



**Mission Directorate of Agriculture Production
Department, J&K**

Request for Proposals

for

**Hiring a Chartered Accountant Firm to conduct Internal Audit of JKCIP
Project for the Financial Year 2025-2026**

Ref No: RFP-02-JKCIP-2025/26

Issue date: May 2026

Foreword

This bidding document has been prepared by Mission Directorate of Agriculture Production Department, J&K and is based on the 1st edition of the IFAD-issued standard procurement document for simplified requests for proposals available at www.ifad.org/project-procurement. This bidding document is to be used for the procurement of services using QCBS, in projects financed by IFAD.

IFAD does not guarantee the completeness, accuracy or translation, if applicable, or any other aspect in connection with the content of this document.

Tender Information Summary	
1.0 Basic Tender Details	
Tender Title/ Name of Assignment	RFP for Hiring of Chartered Accountants Firm to Conduct Internal Audit of JKCI Project for the FY 2025-26
File Number	RFP-02-JKCIP-2025/26
Tender Type	RFP-Open Tendering
Tender Category	Services
Proposal Submission	Two Separate Proposals viz Technical & Financial be submitted on GeM Portal
Product Category	Consultancy
Selection Method	Quality & Cost Based Selection (QCBS) in 70:30 Ratio
Appointing Arbitration	Head of the Procuring Organization
Language for all type Communication	English only
Form of Contract	Lumpsum
Organization:	Mission Directorate of HADP/JKCIP
The Procuring Entity:	Mission Directorate of HADP/JKCIP
Mode of Procurement	Online- through GeM Portal
Tender Inviting Authority (TIA)	Mission Director of HADP/JKCIP
Office Address & Communication for Correspondence	Shri Ajay Safaya Accounts Officer JKCI/HADP Narwal Jammu & Rajbagh Srinagar
2.0 Critical Dates	
Publication on RFP on GeM Portal	May 19th 2026
Proposal Due Date/Last date	June 18th, 2026 (1600 hrs)
Opening of Technical Proposals date & Time	June 19 th , 2026 (1100 hrs)
Proposal Validity (Days from the date of Proposal Opening)	90 Days
3.0 Terms of Reference	
Period of Contract	12 Months
Service Details:	As per Terms of Reference / Scope of Work.
4.0 Documents relating to Bid Security and Performance Security	

Bid Security (EMD) Amount in INR :	Rs 20000
Is Bid Securing Declaration permitted in lieu of Bid Security?	Yes, as per MSME Exemption
Performance Security	Yes, 5% of total bid value of the successful bidder
Bid/ Performance Security to be addressed/ in favor of:	Account Officer- JKCIP/HADP
Form of Bid/ Performance Security	Refer Checklist of documents at clause 1.3
Payment Schedule	Final report =100%
Documents to be uploaded on GeM Portal online on or before Last Date:	
Technical Proposal (All Documents should be clearly marked with Page No.)	All Certificates like CAG empanelment Certificate, ICAI Registration Certificate, Financial Turnover Certificate of last 5 years, Partners Details Certificate, Office Existence and other documents as annexed with RFP Section-III, TECH-1, TECH-2, TECH-4, TECH-5, TECH-6
Financial Proposal (To be submitted Separately on GeM Portal)	Section IV- FIN-1
Documents to be submitted offline.	
Bid Security To be submitted upto 3 days after POD/Last Date.	INR 20,000/- in the form of [Account Payee Demand Draft, Fixed Deposit Receipt, Bank Guarantee]
Documents to be submitted offline on signing of Contract:	
Performance Security (5% of total bid-value of the successful bid on signing of contract)	In the form of: [Account Payee Demand Draft, Fixed Deposit Receipt or bank guarantee.
Form of Contract Agreement	Section VI-VII with Annexes
Judicial Stamp Paper (To be appended with Contract Agreement)	On Rs 100 Stamp Paper

Section I. Letter of Invitation

Jammu, India
May 19th, 2026

Invitation no. **RFP-02-JKCIP-2025/26**
Grant no. \ loan no. **2000003933**

Dear Sir/ Madam,

1. The "Government of India (GoI)" financing from the International Fund for Agricultural Development (IFAD) towards the cost of Competitiveness Improvement of the Agriculture and Allied Sector Projects in Jammu & Kashmir (JKCIP) and intends to apply part of the financing for the recruitment of consulting services.
The use of any IFAD financing shall be subject to IFAD's approval, pursuant to the terms and conditions of the financing agreement, as well as IFAD's rules, policies and procedures. IFAD and its officials, agents and employees shall be held harmless from and against all suits, proceedings, claims, demands, losses and liability of any kind or nature brought by any party in connection with Competitiveness Improvement of the Agriculture and Allied Sector Projects in Jammu & Kashmir (JKCIP).
2. The Mission Directorate of Agriculture Production Department, J&K now invites proposals to provide the following consulting services: Hiring a Chartered Accountant Firm to conduct Internal Audit of JKCIP Project for the Financial Year 2025-2026. More details on the services are provided in terms of reference.
3. A firm will be selected under the "Quality and Cost Based Selection Method (QCBS)" method and procedures described in this RFP, in accordance with the policies detailed in the latest IFAD's Project Procurement Guidelines as approved by IFAD's Executive Board and IFAD Procurement Handbook.
4. The RFP includes the following documents:
 - Section I - Letter of invitation
 - Section II - Instructions to consultants
 - Section III - Technical proposal - standard forms
 - Section IV - Financial proposal - standard forms
 - Section V - Terms of reference
 - Section VI - Standard forms of contract
 - Section VII-Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations
5. The requested proposal should be submitted no later than June 18th 2026, 4:00 PM, Jammu, India local time, to the below address Rajbagh Srinagar / Narwal Jammu.

6. The proposal must remain valid for 90 (ninety) days after the above submission date. During this period, the consultant shall maintain the availability of professional staff nominated in the proposal.
7. The estimated indicative budget for this assignment is *INR 10.00 Lakhs*

Yours sincerely,

For
The Mission/Project Director
HADP/JKCIP
Rajbagh Srinagar/Narwal Jammu

Section II. Instructions to Consultants

1. A two-bid system is to be used separately for Technical & Financial Proposals.
2. Consultant/Firm shall submit proposals electronically only through the GeM portal (gem.jk.gov.in)
3. The consultant shall not have any actual, potential or reasonably perceived conflict of interest. A consultant with an actual, potential or reasonably perceived conflict of interest shall be disqualified unless otherwise explicitly approved by the International Fund for Agricultural Development (IFAD or the Fund). A consultant, including their respective personnel and affiliates, are considered to have a conflict of interest if any of them a) has a relationship that provides them with undue or undisclosed information about or influence over the selection process and the execution of the contract, b) participates in more than one proposal under this procurement action, c) has a business or family relationship with a member of the client's board of directors or its personnel, the Fund or its personnel, or any other individual that was, has been or might reasonably be directly or indirectly involved in any part of (i) the preparation of the expression of interest, (ii) the selection process for this procurement, or (iii) execution of the contract. The consultant has an ongoing obligation to disclose any situation of actual, potential or reasonably perceived conflict of interest during expression of interest (if any), preparation of the proposal, the selection process or the contract execution. Failure to properly disclose any of said situations may lead to appropriate actions, including the disqualification of the consultant, the termination of the contract and any other as appropriate under the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations¹.
4. All bidders are required to comply with the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations (hereinafter, "IFAD's Anti-corruption Policy") while competing for, or in executing, the contract.
 - a. If determined that a bidder or any of its personnel or agents, or its sub-consultants, sub-contractors, service providers, suppliers, sub-suppliers, and/or the latter's personnel or agents, has, directly or indirectly, engaged in any of the prohibited practices as defined in IFAD's Anti-corruption Policy or sexual harassment, exploitation and abuse as defined in IFAD's Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse² in competing for, or in executing, the contract, the proposal may be rejected or the contract may be terminated by the client.

- b. In accordance with IFAD's Anti-corruption Policy, the Fund may investigate and, when applicable, sanction entities and individuals, including by debarring them, either indefinitely or for a stated period of time, to participate in any IFAD financed or IFAD -managed activity or operation. A debarment includes, *inter alia*, ineligibility to: (i) be awarded or otherwise benefit from any IFAD- financed contract, financially or in any other manner; (ii) be a nominated sub-contractor, consultant, manufacturer, supplier, sub-supplier, agent or service provider of an otherwise eligible firm being awarded an IFAD -financed contract; and (iii) receive the proceeds of any loan or grant provided by the Fund. The Fund may also unilaterally recognize eligible debarment's by any of the International Financial Institutions signatories to the Agreement for Mutual Enforcement of Debarment Decisions.
 - c. Bidders and any of their personnel and agents, and their sub-consultants, sub-contractors, service providers, suppliers, sub-suppliers, and the latter's personnel and agents are required to fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to this bidding process or the execution of the contract and to have such accounts, premises, records and documents audited and/or inspected by auditors and/or investigators appointed by the Fund.
 - d. Bidders have the ongoing obligation to disclose in their quotation and later in writing as may become relevant: (i) any administrative sanctions, criminal convictions or temporary suspensions of themselves or any of their key personnel or agents for corrupt, fraudulent, collusive, coercive or obstructive practices, and (ii) any commissions or fees paid or to be paid to agents or other parties in connection with this bidding process or the execution of the contract. Bidders must disclose the name and contact details of the agent or other party and the reason, amount and currency of the commission or fee paid or to be paid. Failure to comply with these disclosure obligations may lead to rejection of the proposal or termination of the contract.
 - e. Bidders shall keep all records and documents, including electronic records, relating to this selection process available for a minimum of three (3) years after notification of completion of the process or, in case the bidder is awarded the contract, execution of the contract.
5. The Fund requires that all beneficiaries of IFAD funding or funds administered by IFAD, including the client, any consultants, implementing partners, service providers and suppliers, observe the highest standards of integrity during the procurement and execution of such contracts, and commit to combat money laundering and terrorism

financing consistent with IFAD's Anti-Money Laundering and Countering the Financing of Terrorism Policy.³⁴

6. The technical proposal shall be based on the technical forms attached in Section-III including the CVs of the proposed staff.
7. The evaluation committee shall evaluate the technical proposals on the basis of their, qualification, responsiveness to the terms of reference, applying the evaluation criteria, sub criteria, and point system specified in Qualification and Evaluation Criteria:

Pre- Qualification Criteria (PQC)

The consultant/firm will be declared non responsive and will be rejected if it's proposal does not clearly demonstrate that it meets the following minimum pre qualification criteria.

1. Registration

- a. The establishment of firm must be minimum 20 years- ICAI Certificate required for valid proof.
- b. Firm must be empaneled with the Comptroller & Auditor General of India (C&AG) for FY 2025-26.
- c. The Firm must have branch/Head Office in Jammu and Kashmir.
- d. The Firm must be valid & effective prior Reviewed Certificate required for valid proof.

2. Number of CA's

Consultancy Firm should have minimum 10 full time working CA's having minimum 3 FCA partners which shall reflect through Registration Certificate of ICAI.

3. Financial Capacity (Turnover)

Average financial turnover of firm /LLP for the last two financial years 2023-24 and 2024-25 must be Rs 2.00 Crores (average).

Note: Bidder meeting the above Pre-Qualification Criteria only will be considered for further evaluation as preselection criteria.

Mandatory and Evaluation Criteria

The consultant/Firm will be declared non-responsive and will be rejected if its proposal does not clearly demonstrate that it meets the following minimum mandatory criteria:

(Note: All documents must be submitted with proper page marking and clearly highlighted details, including value and date wherever applicable. Any proposal submitted without the required documents shall be liable for outright rejection.)

Ref	Item
Mandatory Criteria	<ol style="list-style-type: none"> 1. Registration <ul style="list-style-type: none"> ○ The Firm must be registered with the Institute of Chartered Accountants of India (ICAI) and empanelled with the Comptroller & Auditor General of India (C&AG) for FY 2025–26. ○ Proof of registration and empanelment must be enclosed with the proposal. ○ The firm must have branch/Head Office in Jammu & Kashmir. 2. Number of CA's: <ul style="list-style-type: none"> ○ Consultancy Firm should have minimum of 10 full time CA having minimum 3 FCA partners which shall reflect through Registration Certificate of ICAI. 3. Financial Capacity (Turnover) <ul style="list-style-type: none"> ○ The Firm must have an average annual financial turnover of at least ₹2.00 Crores during the last two financial years 2023–24, 2024–25 (average). ○ Turnover statements of last 2 years must be duly certified by a Chartered Accountant with UDIN and Firm Registration Number. 4. Relevant Experience <ul style="list-style-type: none"> ○ The Firm must have a minimum of ten (10) years of experience in conducting similar assignments (Internal/Statutory audits) for Government Autonomous Departments, Semi-Government Bodies, PSUs, International/ NPO, CPSE's and have completed minimum 5 similar assignments of Rs 10.00 lakh and above in last 5 years. ○ Supporting documents such as engagement order/work orders and completion certificates of the audits done by the firm must be attached. 5. Earnest Money Deposit (EMD) <ul style="list-style-type: none"> ○ The Firm must submit an Earnest Money Deposit (EMD) of ₹20,000 in the form of CDR/FDR/Bank Guarantee pledged in favour of the Accounts Officer, JKCIP within 3 days of the Proposal Due Date/Last Date. ○ Proposals without valid EMD will not be considered. 6. Black listing: <p>The firm or any partners of the firm should not be black listed by any PSUs or Govt. Department or any other organization in respect of any assignment or behaviour. [Self-attested affidavit on Rs.100/- stamp paper to be given in this regard by the authorized person of the firm].</p>

7. Minimum requirement of the team:

S. No	Key Personnel	Experience	Minimum required
1	Audit Manager/Fellow Chartered Accountant (FCA)	Minimum 5 years of experience	1 Person
2	Lead Auditor, Associate Chartered Accountant (ACA)	Minimum 3 years of experience	2 Persons
3	Intern CA's	Minimum 1 year of experience	6 Persons

The firm is bound to deploy the aforesaid minimum staff during the assignment at two locations- Jammu & Srinagar.

The following criteria and sub-criteria in scoring the technical proposal of each consultant/Firm shall be followed for evaluation:

8. Evaluation Criteria

Sr. No.	Criteria/Sub- Criteria	Marking Scheme	Maximum Marks
	PART-A		
1	Year of the Incorporation of the Firm		
1.1	Firms having existence upto 20 years as on March 2026	5 Marks	10
1.2	For each completed year beyond 20 years	1 Mark per year subject to maximum 5 additional marks	
2	Office Existence in Jammu & Kashmir		
2.1	Head Office/Branch Office in Jammu & Kashmir. Valid proof in the form of ICAI Constitution Certificate shall be submitted	5 Marks	5
3	Professional Strength of the Firm		10

3.1	Minimum 3 FCA partners and 10 Full time CA, supported by ICAI Registration Certificate and relevant proof	5 Marks	
3.2	Each additional FCA partner beyond 3	1 Mark each subject to maximum 2 marks	
3.3	Up to 2 ACA	1 Mark	
3.4	Each additional ACA beyond 2	1 Mark each subject to maximum 2 marks	
4	Articles/Intern CA's		
4.1	Upto 6 Articles/ Intern CA's	3 Marks	5
4.2	Each additional article/Intern CA beyond 6	1 Mark each subject to maximum 2 marks	
5	Financial Turnover		
5.1	Average Financial Turnover upto INR 2 Crores during the last two financial years i.e 2023-24 and 2024-25	2 Marks	10
5.2	Average Annual Financial Turnover above INR 2 Crores and upto INR 5 Crores during the last two financial years i.e. 2023-24 and 2024-25	6 Marks	
5.3	Average Financial Turnover above INR 5 Crores during the last two financial years i.e. 2023-24 and 2024-25	10 Marks	
5.4	Financial Turnover must be supported by a Financial Turnover Certificate certified by a CA with UDIN along with copies of ITR for the relevant financial years	Mandatory Documentary Proof	
6	Experience in Audit/Similar Assignments		20

6.1	Number of Audits/similar assignments completed during the last 5 years ending on 31.03. 2025 for Government/PSU/Autonomous bodies/Semi-government organisations/International organisations/NPOs/CPSEs having completed 5 assignments of Rs 10 lakhs and above	10 Marks	
6.2	For each additional assignment of Rs 10 lakhs and above	1 Mark per assignment. Maximum of upto 10 marks	
7	MDB Project Assignments		
7.1	Number of multilateral development bank project audits undertaken during the last 5 years	5 Marks for each assignment. Maximum upto 20 Marks	20
7.2	Documentary proof in support of the above assignments shall be submitted	Mandatory Documentary Proof	
	Part -B		
8	Presentation before the evaluation committee	20 Marks	20
	TOTAL		100

** Multilateral Bank Project Audits means any audit conducted by the firm for International Fund for Agricultural Development, World Bank Group, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, clients, and includes both external audit and internal audit as well as assignments on behalf of UN agencies.

9 Quality of Proposal

- A. Minimum qualifying marks for Presentation (Part B) on technical matters and audit plan is 10 marks out of maximum of 20 marks.
- B. For qualifying in technical bid, (Part A + Part B), the bidder must obtain minimum 60 marks.

10. After the technical evaluation is completed, the client shall inform the consultants who have submitted proposals about the technical scores obtained by their technical proposals, and shall notify those consultants in writing whose proposals did not meet the minimum qualifying mark or were considered non responsive to the RFP and TOR, that their financial proposals will not be opened for evaluation process. The client shall simultaneously notify in writing consultants that have secured the minimum qualifying mark of the date, time and location for opening the financial proposals. The opening

date should allow consultants sufficient time to make arrangements for attending the opening. Consultants' attendance at the opening of financial proposals is optional.

11. Financial proposals shall be opened publicly in the presence of the consultants' representatives who choose to attend. The name of the consultants and the technical scores of the consultants shall be read aloud. The financial proposal of the consultants who met the minimum qualifying mark will then be inspected to confirm that they have remained unopened. These financial proposals shall be then opened, and the total prices read aloud and recorded. A copy of the record shall be sent to all consultants and IFAD (in case of prior review).
12. The financial evaluation shall be based on the financial forms attached in section IV.

13. Selection Criteria:

Combined Quality and Cost Evaluation (QCBS)

In case of QCBS, the total score is calculated by weighting the technical and financial scores and adding them as per the following:

The lowest evaluated financial proposal (F_m) will be given the maximum financial score (S_f) of 100 points. The financial scores (S_f) of the other financial proposals will be computed as follows: $S_f = 100 \times F_m / F$, in which "Sf" is the financial score, "Fm" is the lowest price, and "F" the price of the proposal under consideration.

Proposals will be ranked according to their combined technical (S_t) and financial (S_f) scores using the weights (T = the weight given to the technical proposal; P = the weight given to the financial proposal; $T + P = 100$) [*the JKCIP will use the weightage of 70:30, i.e T = 70 & P = 30*] $S = S_t \times T\% + S_f \times P\%$. The firm achieving the highest combined technical and financial score will be invited for negotiations.

14. Notice of intent to award: After the completion of the evaluation report and having obtained all the necessary approvals per the IFAD Procurement Handbook, the client shall send the notice of intent to award to the successful consultant. The notice of intent to award shall include a statement that the client shall issue a formal notification of award and draft contract agreement after expiration of the period for filing a bid protest and the resolution of any bid protest that are submitted. Delivery of the notice of intent to award shall not constitute the formation of a contract between the client and the successful consultant and no legal or equitable rights will be created through the delivery of the notice of intent to award.

At the same time it issues the notice of intent to award, the client shall also notify, in writing, all other consultants of the results of the bidding. The client shall promptly respond in writing to any unsuccessful consultant who, after receiving notification of the

bidding results, makes a written request for a debriefing or submits a bid protest as provided in the IFAD Procurement Handbook.

15. Negotiations: Negotiations will be held on the following date and address:

Negotiation will be held as per IFAD norms on 23rd June 2026 at
[HADP/JKCIP Narwal Jammu or Rajbagh Srinagar]

The invited consultant will be invited to negotiations via the Notification of Award (NOITA). This Notification of Award is subject to successful negotiations. The consultant will, as a pre-requisite for attendance at the negotiations, confirm the availability of all the key professional personnel listed in the technical proposal. Failure to confirm such personnel may result in the client proceeding to negotiate with the next-ranked consultant. Representatives conducting negotiations on behalf of the consultant must have written authority to negotiate and conclude the contract on behalf of the consultant.

16. The consultant is expected to commence the assignment by July 1st, 2026, and at the following address:

- 1. HADP/JKCIP Narwal Jammu*
- 2. HADP/JKCIP Rajbagh Kashmir*
- 3. Directorate of Horticulture Jammu*
- 4. Directorate of Horticulture Kashmir*
- 5. SKAUST-Kashmir*
- 6. SKUAST-Jammu*
- 7. Directorate of Agriculture Jammu*
- 8. Directorate of Agriculture Kashmir*
- 9. Directorate of Animal Husbandry Jammu*
- 10. Directorate of Animal Husbandry Kashmir*
- 11. Directorate of Fisheries Jammu*
- 12. Directorate of Fisheries Kashmir*
- 13. Directorate of Sheep Husbandry Jammu*
- 14. Directorate of Sheep Husbandry Kashmir*
- 15. Directorate of Horticulture Planning & Marketing, Jammu*
- 16. Directorate of Horticulture Planning & Marketing, Kashmir*
- 17. Any of the 90 Blocks /CHO Offices/other Centre Financed by IFAD under JKCIP.*



Section III. Technical Proposal - Standard Forms

- TECH-1 Technical proposal submission form
- TECH-2 Consultant's organization and experience
- TECH-4 Description of the approach, methodology and work plan for performing the assignment
- TECH-5 Team composition and task assignments
- TECH-6 Curriculum vitae (CV) for proposed professional staff

Form TECH-1 Technical Proposal Submission Form

[Place & Date:]

To:

Dear Sirs or Madams,

1. We, the undersigned, offer to provide the consulting services: "Hiring a Chartered Accountant Firm to conduct Internal Audit of JKCIP Project for the Financial Year 2025-2026 in accordance with your request for proposal dated May 19th 2026 and our proposal. We are hereby submitting our proposal, which includes this technical proposal, and a financial proposal in separate envelopes.
2. We hereby declare that all the information and statements made in this proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.
3. If negotiations are held during the period of validity of the proposal, we undertake to negotiate on the basis of the proposed staff. Our proposal is binding upon us and subject to the modifications resulting from contract negotiations.
4. We undertake, if our proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the terms of reference.
5. Our proposal is open for acceptance for a period of ninety (90) days.
6. Our firm, its associates, including any subcontractors or suppliers for any part of the contract, have not been declared ineligible by the Fund and have not been subject to sanctions or debarment's under the laws or official regulations of the client's country or not been subject to a debarment recognized under the Agreement for Mutual Enforcement of Debarment Decisions (the "Cross-Debarment Agreement")⁵, beyond those declared in paragraph 12 of this proposal submission form.
7. We acknowledge and accept the IFAD Revised Policy on Preventing Fraud and Corruption in its Activities and Operations. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any prohibited practices as provided in ITC Clause 3. Further, we acknowledge and understand our obligation to report to anticorruption@ifad.org any allegation of prohibited practice that comes to our attention during the selection process or the contract execution.
8. No attempt has been made or will be made by us to induce any other consultant to submit or not to submit a proposal for the purpose of restricting competition.

⁵ The Cross-Debarment Agreement was entered into by the World Bank Group, the Inter-American Development Bank, the African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, additional information may be located at: <http://crossdebarment.org/>.



- 9. We acknowledge and accept the IFAD Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse. We certify that neither our firm nor any person acting for us or on our behalf has engaged in any sexual harassment, sexual exploitation or abuse. Further, we acknowledge and understand our obligation to report to ethicsoffice@ifad.org any allegation of sexual harassment, sexual exploitation and abuse that comes to our attention during the selection process or the contract execution.
- 10. The following commissions, gratuities, or fees have been paid or are to be paid with respect to the selection process: *[None]*
- 11. We declare that neither our consulting firm nor any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners have any actual, potential or perceived conflict of interest as defined in ITC Clause 2 regarding this selection process or the execution of the contract. We understand that we have an ongoing disclosure obligation on such actual, potential or perceived conflicts of interest and shall promptly inform the client and the Fund, should any such actual, potential or perceived conflicts of interest arise at any stage of the procurement process or contract execution.
- 12. The following criminal convictions, administrative sanctions (including debarments) and/or temporary suspensions have been imposed on our consulting firm and/or any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners:

Nature of the measure (i.e., criminal conviction, administrative sanction or temporary suspension)	Imposed by	Name of party convicted, sanctioned or suspended (and relationship to the consultant)	Grounds for the measure (i.e., fraud in procurement or corruption in contract execution)	Date and time (duration) of measure

If no criminal convictions, administrative sanctions or temporary suspensions have been imposed, indicate "none".

- 13. We acknowledge and understand that we shall promptly inform the client about any material change regarding the information provided in this proposal submission form.
- 14. We further understand that the failure to properly disclose any of information in connection with this proposal submission form may lead to appropriate actions, including our disqualification as consultant, the termination of the contract and any other as appropriate under the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations.
- 15. We understand you are not bound to accept any proposal that you may receive.

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16. We further certify to have read, understood and agreed to be bound by the Privacy Policy of IFAD (accessible at <https://www.ifad.org/en/privacy>).

Yours sincerely,

Authorized signature *[In full and initials]*: _____

Name and title of signatory: _____

Name of firm: _____

Address: _____



Form TECH-2: Consultant's Organization and Experience

A - Consultant's Organization

[Provide here a brief (two pages) description of the background and organization of your firm/entity for this assignment.]

B - Consultant's Experience

[Using the format below, provide information on each assignment for which your firm, was legally contracted either individually as a corporate entity or as one of the major companies within an association, for carrying out consulting services similar to the ones requested under this assignment. A separate form shall be filled for each relevant assignment]

Assignment name:	Approx. value of the contract (in Rs):
Country: Location within country:	Duration of assignment (months):
Name of client:	Total no. of staff-months of the assignment:
Address:	Approx. value of the services provided by your firm under the contract (in Rs):
Start date (month/year): Completion date (month/year):	No. of professional staff-months provided by associated consultants:
Name of associated consultants, if any:	Name of senior professional staff of your firm involved and functions performed (indicate most significant profiles such as project director/coordinator, team leader):
Narrative description of project:	
Description of actual services provided by your staff within the assignment:	

Firm's name: _____

Form TECH 4: Description of Approach, Methodology and Work Plan for Performing the Assignment

(In 3 pages only)

[Technical approach, methodology and work plan are key components of the technical proposal. You are suggested to present your technical proposal divided into the following three chapters:

- a) Technical approach and methodology,*
- b) Work plan, and*
- c) Organization and staffing,*

a) Technical Approach and methodology. In this chapter you should explain your understanding of the objectives of the assignment, approach to the services, methodology for carrying out the activities and obtaining the expected output, and the degree of detail of such output. You should highlight the problems being addressed and their importance, and explain the technical approach you would adopt to address them. You should also explain the methodologies you propose to adopt and highlight the compatibility of those methodologies with the proposed approach.

b) Work Plan. In this chapter you should propose the main activities of the assignment, their content and duration, phasing and interrelations, milestones (including interim approvals by the client), and delivery dates of the reports. The proposed work plan should be consistent with the technical approach and methodology, showing understanding of the TOR and ability to translate them into a feasible working plan. A list of the final documents, including reports, drawings, and tables to be delivered as final output, should be included here. The work plan should be consistent with the work schedule of form TECH-8.

c) Organization and staffing. In this chapter you should propose the structure and composition of your team. You should list the main disciplines of the assignment, the key expert responsible, and proposed technical and support staff.

Form TECH-5 Team Composition and Task Assignments

Professional staff				
Name of staff	Firm	Area of expertise	Position assigned	Task(s) assigned

Form TECH 6: Curriculum Vitae (CV) for Proposed Professionals Staff

1. Proposed position *[only one candidate shall be nominated for each position]:*

2. Name of firm *[Insert name of firm proposing the staff]:*

3. Name of staff *[Insert full name]:* _____

4. Date of birth: _____ Nationality: _____

5. Education *[Indicate college/university and other specialized education of staff member, giving names of institutions, degrees obtained, and dates of obtainment]:* _____

6. Membership of professional associations: _____

7. Other training *[Indicate significant training since degrees under 5 - education were obtained]:* _____

8. Countries of work experience: *[List countries where staff has worked in the last ten years]:* _____

9. Languages *[For each language indicate proficiency: good, fair, or poor in speaking, reading, and writing]:* _____

10. Employment record *[Starting with present position, list in reverse order every employment held by staff member since graduation, giving for each employment (see format here below): dates of employment, name of employing organization, positions held.]:*

From *[Year]:* __ To *[Year]:* _____

Employer: _____

Positions held: _____

<p>11. Detailed tasks assigned</p> <p><i>[List all tasks to be performed under this assignment]</i></p>	<p>12. Work undertaken that best illustrates capability to handle the tasks assigned</p> <p><i>[Among the assignments in which the staff has been involved, indicate the following information for those assignments that best illustrate staff capability to handle the tasks listed under point 11.]</i></p> <p>Name of assignment or project: _____</p> <p>Year: _____</p> <p>Location: _____</p> <p>Client: _____</p> <p>Main project features: _____</p> <p>Positions held: _____</p> <p>Activities performed: _____</p>
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13. Certification:

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

[Signature of staff member] Date: _____
day/month/year

Full name of authorized representative: _____

Section IV. Financial Proposal – Standard Forms

Note:

The Financial Proposal shall be submitted separately on GeM portal, no any information related to Financial Proposal shall be given with Technical Proposal. Mentioning any such information by the consultant/firm, the proposal shall be rejected. Due care should be taken while entering the financial value on the GeM Portal. Amounts must coincide with the ones indicated under total cost of financial proposal in form of FIN-1 and on the GeM portal. If any mismatch is found between the Financial Proposed Value/Price Quotation submitted on Gem Portal and the value submitted on Standard Form, the whole proposal of the Consultant/Firm shall be summarily rejected.

FIN-1 Financial Proposal Submission Form

Form FIN-1 Financial Proposal Submission Form

[Location, date]

To:

Dear Sirs:

We, the undersigned, offer to provide the consulting services for the "*[insert title of assignment]*" in accordance with your request for proposal dated *[insert date of issuance of RFP]* and our technical proposal. Our attached financial proposal is for the sum of *[insert amount(s) in words and figures⁶]*. This amount is including all charges like Fee, GST, Duties, Boarding & Lodging, Travel Conveyance and others. No any such charge shall be entertained, claimed over and above the aforesaid amount mentioned.

Our financial proposal shall be binding upon us subject to the modifications resulting from contract negotiations, up to expiration of the validity period of the proposal, i.e. before the date indicated in paragraph 9 of the letter of invitation.

We understand you are not bound to accept any proposal that you may receive.

Yours sincerely,

Authorized signature *[In full and initials]*: _____

Name and title of signatory: _____

Name of firm: _____

Address:

Amounts must coincide with the ones indicated in the financial proposal submitted on GeM Portal .

Section V. Terms of Reference

Terms of Reference (TOR)

Mission Directorate of Agriculture Production Department, J&K seeks to invite Proposal from CAG empaneled major audit CA firms meeting the minimum eligibility criteria for providing their services of conducting of Internal Audit bi-annually basis for the financial year 2025-26 of JKCIP and its Project Units under JKCIP in Jammu & Kashmir.

1. Client

The client for this assignment is Mission Directorate of Agriculture Production Department, UT of Jammu & Kashmir.

2. Background:

The International Fund for Agricultural Development (IFAD) is aiding the borrower/recipient, the Republic of India for the purpose of financing The Jammu and Kashmir Competitiveness Improvement in Agriculture and Allied Sectors Project (JKCIP) in the form of loan(s) and grant(s). A financing agreement or agreements has/have been signed between IFAD and the borrower/[recipient]; dated 25th January 2018. refer to appendix 1. The overall objective of the project is, enhancing agricultural productivity, market access, and farmer incomes through a value chain approach in 7 years.

The JKCIP covers 90 blocks of 20 districts in the UT of J&K to support 1.5 million individuals, 300000 households, 141000 women (47%), 90000 youth(30%), 30000 households of vulnerable communities (10%) . The project is expected to be completed by 2032.

The JKCIP program has been designed to improve the competitiveness and climate resilience of the farmers through a value chain approach. The program covers production, value addition and marketing of high-value niche commodities from agriculture, horticulture, and allied sectors of UTJ&K by the flowing three main components, namely,

Climate Smart & Market Led Production

Agri business ecosystem development

Support to vulnerable communities

Management Support

The JKCIP intends to appoint an independent internal auditor to audit the accounts related to the project, in accordance with the IFAD Handbook on Financial Reporting and Auditing. The reporting entity as on each bi-annual ending. The auditor conducts its audit in terms of national auditing standards and in accordance with the IFAD Handbook on Financial Reporting and Auditing.

3. Objective:

The objective of the audit including the individual financial statements of the JKCIP Project at Narwal, Jammu/Rajbagh Srinagar and its Project Units, as well as the consolidated financial statements of the JKCIP Project at Narwal, Jammu and its Project Units as a whole—comprising the Balance Sheet, Income and Expenditure Statement, Receipts and Payments Statement, together with the relevant accounting policies, notes to accounts, and schedules (including reconciliation statements, Tally reports, withdrawal statements, statement of funds position, and reconciliation of expenditures as per audited financial statements with expenditures reported in the Financial Monitoring Reports (FMRs) / Interim Financial Reports (IFRs), along with supporting documents as per IFAD guidelines)—is to enable the auditor to express a professional opinion as to whether:

- (1) Establishment of appropriate budgeting systems.
- (2) Regular Monitoring of actual financial performance with budgets and targets.
- (3) Monitoring Physical and financial progress.
- (4) Establishment of procedures and systems for ensuring standard internal controls such as checking of expenditure, appropriate documentation, levels of authorization, bifurcation of duties, joint signature of two officers on all payments, periodic bank reconciliation and physical verification.
- (5) The financial statements give a true and fair view of the Financial Position of the individual Project Units of Jammu & Kashmir, PIU and Consolidated Project Units and PIU.
- (6) The funds were utilized for the purposes for which they were provided, and

The books of accounts as maintained by the PIU/Implementing Agency and Project Unit shall form the basis for preparation of the financial statements of Individual as well as the consolidated financial statements for the UT J&K as a whole as per IFAD guidelines.

Summarily, for the purpose of proper checks and control at each project level, all Project Units will ensure the following:

- a. Accuracy is ensured in maintenance of books of account and these are maintained on a timely basis;
- b. Advances are tracked, followed up and settle on a priority basis;
- c. Ensure voucher/evidence-based payments to improve transparency;
- d. Enable timely and accurate submission of financial MIS to the management;
- e. Maintain basic day-to-day transactions on a regular basis in separate registers and ledgers.
- f. Generation of Trial Balance, Bank Reconciliation statements, Receipts and Payment Account, Income and Expenditure statements, Balance Sheet etc.

- g. Comparison of Statement of expenditure with the annual budgetary allocations, Programme components and categories of disbursement.
- h. Periodic checks on delay in payments of pending bills and immediate corrective action to be taken.
- i. Periodical review and /or internal audit of the expenditure Reconciliation Statement and Stock
- j. Registers by ensuring the preparation of PFMS/Tally expenditure Reconciliation Statement and Stock Registers.

Surprise checks of transaction, records and books of accounts of different accounting centres and project units may be carried out periodically

4. Responsibilities of the borrower, JKCIP.

General

- Provide the auditor with access to all legal documents and correspondence with consultants, contractors and other persons or firms engaged by the project, and any other information associated with the project and deemed necessary by the auditor.
- Ensure that the accounting policies are consistently applied and disclosed.
- Ensure that appropriate internal controls are implemented to prevent misstatements and susceptibility to fraud.
- Ensure compliance with all relevant laws and regulations that pertain to the entity, as well as with the financing agreement between the borrower/[recipient] and IFAD.

5. Scope of the Internal Audit

The Internal Auditor shall be a member of the Institute of Chartered Accountants of India. He/ She shall be responsible for ensuring the following:

1. That the project accounts have been prepared in accordance with the consistently applied IFAD/national accounting standards.
- 2 That all books of accounts, Financial Statements are updated, bank accounts reconciled and books of accounts are prepared on a monthly basis.
- 3 That all necessary supporting documents, records have been separately filed in respect of all project activities and that clear nexus exist between supporting documents, accounting books and records and the periodic financial reports of the Project Units.
- 4) Review the internal control systems, its effectiveness in project implementation and suggest improvements if required.
- 5) Review of the monthly/ quarterly expenditure statement submitted by the districts indicating the approved budget provision and expenditure during the month, cumulative expenditure against the activity / sub activity during the period and ensure that it is in accordance with the books of accounts.

- 6) Review that the breakup of expenditure between IFAD and counterpart funding is in accordance with the IFAD financing agreement.
- 7) That all funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided. Relevant legal agreement includes the financing agreement and the agreement with other agencies.
- 8) That the records of all procurement, agreement, work / purchase orders, invoices, receipts, stock registers etc. are the properly maintained, duly linked and retained. The auditor should also review contract management and whether terms for payment to contractors are being adhered to.
- 9) Review statutory compliances as may be applicable such as proper deduction and filing of TDS, Income tax, PF returns and other applicable
- 10) Review the efficiency and timeliness of the funds flow mechanism at the Implementing Agency and Project Units and whether there are delays and which could impact the timely implementation of project. The auditor should also identify and report the reasons for such delays and possible remedial measures.
- 11) That the SOEs are submitted in timely manner, whether releases of funds are conditional to receipt of SOEs and reports exceptions if any.
- 12) That all project funds received under the project have been used with due attention to economy, efficiency and effectiveness and only for the purposes for which the financing was provided.
- 13) That adequate records are maintained regarding the assets created and assets acquired by the project, including description, details of cost, identification and location of assets. Carry out physical verification of a sample of assets created out of the project and comment on its utilization and whether they are adequately safeguarded. Verify that the inventory and fixed assets held by the entity exist, are complete, are properly accounted and are used for the project purposes;
- 14) That the accounting for the advances to any entity/unit and project implementing staff/units are properly recorded in the accounting books; whether systems are in place for monitoring the receipt of periodic financial reports and follow up on overdue reports are adequate. Exceptions should be identified and reported.
- 15) That the accounting records of the Project Unit are properly kept with supporting documents and authorization of the approving committee; goods procured by the Project Unit have followed a transparent procurement process and the basic tenets of economy, efficiency and social equity have been followed.
- 16) That the compliance report on audit and supervision mission observations pointed out in the reports relating to earlier audit is made and corrective actions taken on those points are furnished in the audit report of the subsequent phase.
- 17) The Internal Auditor shall visit each Project Unit, district office and the Project Implementing Agency/JKCIP Narwal Jammu & Rajbagh Srinagar bi-annually for conducting the audit and submit reports to the Mission Director (MD) and also respective within 45 days of the end of the audit.

6. Reporting System:

The objective of the Internal Auditor firm is to add value and improve the Project's operations and assist Project's Board of Directors and management by independently reviewing all activities, processes and systems with particular regard to risk and control aspects and bringing a systematic and disciplined approach to the effectiveness of risk management, control, and governance processes.

The successful firm will possess a thorough knowledge of internal auditing procedures, accounting procedures and have sound judgment on risk identification and management.

The firm will produce a monthly internal audit report presented to the Project Steering Committee.

Internal Audit firm shall monitor the appropriate follow-up on audit findings and recommendations. All significant findings will remain in an open issues file until cleared.

7. Independence:

The internal audit firm reports to the Project Steering Committee, who appoints and terminates the firm upon recommendation of the Donors. The firm will work under the overall supervision of the Project's Steering Committee.

All internal audit activities shall remain free of influence by any element in the organisation, including matters of audit selection, scope, procedures, frequency, timing, or report content to permit maintenance of an independent and objective mental attitude necessary in performing the function.

Internal Audit shall have no direct operational responsibility or authority over any of the activities it reviews. Accordingly, it shall not develop nor install systems or procedures, prepare records, or engage in any other activity which would normally be considered management or staff's responsibility.

8. Authority and confidentiality:

Authority is granted for full and unrestricted access to all THE PROJECT records, physical properties, and staff relevant to any area under review. All employees are requested to assist the internal audit in fulfilling its function.

Documents and information obtained by the internal audit firm will be handled in the same prudent and confidential manner as by those employees normally accountable for them.

9. Duties and Responsibilities:

Within the framework, as described above, the internal audit firm will carry out the following tasks:

Conduct a post-audit procedure on the APD PMU and Implementing partners which report to it, with respect to their functions and activities within the project. Make recommendations on possible their functions of the procedures to enhance control mechanisms, financial

performance and produce quality reports for senior management and Board of Directors, to enhance decision making, on monthly basis.

Audit all contracts signed between PMU and Implementing partners with service Providers, suppliers, and contractors to verify that (1) compliance with terms and conditions of grant/loan agreements and procurement regulations and donor guidelines; and (ii) the contract is in line with best practice with respect to compliance with terms of reference, request for proposal, tender documents etc.

Develop professional and constructive working relationships with key managers and be able to challenge when necessary.

Lead development of specific innovative ways of working and new ideas for reviewing risk and control issues.

Assess risk and control related policies and procedures, provide input to updates in existing procedural documents with respect to controls as necessary

Apply internal audit procedures to audit the financial statements, accounting records and other financial and non-financial registries applying accepted internal audit standards.

Undertake special assignments and Investigations and in particular undertake more complex and high-level audit investigations under advisement of the Project Steering Committee.

Reviewing the means of safeguarding assets and, as appropriate, verifying their existence

Reviewing and appraising the economy and efficiency with which resources are employed.

Reviewing operations or programs to ascertain whether results are consistent with established objectives and goals and whether the operations or programs are being carried out as planned, including verify the adherence of APD PMU/Implementing partners staff to AWPBs, policies, plans, procedures, laws, and fund regulations that are influential on Fund works as well as donors accounting procedures.

Asses the efficiency, effectiveness and economy of the usage of resources and reports of any deviations in case they are existed.

Reviewing the adequacy, implementation and operation of donors' transparency and accountability policies and of other anti-corruption, fraud and related misuse policies and procedures.

Confirming adherence to the Financial Manual (as approved by IFAD).

10. Audit Planning:

Internal Audit firm shall regularly submit to the Project Steering Committee an up-to-date summary of the audit work schedule.

The audit work schedule is developed based on a prioritisation of the audit universe using a risk-based methodology. Any significant deviation from the formally approved work schedule shall be communicated to the Project Steering Committee through periodic activity reports.

The audit planning shall pay specific attention to the activities of the implementing partners which report to APD JK.

11. Qualification criteria (Additional):

Internal audit firm should be member of recognized professional international Accountancy/ Audit body

The firm shall govern themselves by adherence to The Institute of Senior Internal Auditors' Code of Ethic. The Institute's International Standards for the Professional Practice of Internal Auditing shall be adhered to by the firm. The Institute of Senior Internal Auditors' Practice Advisories will be adhered to as applicable.

Assigned employees to have:

- ▶ Proven relevant working experience in Internal Audit.
- ▶ Proven experience of risk management frameworks and approaches. Experience of operational auditing & risk-based approach to review.
- ▶ Excellent negotiating and high-level influencing skills and the ability to challenge at a senior level when necessary.
- ▶ Ability to work in challenging environments.
- ▶ Ability to work and deliver to tight deadlines.
- ▶ Logical and systematic in analytical thinking.
- ▶ Facilitation and presentational skills.
- ▶ Full Working knowledge of English, including excellent drafting and presentation skills.
- ▶ Excellent computer skills, including full working knowledge of standard word processing, spreadsheets and presentation packages.

12. Reports and schedule of deliverables

Part A: Brief details of the Auditee and Audit:

- | | |
|--------------------------------|---|
| Name and address of the | |
| a. Auditee | : |
| Names of Office | |
| b. bearers | : |
| Name/s of Audit Team | |
| c. Members | : |
| d. Days of audit | : |
| Period covered in the previous | |
| e. audit | : |
| Period covered in the current | |
| f. audit | : |

Part B: Executive Summary:

The Executive Summary should normally cover the following items:

- a) Objectives of audit
- b) Methodology of audit
- c) Status of implementation of the financial management system
- d) Status of compliance of previous audit reports, including major audit observations pending compliance
- e) Key areas of weaknesses that need improvement, classified into the following areas:
 - i. Dis-allowance of expenditure as per the World Bank/IFAD rules
 - ii. Procedural Lapse
 - iii. Accounting Lapse
 - iv. Accounting books & records not maintained.
- f) Recommendations for improvements

Executive Summary to include the following format: -

Para No	Observations	Implications With Risks Involved	Recommendations for improvement	Auditee's Comments/Agreed Action	Agreed Timeline for compliance

Part C: Compliance to previous Audit Reports

In this part, provide status of compliance with previous reports and detail pending audit observations. The views of the auditee should also be mentioned. In case there is any difficulty or problem in resolution of audit findings, these should be clearly highlighted.

Part D: Serious Observations:

In this part, provide details of serious audit observations, such as ineligible expenses, major lapses in internal controls, systemic weaknesses, procurement procedures not followed, incorrect information submitted for reimbursements, difference between cash drawn and expenditure reported, procedural lapse, accounting lapse, accounting books & records not maintained etc.

1. Matter requiring Immediate Attention:

Auditor should point out the serious issue like cash defalcation, payment made without any approval and beyond the limit of devolution of powers, blank cheque signed, and any other matter which auditor deemed serious in nature.

2. Persisting Irregularities:

Under this Para, Auditor should report the persisting irregularities which have been raised earlier but not complied.

3. Books of Account:

Under this, Auditor should verify all the books of account maintained by the unit, identify the discrepancies in the books of accounts and also suggest their improvement.

4. Internal Control System:

Under this Para, auditor should report on discrepancies of current internal control system and suggest remedial measures.

5. Compliance with Finance Agreement, Project agreement, PIM, and FM Manual / delegation of power:

Under this Para, auditor should comment on deviation from Finance Agreement, Project agreement, PIM, and FM Manual.

6. Procurement Procedures:

Under this paragraph auditor should report on procurement process which deviate from procurement guidelines.

7. Computerized financial Management system (Tally)

- Data entries in tally are up to date or not
- Payroll accounting in tally or not
- Verification of group, sub – group, head, sub head and ledger in tally and make suggestions on proper classification of accounts, if any.
- Cost Centre
- Chart of accounts and upload of approved annual budget in tally
- Verify the computerized balance with Manual Books of accounts (cash Books, Cheque register etc.)

8. Advance to staff and others and its periodicity

- Age of advance
- Settlement of advance within stipulated period with proper voucher
- Pending bill for settlement of advance
- Action on bills submitted for settlement against advance after one month.
- Statutory deduction/ payments like TDS/GST, Professional Tax etc and its compliance
- Deduction and date of deposit with any irregularities
- Employee benefit as per PIM
- Verify and certify the IUFR from available books of records

9. Check the accuracy of Quarterly IUFR from tally data / BRS etc.

10. Tracking of financial variance – Variance showing physical and financial achievement in the light of approved action plan and budget.

11. Any other matter: Any other matter which auditor deemed fit for notice to the management.

12. Suggestion with specific case for improvement

13. TA & DA

- a) TA & DA submission by the Staff within stipulated time
- b) Settlement of TA & DA within stipulated time with proper voucher
- c) Settlement of TA & DA in 4 days.

14. Fund Transfer to Project Units

- a) Observation on the Time taken by the PMU in transfer of funds.
- b) Whether a system has been developed for the fund transfer.
- c) Whether the Project Units are clear about the Fund Mechanism

Part E: Other Observations:

Observations that are not serious in nature, but nonetheless require the attention of the Project should be detailed in this part.

Part F: Executive Summary and Suggestions/Recommendations:

Provide an Executive Summary of the observations mentioned in Part C and D along with suggestions/recommendations. Provide specific recommendations on internal control and systemic weaknesses. Besides above the Firm will provide the Individual & Consolidated report of Financial Statements of JKCIP Project of UT J&K and its Project Units financed by IFAD. In addition to audit reports, the auditor will provide a report to Project Management highlighting findings during the period under review. This will be in the form of a **consolidated Management Letter**, which will inter-alia include:

- a) Comments and observations on the financial management records, systems and controls that were examined during the course of the review.
- b) Deficiencies and areas of weaknesses in systems and controls and recommendation for their improvement.
- c) Compliance with covenants in the financing agreement and comments, if any, on internal and external matters affecting such compliance.
- d) Matters that have come to attention during the review and might have a significant impact on the implementation of the Project.
- e) Any special review procedures required of a compliance nature (for example, compliance of procurement procedures and procedure for selection of consultants etc. recommended by the World Bank/IFAD).
- f) Any other matters that the auditor considers pertinent.

13. Location and period of execution

JKCIP Narwal Jammu & Rajbagh Srinagar and all Project Units financed by JKCIP of Jammu & Kashmir

The period of execution of the Internal Audit shall be twelve (12) months, and the contract shall become effective from 1st July 2026. Subject to satisfactory performance, the contract may be extended for a further period of one (1) year on the same terms and conditions.

14. Project coordination

Mission Director, JKCIP/HADP will be responsible for managing the supervision of the consultant and the administration of the contract.

15. Services and facilities to be provided by the consultant

The consultant is expected to provide IT equipment's like laptops, own vehicle, & any travel, lodging and boarding cost at their own expenses while carrying out the assignment.

SUGGESTIVE QUESTIONNAIRE FOR PMU/Project Units (GIVE SHORT DETAILS OF DIVERGENCE):

1. Whether Office has maintained proper records showing full particulars including quantitative details and situation of fixed assets?
2. Whether fixed assets have been physically verified during the year?
3. Whether the cash book is properly maintained and whether it conforms to computerized system of accounting?
4. Cash balance as on the date of audit
5. Whether expenditure has been made as per the delegation of financial power in PIM? Details of any divergence should be mentioned.
6. Whether bank book is properly prepared and whether the balance as per the pass book conforms to the balance as per the bank book?
7. Whether proper training programs are being conducted?
8. Whether the training expenditure is as per the Budget and whether the training report is submitted with each residential training or not?
9. Whether the books of accounts reconciled between PMU, DMU and CBOs ? If not, then reason and amount of such difference.
10. Whether any advance is given to the staff? If yes, whether advance register is maintained and updated till the date of audit and whether it is properly sanctioned and settled within specified days?
11. Whether there is proper internal control system followed?
12. Whether the office is paying TDS, VAT/GST, Professional Tax etc regularly and on time?
13. Whether any fraud on or by any office or person has been noticed or reported during the year? If yes, the nature and amount involved.
14. Whether log book of Vehicle hiring has been properly maintained or not?
15. Whether stock register is maintained? If yes, last entry of goods number/voucher page number of stock register and particulars of goods.
16. Whether 100% vouching is done? If yes, then give the total number of vouchers, component wise total expenditure during the reporting period and its variance from budget.
17. Whether all expenditure is made as per the budget? If not, amount of variance.





Section VI. Standard Forms of Contract

Draft Contract for Consulting Services

Small Assignments

Contract Agreement

Note: [This Contract and the annexed documents herewith will be submitted on the signing of Contract Agreement between Client & Successful Bidder]

This contract ("contract") is entered into this *[insert starting date of assignment]*, by and between the *[borrower/recipient or the implementing agency]* ("the client") having its principal place of business at *[insert client's address]*, and *[insert consultant's name]* ("the consultant") having its principal office located at *[insert 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 specified in Annex A, "terms of reference and scope of services", which is made an integral part of this contract ("the services").
 - (ii) The consultant shall provide the personnel listed in Annex B, "consultant's personnel", to perform the services.
 - (iii) The consultant shall submit to the client the reports in the form and within the time periods specified in Annex C, "consultant's reporting obligations".

2. **Term**

The consultant shall perform the services during the period commencing *[please insert start date of the assignment]* and continuing through *[please insert completion date of the assignment]*, or any other period as may be subsequently agreed by the parties in writing. The contract can be terminated (i) should the consultant be performing unsatisfactorily or (ii) to the discretion of the client as defined in clause 15.

3. **Payment**
 - A. Ceiling

For services rendered pursuant to Annex A, the client shall pay the consultant an amount not to exceed *[insert amount]* based on the financial offer attached in Annex D. This amount has been established based on the understanding that it includes all of the consultant's costs and profits as well as any tax obligation that may be imposed on the consultant.

- B. Schedule of payments

The schedule of payments is specified below:

Schedule: 100% payment shall be made to the consultant after complete submission of the Reports and schedule of deliverables by

time i.e within 3 months the after the completion of the service.

C. Payment conditions

Payment shall be made in *Indian Rupees* no later than 30 days following submission by the consultant of invoices in duplicate to the coordinator designated in paragraph 4 and acceptance of the deliverables by the client.

4. Project Administration

A. Coordinator.

The client designates Mr. Ajay Safaya, Accounts Officer (JKCIP) 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.

B. Reports.

The reports listed in Annex C, "consultant's reporting obligations", shall be submitted in the course of the assignment, and will constitute the basis for the payments to be made under paragraph 3.

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.

6. Prohibition of Fraud and Corruption

A. The consultant shall abide by and perform the contract in compliance with the Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations (hereinafter, "IFAD's Anti-corruption Policy")⁷. Failure to comply with this policy may lead to termination of contract as set out in clause 15.

B. In accordance with IFAD's Anti-corruption Policy, the Fund has the right to sanction firms and individuals, including by declaring them ineligible, permanently or for a stated period of time, to participate in any IFAD- funded or IFAD- managed activity or operation (debarment). The Fund also has the right to recognize debarment's by other International Financial Institutions in accordance with IFAD's Anti-corruption Policy.

C. The consultant will take appropriate measures to inform potential sub-contractors, sub-consultants, consultants, agents and any of its agents or personnel of their obligations under IFAD's Anti-corruption Policy and require their compliance with

⁷ The policy is accessible at: www.ifad.org/anticorruption_policy.

this policy in connection with their involvement in competing for, or executing, this contract.

- D. The consultant is required to complete and sign the attached self-certification form. In particular, the consultant is obliged to disclose relevant prior sanctions and criminal convictions and any commissions or fees paid or are to be paid to any agents or other party in connection with this procurement process or the execution of the contract.
- E. The consultant is required to fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to this contract or the relevant procurement process and to have such accounts, premises, records and documents audited and/or inspected by auditors or investigators appointed by the Fund or by the client.
- F. The consultant shall keep all records and documents, including electronic records, relating to this contract, its execution and/or the corresponding bidding process available for a minimum of three (3) years after completion of the execution of the contract.

7. Prohibition of Sexual Harassment, Sexual Exploitation and Abuse

- G. The consultant expressly agrees to abide by and to perform the contract in compliance with IFAD's Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse⁸, which is an integral part of these conditions of contract for purchase orders. The consultant shall take all appropriate measures to prevent and prohibit sexual harassment and sexual exploitation and abuse on the part of its personnel and subcontractors or anyone else directly or indirectly employed by the consultant or any of its subcontractors in the performance of the contract. The consultant shall immediately report to the client or IFAD any incidents of sexual harassment and sexual exploitation and abuse arising out of or in connection with the performance of the contract or prior to its execution, including convictions, disciplinary measures, sanctions or investigations. The client may take appropriate measures, including the termination of the contract, on the basis of proven acts of sexual harassment, sexual exploitation and abuse arising out of or in connection with the performance of the contract.

8. Confidentiality

The consultant shall not, during the term of this contract and within two years after its expiration, disclose any proprietary or confidential information relating to the services, this contract or the client's

⁸ The policy is accessible at <https://www.ifad.org/en/document-detail/asset/40738506>.

- business or operations without the prior written consent of the client.
- 9. 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 software⁹.
- 10. Consultant Not to be Engaged in Certain Activities** The consultant agrees that, during the term of this contract and after its termination, the consultants and any entity affiliated with the consultant, shall be disqualified from providing goods, works or services (other than consulting services that would not give rise to a conflict of interest) resulting from or closely related to the consulting services for the preparation or implementation of the project.
- 11. Insurance** The consultant will be responsible for taking out any appropriate insurance coverage.
- 12. Assignment** The consultant shall not assign this contract or sub-contract any portion of it without the client's prior written consent.
- 13. 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*
- 14. Dispute Resolution¹⁰** 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 client's country.
- [or, in case the Client doesn't want to go to arbitration, the following can be mentioned subject to the agreement of the two parties]* “any dispute arising out of the contract, which cannot be amicably settled between the parties, shall be referred to the court of competent jurisdiction in the client’s country.”
- 15. Termination** The client may terminate this contract with at least ten (10) business days prior written notice to the consultant after the occurrence of any of the events specified in paragraphs a) through e) of this clause:
- a) If the consultant does not remedy a failure in the performance of its obligations under the contract within seven (7) business days after being notified, or within any further period as the client may have subsequently approved in writing;

⁹ Restrictions about the future use of these documents and software, if any, shall be specified at the end of paragraph 9.

¹⁰ In case of a contract entered into with a foreign consultant, the following provision may be substituted for paragraph 14: “Any dispute, controversy or claim arising out of or relating to this contract or the breach, termination or invalidity thereof, shall be settled by arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force.”

- b) If the consultant becomes insolvent or bankrupt;
- c) if the consultant or any of its personnel or agents, or its sub-contractors, sub-consultants, suppliers, or any of their agents or personnel, is found to have engaged in prohibited practices as defined in the IFAD Revised Policy on Preventing Fraud and Corruption in Its Operations and Activities¹¹ in any IFAD-funded or IFAD-managed activity or operation, including in competing for, or performing its obligations under, the contract;
- d) if the supplier is found to have engaged in acts of Sexual Harassment, Sexual Exploitation and Abuse arising out of or in connection with the performance of the contract;
- e) if the client, in its sole discretion and for any reason whatsoever, decides to terminate this contract.

For the client

For the consultant

Signed by _____

Signed by _____

Title: _____

Title: _____

¹¹ The policy is accessible at www.ifad.org/anticorruption_policy.



List of Annexes

Annex A: Terms of reference and scope of services

Annex B: Consultant's personnel

Annex C: Consultant's reporting obligations

Annex D: Consultant's self-certification form



Annex A: Terms of Reference and Scope of Services

[Please insert terms of reference. A template is available at www.ifad.org/project-procurement.]



Annex B: Consultant's Personnel

[List consultant's personnel]



Annex C: Consultant's Reporting Obligations

[list format, frequency, and contents of reports; persons to receive them; dates of submission; etc.]

Annex E: Consultant's Self-Certification Form

This self-certification form is to be completed by the consultant. The consultant shall submit the completed form together with the signed contract agreement to *[insert name of procuring entity]*. Instructions for completing this form are provided below.

Full legal name of consultant:	
Full legal name of consultant's legal representative and position:	
Full name and number of contract:	
Project with which contract was signed:	
Country:	
Date:	

I hereby certify that I am the authorized representative of *[name of the consultant]*, as well as that the information provided herein is true and accurate in all material respects and understand that any material misstatement, misrepresentation or failure to provide the information requested in this self-certification may result in sanctions and remedies, including the suspension or termination of the contract between the consultant and the procuring entity, as well as the permanent ineligibility to participate in IFAD- financed and/or IFAD -managed activities and operations, in accordance with the IFAD Project Procurement Guidelines, the IFAD Procurement Handbook and other applicable IFAD policies and procedures, including **IFAD's Policy on Preventing Fraud and Corruption in its Activities and Operations** (accessible at www.ifad.org/anticorruption_policy) and its **Policy to Preventing and Responding to Sexual Harassment, Sexual Exploitation and Abuse** (accessible at <https://www.ifad.org/en/document-detail/asset/40738506>).

Authorized signature: _____ Date: _____

Printed name of signatory: _____



- The consultant certifies that itself, including its director(s), partner(s), proprietor(s), key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners have **NOT** engaged in fraudulent, corrupt, collusive, coercive or obstructive practices, in connection with the present procurement process and this contract.
- The consultant declares that the following criminal convictions, administrative sanctions (including debarment's under the Agreement for Mutual Enforcement of Debarment Decisions or the "Cross-Debarment Agreement")¹² and/or temporary suspensions have been imposed on the consultant and/or any of its directors, partners, proprietors, key personnel, agents, sub-consultants, sub-contractors, consortium and joint venture partners:

Nature of the measure (i.e., criminal conviction, administrative sanction or temporary suspension)	Imposed by	Name of party convicted, sanctioned or suspended (and relationship to consultant)	Grounds for the measure (i.e., fraud in procurement or corruption in contract execution)	Date and time (duration) of measure

If no criminal convictions, administrative sanctions or temporary suspensions have been imposed, indicate "none".

- The consultant certifies that its director(s), proprietor(s), and personnel, and the personnel of its agents, sub-consultants, sub-contractors, consortium and joint venture partners are **NOT** subject to a criminal conviction, administrative sanctions or investigations for incidents of sexual harassment and sexual exploitation and abuse.
- The consultant certifies that itself, its proprietor(s), agents, sub-consultants, sub-contractors, consortium and joint venture partners have **NO** actual, potential or reasonably perceived conflicts of interest and specifically that they:
 - Do not have any actual or potential, and do not reasonably appear to have, at least one controlling partner in common with one or more other parties in the bidding process or the execution of the contract;
 - Do not have any actual or potential, and do not reasonably appear to have the same legal representative as another consultant for purposes of this proposal or execution of the contract;
 - Do not have any actual or potential, and do not reasonably appear to have a relationship, directly or through common third parties, that puts them in a position to have access to undue or undisclosed information about or influence over the proposal process and the execution of the contract;
 - Do not participate and do not potentially or reasonably appear to participate in more than one proposal in this process; and

¹² The Cross-Debarment and the Agreement for Mutual Enforcement of Debarment Decisions of the procuring entity regarding the selection process for this procurement or during the execution of the contract.



African Development Bank, the Asian Development Bank and the European Bank for Reconstruction and Development, additional information may be located at: <http://crossdebarment.org/>.

Instructions for completing the self-certification form

The World Bank listing of ineligible firms and individuals is a searchable database that returns a positive or negative search results page upon submission of a name to be searched, in order to document the eligibility.

The consultant should print out, date, and attach the results page(s) to the self-certification form, which should read, “no matching records found”.

If (a) record(s) has/have been found – i.e. the results page(s) shows one or more individuals or entities, including the consultant itself are ineligible for contracts of the World Bank on the grounds of “cross-debarment”, the consultant should provide a detailed account of these sanctions and their duration as applicable or notify the procuring entity and in case the consultant believes the finding is a “false positive”.

The procuring entity will determine whether to proceed with the contract or allow the consultant to make a substitution. This determination will be made on a case by case basis and will require approval by IFAD regardless of the estimated value of the proposed contract.

All of these documents must be retained by the consultant as part of the overall record of the contract with the procuring entity for the duration of the contract and for a minimum period of three years following the completion of the contract.

Section VII. Revised IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations

I. Introduction

1. The Fund recognizes that the prevention and mitigation of fraud and corruption in its activities and operations are core components of its development mandate and fiduciary duties. The Fund does not tolerate the diversion or waste of its resources through the practices defined in paragraph 6 below.
2. The objective of this policy is to establish the general principles, responsibilities and procedures to be applied by the Fund in preventing and addressing prohibited practices in its activities and operations.
3. This policy takes effect on the date of its issuance. It supersedes and replaces the IFAD Policy on Preventing Fraud and Corruption in its Activities and Operations (EB 2005/85/R.5/Rev.1) dated 24 November 2005.

II. Policy

A. General principles

4. The Fund has no tolerance towards prohibited practices in its activities and operations. All individuals and entities listed in paragraph 7 below must take appropriate action to prevent, mitigate and combat prohibited practices when participating in an IPAD-financed and/or IFAD -managed operation or activity.
5. The Fund endeavours to ensure that individuals and entities that help to prevent or report, in good faith, allegations of prohibited practices are protected against retaliation and to protect individuals and entities that are the subject of unfair or malicious allegations.

B. Prohibited practices

6. The following practices are considered to be prohibited practices when engaged in connection with an IFAD -financed and/or IFAD- managed operation or activity:
 - (a) A “corrupt practice” is the offering, giving, receiving or soliciting, directly or indirectly, of anything of value in order to improperly influence the actions of another party;
 - (b) A “fraudulent practice” is any act or omission, including a misrepresentation, that knowingly or recklessly misleads, or attempts to mislead, a party in order to obtain a financial or other benefit or to avoid an obligation;
 - (c) A “collusive practice” is an arrangement between two or more parties designed to achieve an improper purpose, including improperly influencing the actions of another party;

- (d) A “coercive practice” is impairing or harming, or threatening to impair or harm, directly or indirectly, any party or the property of the party in order to improperly influence the actions of that or another party;
- (e) An “obstructive practice” is: (i) deliberately destroying, falsifying, altering or concealing evidence that may be material to an investigation by the Fund or making false statements to investigators in order to materially impede an investigation by the Fund; (ii) threatening, harassing or intimidating any party in order to prevent that party from disclosing its knowledge of matters relevant to an investigation by the Fund or from pursuing such an investigation; and/or (iii) the commission of any act intended to materially impede the exercise of the Fund’s contractual rights of audit, inspection and access to information.

C. Scope

7. This policy applies to all IFAD- financed and/or IFAD- managed operations and activities and to the following individuals and entities:
 - (a) IFAD staff and other persons working for IFAD as non-staff personnel (“IFAD staff and non-staff personnel”);
 - (b) staff and non-staff personnel”);
 - (c) Individuals and entities holding a commercial contract with the Fund and any of their agents or personnel (“vendors”);
 - (d) Public entities receiving IFAD financing or financing managed by the Fund and any of their agents or personnel (“government recipients”) and private entities receiving IFAD financing or financing managed by the Fund and any of their agents or personnel (“non-government recipients”) (all collectively referred to as “recipients”); and
 - (e) Individuals and entities, other than those referred to above, that receive, apply to receive, are responsible for the deposit or transfer of, or take or influence decisions regarding the use of proceeds from IFAD financing or financing managed by the Fund, including, but not limited to, implementing partners, service providers, contractors, suppliers, subcontractors, sub- suppliers, bidders, consultants and any of their agents or personnel. (All such individuals and entities are collectively referred to as “third parties”.)

D. Responsibilities

(i) Responsibilities of the Fund

8. The Fund endeavours to prevent, mitigate and combat prohibited practices in its operations and activities. This may include adopting and maintaining:
 - (a) Communication channels and a legal framework designed to ensure that this policy is communicated to IFAD staff and non-staff personnel, vendors, recipients and third parties and that it is reflected in procurement documents and contracts relating to IFAD-financed and/or IFAD-managed activities and operations;

- (b) Fiduciary controls and supervisory processes designed to support adherence to this policy by IFAD staff and non-staff personnel, vendors, recipients and third parties;
- (c) Measures relating to the receipt of confidential complaints, whistle-blower protection, investigations, sanctions and disciplinary measures which are designed to ensure that prohibited practices can be properly reported and addressed; and
- (d) Measures designed to ensure that the Fund can report individuals and entities that have been found to have engaged in prohibited practices to other multilateral organizations which may be exposed to similar actions by the same individuals and entities and to local authorities in cases where local laws may have been violated.

(ii) Responsibilities of IFAD staff and non-staff personnel, vendors and third parties

9. When participating in an IFAD-financed and/or IFAD-managed operation or activity, IFAD staff and non-staff personnel, vendors and third parties will:
- (a) Refrain from engaging in prohibited practices;
 - (b) Participate in due diligence checks and disclose, as required, information relating to themselves or any of their key personnel concerning relevant criminal convictions, administrative sanctions and/or temporary suspensions; information concerning agents engaged in connection with a procurement process or contract, including the commissions or fees paid or to be paid; and information concerning any actual or potential conflicts of interest in connection with a procurement process or the execution of a contract;
 - (c) Promptly report to the Fund any allegations or other indications of prohibited practices that come to their attention by virtue of their involvement in an IFAD-financed and/or IFAD-managed operation or activity;
 - (d) Fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity, and by having such accounts, premises, documents and records audited and/or inspected by auditors and/or investigators appointed by the Fund; and
 - (e) Maintain strict confidentiality regarding any and all information received as a consequence of their participation in an IFAD investigation or sanctioning process.
10. When participating in an IFAD-financed and/or IFAD-managed operation or activity, vendors and third parties will maintain all accounts, documents and records relating to that operation or activity for an adequate period of time, as specified in the relevant procurement documents or contract.

(iii) Responsibilities of recipients

11. When participating in an IFAD-financed and/or IFAD-managed operation or activity, recipients will take appropriate action to prevent, mitigate and combat prohibited practices. In particular, they will:

- (a) Adopt appropriate fiduciary and administrative practices and institutional arrangements in order to ensure that the proceeds of any IFAD financing or financing managed by the Fund are used only for the purposes for which they were provided;
- (b) During selection processes and/or prior to entering into a contractual relationship with a third party, conduct appropriate due diligence checks of the selected bidder or potential contractor, including by verifying whether the selected bidder or potential contractor is publicly debarred by any of the IFIs that are signatories to the Agreement for Mutual Enforcement of Debarment Decisions¹³ and, if so, whether the debarment meets the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions;
- (c) Take appropriate action to inform third parties and beneficiaries (defined as “persons whom the Fund intends to serve through its grants and loans”) of the present policy as well as the Fund’s confidential and secure e-mail address for the receipt of complaints concerning prohibited practices;
- (d) Include provisions in procurement documents and contracts with third parties which:
 - (i) Require third parties to disclose, in the course of a procurement process and any time thereafter, information relating to themselves or any of their key personnel concerning relevant criminal convictions, administrative sanctions and/or temporary suspensions; information concerning agents engaged in connection with a procurement process or the execution of a contract, including the commissions or fees paid or to be paid; and information concerning any actual or potential conflicts of interest in connection with a procurement process or the execution of a contract;
 - (ii) Require third parties to promptly report to the Fund any allegations or other indications of prohibited practices that come to their attention by virtue of their involvement in an IFAD-financed and/or IFAD-managed operation or activity;
 - (iii) Inform third parties of the Fund’s jurisdiction to investigate allegations and other indications of prohibited practices and to impose sanctions on third parties for such practices in connection with an IFAD-financed and/or IFAD-managed operation or activity;
 - (iv) Require third parties to fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD- financed and/or IFAD-managed operation or activity and to have such accounts, premises, records and documents audited and/or inspected
 - (v) by auditors and/or investigators appointed by the Fund;

¹³ The Agreement for Mutual Enforcement of Debarment Decisions, dated 9 April 2010, was signed by five of the leading IFIs, namely, the African Development Bank Group, the Asian Development Bank, the European Bank for Reconstruction and Development, the Inter-American Development Bank and the World Bank Group.

- (vi) Require third parties to maintain all accounts, documents and records relating to an IFAD-financed and/or IFAD-managed operation or activity for an adequate period of time as agreed with the Fund;
 - (vii) Inform third parties of the Fund's policy of unilaterally recognizing debarments imposed by other IFIs if such debarments meet the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions; and
 - (viii) Provide for early contract termination or suspension by the recipient if such termination or suspension is required as a consequence of a temporary suspension or sanction imposed or recognized by the Fund;
- (e) Promptly inform the Fund of any allegations or other indications of Prohibited Practices that come to their attention;
 - (f) Fully cooperate with any investigation conducted by the Fund, including by making personnel available for interviews and by providing full access to any and all accounts, premises, documents and records (including electronic records) relating to the relevant IFAD-financed and/or IFAD-managed operation or activity and to have such accounts, premises, documents and records audited and/or inspected by auditors and/or investigators appointed by the Fund;
 - (g) Maintain all accounts, documents and records relating to an IFAD-financed and/or IFAD-managed operation or activity for an adequate period of time, as specified in the relevant financing agreement; and
 - (h) Maintain strict confidentiality regarding any and all information received as a consequence of their participation in an IFAD investigation or sanctioning process.
12. Where the Fund finds that prohibited practices have occurred, recipients will: (a) Take appropriate corrective measures in coordination with the Fund; and (b) Give full effect to any temporary suspension or sanction imposed or recognized by the Fund, including by not selecting a bidder, not entering into a contract or suspending or terminating a contractual relationship.
13. Prior to the implementation of an IFAD-financed and/or IFAD-managed operation or activity, government recipients will inform the Fund of the arrangements that they have made for receiving and taking action in response to allegations of fraud and corruption relating to the IFAD-financed and/or IFAD-managed operation or activity, including by designating an independent and competent local authority to be responsible for receiving, reviewing and investigating such allegations.
14. When participating in an IFAD-financed and/or IFAD-managed operation or activity, government recipients will, in consultation with the Fund, take timely and appropriate action to launch a local investigation into allegations and/or other indications of fraud and corruption relating to the IFAD-financed and/or IFAD-managed operation or activity; inform the Fund of the actions taken in any such investigation at such intervals as may be agreed upon by the recipient and the Fund on a case-by-case basis; and, upon the completion of such investigation, promptly share the findings and results thereof, including the supporting evidence, with the Fund. Government recipients will

work with the Fund to coordinate any actions other than investigations that they may wish to undertake in response to an alleged or otherwise indicated prohibited practice.

15. Government recipients are encouraged to have in place, in accordance with their laws and regulations, effective whistle-blower protection measures and confidential reporting channels in order to appropriately receive and address allegations of fraud and corruption relating to IFAD-financed and/or IFAD-managed operations and activities.

E. Process

(i) Reporting

16. A designated confidential and secure e-mail address for the receipt of allegations of prohibited practices is available on the Fund's website.
17. In the event of uncertainty as to whether or not an act or omission constitutes a prohibited practice, the designated confidential and secure e-mail address may be used to seek guidance.
18. The Fund treats all reported allegations with strict confidentiality. This means that the Fund does not normally reveal the identity of a reporting party to anybody outside of the investigative, sanctioning or disciplinary process without the consent of the reporting party.
19. The Fund endeavours to provide protection from retaliation to any individuals or entities that have helped prevent or have reported to the Fund, in good faith, allegations or other indications of prohibited practices. IFAD staff and non-staff personnel are protected from retaliation under the Fund's Whistle-blower Protection Procedures.

(ii) Investigations

20. Where the Fund has reason to believe that prohibited practices may have occurred, the Fund may decide to review and investigate the matter, irrespective of any investigative actions launched or planned by the recipient.
21. The purpose of an investigation conducted by the Fund is to determine whether an individual or entity has engaged in one or more prohibited practices in connection with an IFAD-financed and/or IFAD-managed operation or activity.
22. Reviews and investigations conducted by the Fund are, inter alia:
 - (a) Strictly confidential, meaning that the Fund does not disclose to anyone outside of the investigative, sanctioning or disciplinary process any evidence or information relating to the review or investigation, including the outcome of a review or investigation, unless such disclosure is allowed under the Fund's legal framework;
 - (b) Independent, meaning that no authority is allowed to interfere with an ongoing review or investigation or to otherwise intervene in, influence or stop such a review or investigation; and
 - (c) Administrative, as opposed to criminal, in nature, meaning that reviews and investigations conducted by the Fund are governed by the Fund's rules and procedures, not by local laws.

- (d) The office within the Fund that is mandated to conduct reviews and investigations into alleged or otherwise indicated prohibited practices is the Office of Audit and Oversight (AUO). Without prejudice to paragraphs 9(d) and 11(f), AUO may agree not to disclose to anybody outside of AUO any evidence or information that it has obtained on the condition that such evidence or information may be used solely for the purpose of generating new evidence or information, unless the provider of the evidence or information consents.

F. Sanctions and related measures

(i) Temporary suspensions

23. During the course of an IFAD review or investigation, or pending the conclusion of a sanctioning process, the Fund may decide, at any time, to temporarily suspend payments to IFAD non-staff personnel, non-government recipients, vendors or third parties or to temporarily suspend their eligibility to participate in IFAD- financed and/or IFAD-managed operations and activities for an initial period of six (6) months, subject to a possible extension of that suspension for an additional six (6) months.
24. IFAD staff may be temporarily suspended from their duties in accordance with the applicable human resources framework.

(ii) Sanctions

25. If the Fund determines that IFAD non-staff personnel, non-government recipients, vendors or third parties have engaged in prohibited practices, the Fund may impose administrative sanctions on such individuals or entities.
26. Sanctions are imposed on the basis of: (i) the findings and evidence presented by AUO, including mitigating and exculpatory evidence; and (ii) any evidence or arguments submitted by the subject of the investigation in response to the findings presented by AUO.
27. The Fund may apply any of the following sanctions or a combination thereof:
- (a) Debarment, which is defined as declaring an individual or entity ineligible, either indefinitely or for a stated period of time, to: (i) be awarded any IFAD- financed contract; (ii) benefit, financially or otherwise, from any IFAD- financed contract, including by being engaged as a subcontractor; and (iii) otherwise participate in the preparation or implementation of any IFAD- financed and/or IFAD-managed operation or activity;
 - (b) Debarment with conditional release, which is defined as a debarment that is terminated upon compliance with conditions set forth in the sanction decision;
 - (c) Conditional non-debarment, which is defined as requiring an individual or entity to comply with certain remedial, preventive or other measures as a condition for non-debarment on the understanding that a failure to comply with such measures within a prescribed period of time will result in an automatic debarment under the terms provided for in the sanction decision;
 - (d) Restitution, which is defined as a payment to another party or the Fund (with respect to the Fund's resources) of an amount equivalent to the amount of the

diverted funds or the economic benefit obtained as a result of having engaged in a prohibited practice; and

- (e) Letter of reprimand, which is defined as a formal letter of censure for the actions of an individual or entity which informs that individual or entity that any future violation will lead to more severe sanctions.

28. The Fund may extend the application of a sanction to any affiliate of a sanctioned party even if the affiliate has not been directly involved in the prohibited practice. An affiliate is defined as any individual or entity that is: (i) directly or indirectly controlled by the sanctioned party; (ii) under common ownership or control with the sanctioned party; or (iii) acting as an officer, employee or agent of the sanctioned party, including owners of the sanctioned party and/or those who exercise control over the sanctioned party.
29. For the purposes of IFAD-financed and/or IFAD-managed operations and activities, the Fund may consider as debarred individuals and entities that have been debarred by another IFI where: (i) that IFI is a signatory to the Agreement for Mutual Enforcement of Debarment Decisions; and (ii) such debarment meets the requirements for mutual recognition under the Agreement for Mutual Enforcement of Debarment Decisions.¹⁴

(iii) Disciplinary measures

30. If the Fund finds that IFAD staff have engaged in prohibited practices, the Fund may apply disciplinary measures and may require restitution or other compensation in accordance with the applicable human resources framework.

G. Referrals and information-sharing

31. The Fund may, at any time, refer information or evidence relating to an ongoing or completed investigative, sanctioning or disciplinary process to the local authorities of a Member State. In determining whether such a referral is appropriate, the Fund takes into consideration the interests of the Fund, the affected Member States, the individuals or entities under investigation and any other persons, such as witnesses, who are involved in the case.
32. If the Fund obtains information or evidence indicating potential wrongdoing in connection with the operations and/or activities of another multilateral organization, the Fund may make such information or evidence available to the other organization for the purposes of its own investigative, sanctioning or disciplinary processes.
33. In order to facilitate and regulate the confidential exchange of information and evidence with local authorities and multilateral organizations, the Fund seeks to conclude agreements which establish the rules for such an exchange.

H. Operational responses to Prohibited Practices

(i) Rejection of an award of contract

¹⁴ The Fund may, in the future, decide to also recognize debarments imposed by entities that are not signatories to the Agreement for Mutual Enforcement of Debarment Decisions.

34. The Fund may refuse to give its no-objection to the award of a contract to a third party if it determines that the third party, or any of its personnel, agents, subconsultants, subcontractors, service providers, suppliers and/or their employees, engaged in a prohibited practice while competing for the contract in question.

(ii) Declaration of misprocurement and/or ineligibility of expenditures

35. The Fund may, at any time, declare a misprocurement and/or the ineligibility of any expenditures associated with a procurement process or contract if it determines that a third party or a representative of the recipient has engaged in a prohibited practice in connection with the procurement process or contract at issue and that the recipient has not taken timely and appropriate action, satisfactory to the Fund, to address such practices when they occur.

(iii) Suspension or cancellation of loan or grant

36. If the Fund determines that a recipient has not taken timely and appropriate action, satisfactory to the Fund, to address prohibited practices when they occur, the Fund may suspend or cancel, in whole or in part, the loan or grant affected by such practices.