

REQUIREMENT OF STOCK AUDITORS IN UGB TO CONDUCT STOCK AUDIT IN BRANCHES

Uttarakhand Gramin Bank, Dehradun (herein after referred to as 'the Bank') invites applications from Chartered Accountant Firms for appointment of Stock Auditors on a contractual basis for a period of one year, Audit of selected accounts to be conducted at some branches in all the 13 districts of Uttarakhand State. Interested CA firms must send the application by post to

The General Manager
Uttarakhand Gramin Bank,
Head Office – 8A, IT Park,
Dehradun - 248013
Tel -

The application can be downloaded from our bank website www.ukgb.bank.in. The last date for submission of applications at above-mentioned address is **10.11.2025**. Applications received after the last date will not be entertained.

The Bank shall have the right to cancel and extend the time line for submission of application if required. Further, the Bank reserves the right to accept or reject any application, or all the offers without assigning any reason thereof.

The appointment of the Stock Auditors will initially stand for one year from the date of agreement. However, the agreement may be extended for next 12 months on the same terms and conditions, subject to the satisfactory assessment in the annual review of the performance of the Stock Auditor.

The Bank reserves the right to alter the schedule reflected in this document or to change the process or procedure to be applied. The Bank also reserves the right to decline to discuss the matter further with any party expressing interest. No reimbursement of cost of any type will be paid to any person/firm etc. submitting their application.

On receipt of intimation from the Bank regarding acceptance of the application, the successful CA firms shall be bound to implement the Contract from the date specified therein. The successful CA firms shall sign an agreement in accordance with the extant provisions and shall be liable to pay the appropriate and required stamp duty amount on the said Agreement in accordance with the Stamp laws in force in Uttarakhand.

The Agreement will be executed between the Bank and the successful CA firms. It is mutually agreed that the original Agreement will be retained by the Bank and certified copy of Agreement will be retained by the successful CA firms.

1. Allocation of Auditee units:

The selected empanelled Stock Auditors will be available with the Chief Inspector at Head Office, who will allocate the auditee units to the auditor from the pool with necessary instructions.

2. Types of activities to be covered.

The various purposes expected to be achieved through stock audit are summarized to be as follows –

- i) To physically verify the value of paid Stock (by excluding the total value of unpaid stock with reference to the level of Trade Creditors and the total value of stock procured under the Non Fund based credit limits viz.BG etc.) available in the borrower's location and confirm the same together with the eligible Book Debts are sufficient to cover the total amount outstanding in the Working Capital Limits (Fund based) along with the required level of margin.
- ii) To verify whether the value of stock (procured under Non fund based limits) available on the date of physical verification along with the eligible Book Debts emanated from the sale of such goods is sufficient to cover the total amount of Bill Liability under the Non fund based limits including Bank Guarantee Limit for the Supply of Goods.
- iii) To verify related records / registers / books of accounts such as Stock Register, Purchase Register, Sales Register, Purchase Invoices, Sales Invoices, Credit Notes, Debit Notes etc., maintained by the borrower.
- iv) To carry out physical examination of stock to ascertain the quality, value and age of the inventory thereby identifying whether there exist any obsolete stock and if yes, whether it has been segregated and written off and excluded while arriving the drawing power.
- v) To ensure proper preservation / storage and handling of stock.
- vi) To ensure the stock under hypothecation have not been hypothecated to other Banks.
- vii) To examine the end use of the funds and verify whether any diversion of funds, interlocking of funds among sister concerns.
- viii) To verify the operation of the accounts such as cash withdrawal, cheque returns, clearing cheque outstanding, number of times the account remained overdrawn, adjustment of returned discounted cheques, Invoked Bank Guarantees etc.,
- ix) To confirm whether all the sanction conditions are complied with.
- x) To verify whether the stock is adequately and properly insured with our bank hypothecation clause against fire and other natural calamities (in appropriate cases against other risks like theft, burglary, marine, riots etc. as per sanction) and kept in secured manner.
- xi) To ascertain whether physical stock tally with the stock statement submitted to the bank.
- xii) To ascertain the returns or statements filed by the unit submitted to bank are in agreement with the books of accounts of the unit for the borrowing account having working capital limits of ₹1.00 crores and above.
- xiii) To ascertain whether hypothecated stock is realizable.
- xiv) To confirm that stock is owned by the borrower and finance is made against value of paid stock only.

- xv) To examine the age wise debtors outstanding as per books and as per statement submitted by the borrower, steps taken for recovery of long pending debtors and likely instances of debtors turning bad, if any.
- xvi) To ensure the timely submission of Stock / Book Debts statement etc.

3. Criteria for appointment of Stock Auditor:

The following general criteria is applied while selecting the Stock Auditors:-

- 1) The firm of the Stock Auditor shall contain at least two Chartered Accountants of which one of the partners should have at least three years' experience. If the Chartered Accountant is an individual or sole proprietary concern, he should have at least five years' experience.
- 2) The Chartered Accountant firm / proprietor / individual should have conducted Bank Audit in any Commercial Bank at least for a period of two years.
- 3) The Chartered Accountant firm / proprietor / individual should have an office as far as possible at the center where the Bank's Branch is located for which the Stock Audit is to be conducted.
- 4) Specialized Auditors i.e. auditors having knowledge / expertise of the industry should be considered to the extent possible so as to achieve efficient and effective stock audit mechanism.
- 5) It should be ensured that the Auditor who has appointed to conduct the Stock Audit for the particular borrowing account is not the Auditor for the same borrower.
- 6) The Concurrent Auditors can be appointed to conduct Stock Audit with a condition that they should not be the Concurrent Auditors for the same branch where they are appointed to conduct Stock Audit and there should not be any negative remarks on the Concurrent Auditors.

4. Completion of Stock Audit

The Stock Audit should be completed within 30 days from the date of intimation to the Stock Auditor as per the schedule given below:

1. Commencement of Audit work - Within 10 days from the date of intimation.
2. Conclusion of Audit - Within 10 days from the date of commencement.
3. Submission of Audit Report - Within 10 days from completion of Audit.

5. Reporting System & Submission of Final Certificate:

The Stock Auditor should verify the borrower's unit/ godown as to their position on Stock / Book Debts and submit the report immediately in triplicate (3 copies) one copy to General Manager

of the Network, one copy to the respective Regional Office through the Branch and one copy to the Branch.

6.Remuneration of Stock Auditors:

FEE STRUCTURE FOR CONDUCTING STOCK AUDIT

STOCK AUDITOR FEES (PER ACCOUNT)

The remuneration of the Auditor (**Chartered Accountant Firms/Proprietor/Individual/Specialised Auditors**) is fixed as:--

(i) **Bank will pay a lump sum amount upto -**

- **Rs.8000/- + GST per account for Credit Limits upto Rs 3.00 crores.**
- **Rs 10000/- + GST per account for Credit Limits above Rs 3.00 crores upto Rs 5.00 crores.**
- **Rs 15000/- + GST per account for Credit Limits above Rs 5.00 crores upto Rs 10.00 crores.**

(ii) **Conveyance & Transportation for Outstation audit work:**

Auditors may use Public transport plying in the area of visit and claim reimbursement of travelling expenses accordingly. In case public transport is not available, he/she may use private vehicles on seat sharing basis and claim accordingly.

(iii) The Auditors shall be eligible for maximum reimbursement of lodging expenses @ **(Rs. 960/- + GST)** per day on submission of original bills having Bank's **GSTN No.05AAAAU4857G1ZF** on it.

TDS/Income Tax rules shall apply as per extant IT Act.

For more details refer to our bank's website www.ukgb.bank.in

At the bottom under 'careers' head.

To.
General Manager (Administration)
Uttarakhand Gramin Bank
Head Office, 8A, IT Park, Sahastradhara Road,
Dehradun-248013

Sir,

Application for empanellment as Stock Auditor.

1	Name of the Firm	
2	Address of Main Office	
3	Date of establishment of the firm (Certificate to be attached)	
4	Whether the firm is Proprietary or Partnership firm. Number of qualified Chartered Accountants as Partners (in case of partnership firm) & experience of the Proprietor / Partners Please give names and date of qualifying the CA examination of all promoters of the firm. (attach copy of the certificate)	
5	Address of Correspondence & Address of Correspondence of local office (if any)	
6	Contact detail of the firm Phone, Mobile , e-mail	

7	Experience of conducting Stock Audit in any Commercial bank. Name of the bank(s) & period.(Certificate to be attached)	
8	Is the firm already engaged/appointed for any other assignment in UGB as Concurrent Auditors, Supplementary Auditor etc.?	
9	Did the firm refuse any assignment allotted by the Bank in the past?	
10	Any other information	

We have read and understood the terms and conditions set in the Bank's offer for empanellment of Stock Audit. We undertake that we agree to work anywhere in the area of operation of the Bank.

We declare that all the information presented above is true, if found incorrect the eligibility of our firm will be cancelled.

Place:-

Date: -

Signature with seal
Name of the Firm –
Attachment- As above