases and expenditures are duly separately reflected in each program Financial Statements.
- d). The auditor appointed shall be required to do the consolidation of audit reports of all the District Health Societies (DHS).
- e). Financial Statements and relevant schedules shall be prepared in accordance with the format provided by Ministry of Health & Family Welfare, GoI (APPENDIX A – FORMAT of FINANCIAL STATEMENTS). However, specific programme requirements (in accordance with the agreement with GoI Development Partners) may also be incorporated in the separate schedule of the programme.



- f). Auditor shall certify the Utilization Certificates in the prescribed form (Form 19A of GFR, 2005) of GoI. The Utilization Certificates should be jointly signed by the Joint Director of Health Services, District Programme Officers in charge of concerned Programme and the Auditor.
- g). The auditor shall also append the Checklist (**APPENDIX B- CHECKLIST FOR AUDITOR**)
- h). The auditor shall also furnish and audited FMR/SoE for the quarter (quarter ending March, 200..... showing cumulative and head wise expenditure for the complete financial year) alongwith the Audited Statement of Accounts. Auditor shall certify a Comparative Statement showing expenditure as per FMR and as per Audit Report. Auditor must also document the reason for variances between the FMR figures and audited figures in cases where the variances are significant e.g. more than 15% from the audited figures.
- i). Audit Opinion as per the Model Format provided at Appendix – C (to include two formats of opinion –DHS separately and one for consolidated).
- j). Management Letter alongwith the comments/reply of the Joint Director of Health Services cum Member Secretary, District Health Society.

#### 14. Fees for Monthly Concurrent Audit for April'09 to March'10:

Fee per BPHC (inclusive of Health Institution under BPHC area)	:-	Rs.1500/- per month
Fee for DHS (inclusive Joint DHS, Addl. CM&HO(FW), DH & all NDCPs office)	:-	Rs.3000/- per month
Fee for submission of SoE/FMR alongwith status of fund as per GoI Format	:-	Rs.2000/- per month
BPHC A/c (covering all Health Institutions under BPHC area)	:-	Rs.2000/- per month
DHS A/c (covering all Health Institutions of the inclusive of DCPs)	:-	Rs.3000/- per month

Taking into consideration, the quality of Audit, consolidations of accounts and the number of records/certificates and to be given by the auditors the audit fees is as under:

	Audit Period	Audit Fees		
		Per BPHC (Covering all Health Institutions under BPHC)	Per District (Covering all Health Institutions under Districts)	Consolidation as per GOI Format including all Disease Control Programme
Concurrent Audit				
Monthly Reports	01.04.2009 to 31.03.2010	Rs.1,500/- (per month)	Rs. 500/- (per month)	Rs. 850/- (per month)

The audit fees will be paid on submission of complete report. The payment will be made in favour of the firm in shape of account Payee Cheque subject to deduction of income tax as per the Income Tax Act, 1961.

#### Penalty for delayed submission of Report:

If Report is not submitted to State Health Society within due dates, penalty by way of 10% cut of the audit fee will be imposed. Further in case the same is not submitted within 10 days of the report submission dates a penalty of 20% cut of the audit fee will be imposed. However, Mission Director has the power to consider the request for waiver of penalty in very deserving cases.

**Key Personnel:**

The key personnel in the audit team, their minimum qualifications, and their anticipated inputs are indicated below:

The Audit team should be led by a Chartered Accountant and the anticipated input of CA is about 7 days each month. The audit team should include sufficient no. of appropriate staff (audit seniors and audit assistants) to commensurate the size and nature of assignment and the anticipated input of senior staff and article clerk is about 21 days each month

15. **General:** The auditor should be given access to all legal documents, books of accounts, procurement documents, correspondence and any other information associated with the programme and deemed necessary by the auditor. However, the Auditor should maintain secrecy of the affairs of the District Health Societies and shall never reveal any details to any person without the written approval of Mission Director of State Health Society, Assam.

**SAMPLE CONTRACT FOR AUDIT FIRMS**

**CONTRACT**

THIS CONTRACT ("Contract") is entered into this *[insert starting date of assignment]*, by and between *[DISTRICT HEALTH SOCIETY, .....]* ("the Client") having its principal office at *[insert DHS's address]*, and *[insert Firm's/Consultant's name]* ("the Consultant") having its principal office located at *[insert Firm's/Consultant's address]*.

WHEREAS, the Client wishes to have the Consultant perform the services hereinafter referred to, and

WHEREAS, the Consultant is willing to perform these services,

NOW THEREFORE THE PARTIES hereby agree as follows:

- 1. Services**
- (i) The Consultant shall perform the services as per TOR.
  - (ii) The Consultant shall provide the personnel (T3 & T4 enclosed) "Consultant's Personnel," to perform the Services.
  - (iii) The Consultant shall submit to the Client the reports in the GoI format and within the time periods specified.

**2. Term** The Consultant shall complete the audit of DHS (2009-10) as per RFP/TOR.

**3. Payment** A. Ceiling

For Services rendered pursuant to Annexure A, the Client shall pay the Consultant an amount not to exceed Fee Structure as stated i point No.14 of ToR. This amount has been established based on the understanding that it includes all of the Consultant's costs and profits exclusive of service tax obligations that may be imposed on the Consultant. The service tax obligations shall be paid by the Client separately as applicable.

B. Payment Conditions

Payment shall be made subject to complying the observation made by Govt. of India within 30 days following submission of Audited Accounts on GoI format alongwith enclosures (available on website) by the Auditor of invoices in duplicate and its approval by Mission Director, NRHM, Assam.

**4. Project Administration** A. Coordinator.

The Client designates Mr.C.S.Sarmah, Manager, Finance, NRHM, Assam as Client's Coordinator; the Coordinator will be responsible for the coordination of activities under this Contract, for acceptance and approval of the reports and of other deliverables by the Client and for receiving and approving invoices for the payment.

- 5. **Performance Standards**                   The Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.
  
- 1. **Ownership of Material**               Any studies reports or other material, graphic, software or otherwise, prepared by the Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Consultant may retain a copy of such documents and software.
  
- 10. **Assignment**                           The Consultant shall not assign this Contract or Sub-Contract any portion of it to other agency/agencies.
  
- 11. **Law Governing Contract and Language**               The Contract shall be governed by the laws of Government of India and the language of the Contract shall be English.
  
- 12. **Dispute Resolution**               Any dispute arising out of the Contract, which cannot be amicably settled between the parties, shall be referred to adjudication/arbitration in accordance with the laws of the Government of India within the jurisdiction of Guwahati High Court.

FOR THE CLIENT

FOR THE AUDITOR

Signed by.....

Signed by.....

Title:.....

Title:.....

**Form T-3****A. Details of Qualified Staff (Chartered Accountants)**

- *(Please provide attested copy of Certificate of ICAI as on 1.1.2009 and a brief CV of Key staff who shall be engaged with the assignment)*

Sl. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
1						
2						

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

Sl. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Relevant Experience	Remarks
<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**

<b>Key Personnel/Team Leaders</b>							
Name	Position/ Team Number	Educational Qualification	Key Responsibilities or Task Assigned	Relevant Experience	Name of the firm to which he belongs in case of Joint Venture	Units being covered (Name of DHS and DHS)	Number of Man days required for task completion

<b>Support Staff</b>							
Name	Position	Educational Qualification	Key Responsibilities or Task Assigned	Relevant Experience	Name of the firm to which he belongs in case of Joint Venture	Units being covered (Name of DHS and DHS)/Team number	Number of Man days required for task completion

**Enclosure:**

Appendix-A	Formats for Financial Statements
Appendix-B	Checklist for Auditor
Appendix-C	Financial Monitoring Report (FMR)
Appendix-D	Advance Register and Age wise reporting of Advances
Appendix-E	Monthly Cash and Bank Balances Certificates
Appendix-F	Monthly Bank Reconciliation Statements
Appendix-G	Auditor's Visited Block/Field Report
Appendix-H	Sample of Preparation of Utilization Certificate (UC)