CHATTISGARH STATE COOPERATIVE MARKETING FEDERATION LIMITED

RAIPUR, (C.G.)

TENDER DOCUMENT FOR SUBMISSION OF EXPRESSION OF INTEREST FOR SELECTION OF CONCURRENT AUDITORS FOR PROCUREMENT OF PADDY

FINANCIAL YEAR 2013-2014

Request for Proposal from Chartered Accountants for selection of Concurrent Auditors for Paddy Procurement

(Financial Year 2013-14)

Chhattisgarh State Co-operative Marketing Federation Limited (Markfed) invites expression of interest from interested Chartered Accountants meeting the minimum eligibility criteria for providing their services for its paddy procurement concurrent audit for the *Financial Year 2013-2014.*

The details about the background of the auditee, the units to be covered in the audit, scope of work, terms of reference, and the eligibility criteria for selection of the C. A. firms are given in the following paragraphs.

Background

Chhattisgarh State Co-operative Marketing Federation Limited, Raipur is a Co-operative Society, incorporated with the object of facilitating the small farmers required resources, procurement of agricultural produce and their storage.

Head office of Marketing federation is located at Raipur and there are 27 district offices, and approximately 1925 paddy procurement centres through which its paddy procurement activities are being carried out. Markfed has its own bye-laws, service rules and work manual.

Markfed purchases paddy through societies from farmers and Dispose it to FCI/NAN as per instruction of the State Govt. either as it is or after custom milling at the rate specified by the GOI for each Kharif season. GOI has fixated the cost of each activity from procurement of paddy till sale of rice to FCI/NAN. However, the cost incurred by Markfed in such paddy business activity varies from the cost specified by GOI.

Funding Arrangements

Markfed takes the cash credit limits of up to Rs. 7100 crores from different banks & Financial Institutions by calling open tenders. These funds are to be returned to bank with interest in a particular time limit as provided in the agreement.

Objectives of Audit

The objective of the audit is to ensure that Markfed receives adequate, independent, professional audit assurance that the Paddy is procured efficiently by following the prescribed guidelines and at prices fixed and that the prescribed statements are free from material mis-statements and the terms of the credit/ loan agreements with the bank are complied with in all material respects. The Objective of the concurrent audit includes:

1. Accuracy is ensured in maintenance of books of accounts and these are maintained on regular basis and to maintain an accurate accounting system.
2. Ensure Vouchers/Evidence based payment to improve transparency.
3. Improve the internal control system.
4. Enable timely and accurate submission of financial MIS to the management.
5. Advances are tracked, followed up and settled on priority basis.
6. To ensure that the paddies are procured as per the GOI prescribed rates & guidelines.
7. To ensure that the all statutory compliance has been followed.
8. To ensure that the millers has processed and returned the rice after milling as per the GOI specification.
9. To ensure that the banks are charging rate of interest and other charges if any, as per the terms and condition of sanction.
10. To ensure the documentation level, so that sufficient evidence acquired.

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

Scope of work: In conducting the audit special attention should be paid to the fact that goods and services have been procured in accordance with the relevant procurement guidelines issued by the Government of India. The auditor has to cover procurement & disposal as well as monitoring of realisation of funds from NAN and FCI. To ensure that State Govt. and Markfed have been kept all necessary supportings, documents, records and accounts in accordance with the procurement made for the project. For different level of Markfed an indicative list of the points to be covered in the audit are given below:

i. Head Office:
   a. Consolidation of paddy procurement expenditure and quantities of the DMOs at the state level on a monthly basis.
   b. 100% vouching of transactions and verification of balances.
   c. Transaction of fund should be authorised by head office.
   d. Preparation of monthly reconciliation of bank accounts and verification of application of interest and any other charges levied by banks on loans availed as per sanctioned terms and conditions.
   e. Verification of Fund flow statement and Cash flow statement.
   f. Verification of all statutory tax liabilities and timely deposit for the same.
   g. Reconciliation of HO account with all DMOs account balances on monthly basis
   h. Monitoring timely submission of the district concurrent audit reports.
   i. Detailed analysis and compilation of the district concurrent audit reports.
   j. Complete consolidation and compilation of financial statements.
   k. Examination of any other transaction/information/activity which is necessary for preparation and presentation of financial statements.

ii. District Marketing Offices (DMOs):
   a. Verification of procurement, milling, storage and disposal related to Paddy and any other activity which is incidental to it.
   b. 100% vouching of expenses incurred for paddy procurement including administrative expenses.
   c. Preparation of monthly bank reconciliation statements.
   d. Reconciliation of accounts with NAN and FCI on monthly basis.
   e. Verify and ensure timely sales bill generation and submission to NAN / FCI for payment of the same.
   f. Examination of quantitative details of sales with details provided by NIC website.
   g. Cross verification of inter-district transfers with quantitative details and amount of paddy.
   h. Verify the quantities issued to Rice Millers and report on the sufficiency of underlying FDR/Bank Guarantees/Rice taken.
   i. Reconciliation on the closing stock of finished, unprocessed and in-process stocks with the rice millers as at the end of every monthly / quarter / half year / year.

j. Certification of and the correctness of fund flow statement and cash flow statement.
k. Certification of and the correctness of stock statements & Book Debts.
l. Monthly balance confirmation of DMOs with Head office.
m. Verification of all statutory tax liabilities and timely deposit for the same.
n. Examination of any other transaction/information/activity which is necessary for preparation and presentation of financial statements.

iii. Storage Centres:
a. Reconciliation of book/Physical stock with DMOs.
b. Certification of and the correctness of stock statements as per annexure.
c. Physical Verification of Stock on quarterly basis.
d. Examination of any other transaction/information/activity which is necessary for preparation and presentation of financial statements.

The auditor is not required to cover the audit of various societies through which paddy procurement activity is done.

Statements to be prepared & certified (On quarterly & yearly basis) :

- Balance Sheet
- Income & Expenditure Account
- Receipt & Payment Account
- Fund Flow Statement
- Cash Flow Statement
- Physical Verification report of stock in every quarter.
- Statement of observation of auditors.
- Action Taken Report by the management on the previous quarter audit observations.
- Monthly account balance confirmation of the DMOs.
- Reconciliation of bank account statement
- Stock Statement & Book Debts Statement

Statements will have to be submitted in soft as well as hard copies. The soft copies will have to be submitted in MS Excel and MS Word only. Format will be provided to auditors.

Coverage of Audit: The auditor has to cover 100% transactions in each month of Head Office & District Office (including Storage centers). The verification of books of the stock at storage centre has to be done in each month and physical verification of stock is to be done on quarterly basis. The DMO will cooperate to the auditor for stock verification & prepare the storage centre wise stock list.

Auditor of DMO has to cover the transactions/expenses carried out in KRMs (both running & closed) which are owned by Markfed. Manual records are maintained by each KRM (i.e. not in Tally). Therefore auditor has to incorporate KRM transactions/expenses (amount & quantity) in the financial statements.

The details of the districts and their storage centres & KRMs to be covered in concurrent audit during the Financial Year 2013-2014 is given in the table below:

District-wise numbers of Storage Center/Sub-centers/Kisan Rice Mills

The number of storage centers or sub centers may be increased or decreased as per storage requirements during the audit period. The auditor has to cover the increased centers also. At present the following numbers of Storage Centers & KRMs are in existence:

S. No.	Name of District	Storage centers	Running KRMs	Closed KRMs	S. No.	Name of District	Storage centers	Running KRMs	Closed KRMs
1	Raipur	6	-	2	16	Jashpur	1	-	-
2	Baloda Bazar	4	3	-	17	Sarguja	2	-	-
3	Gariyaband	1	-	-	18	Surajpur	1	-	-
4	Mahasamund	5	-	2	19	Balrampur	-	-	-
5	Dhamtari	5	-	1	20	Korea	-	-	-
6	Durg	5	3	-	21	Kanker	3	-	-
7	Balod	3	2	-	22	Jagdalpur	2	-	-
8	Bemetara	2	-	-	23	Narayanpur	-	-	-
9	Rajnandgaon	7	2	2	24	Kondagaon	1	-	-
10(a)	Kabirdhaam	1	1	-	25	Dantewada	1	-	-
10(b)	Pandaria	-	-	-	26	Bijapur	-	-	-
11	Bilaspur	5	1	2	27	Sukuma	-	-	-
12	Mungeli	2	-	-					
13	Korba	2	-	-					
14	Janjgir	9	-	4					
15	Raigarh	4	-	4					

Management Letter:

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

- Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;
- Report on the level of compliance with the financial internal control, procedures as documented in the financial manual of the Markfed;
- Report any procurement which has not been carried out as per the procurement manual.
- Communicate matters that have come to the attention during the audit which might have significant impact on the implementation; and
- Bring to management attention any other matter that the auditor considers pertinent.
- Conclude the final audit report with suggestions for every discrepancies find out during the concurrent audit and reporting the same to the head office.

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

Reporting and Timing:

S. No.	Activity	Timeline for District Auditor	Timeline for H. O. Auditor
1	Carrying out concurrent audit	Monthly	Monthly
2	Submission of Audit Report by auditor (including all consolidated statements)	Quarterly – by 15th of the first month of the next quarter.	Quarterly – Within 30 days from the date of receipt of audit report by all district auditors.
3	Submission of Final Audit Report by auditor (including all consolidated statements)	Within 25 days from the end of Financial year 2013-2014.	Within 30 days from the date of receipt of Final audit report by all district auditors.

One copy of the report of the district and storage centre shall be sent to District marketing officer and 2 copies to Head Office.

In a case where any significant material misstatement observed by the auditor during the course of audit, it should be immediately reported to the management for action.

Additional Instructions to Auditors

a) The auditor will specifically mention in the audit report about the coverage of audit.
b) Management Letter along with the comments/reply of the Management.

General: The auditor should be given access to any information/record relevant for the purpose of conducting the audit. This will normally include regarding procurement guidelines administrative orders issued by the State/Central Government, norms etc.

Co-ordinator for the Assignment: For all administrative purpose **Chief Accounts Officer** shall be the Officer in-charge of the assignment.

Payment Schedule: The Payment will be made on Quarterly basis after submission of concurrent audit reports. The statutory deduction shall be made from the professional fees to be paid.

Non-performance: Action will be taken against firms who do not accept work after being selected. Also, non-commencement/non-performance of work after the issue of work order shall attract strict action. For delay in submission of reports, a penalty of 1% per month on the value of work order shall be levied subject to a maximum of 10% of the value of work order.

Guidelines for Submitting the Proposals:

CA firms are required to submit the proposal (RFP) (in separate & sealed envelopes) duly writing on Top as proposal for concurrent audit for paddy procurement FY 2013-14 & Last date 12/03/2013 by 3:00 PM as per the guidelines and formats detailed out in the following paras:

i. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL for HEAD OFFICE AUDIT/DISTRICT AUDIT". Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked "FINANCIAL PROPOSAL for HEAD OFFICE AUDIT/DISTRICT AUDIT" followed by the name of the assignment, and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Assignment (name of the districts applied), and be clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE STANDING COMMITTEE FOR AUDIT". Applicant must place a copy of Money Receipt of Rs 2,000/- inside above mentioned Outer Envelope, which will be issued at the time of Tender document purchase. The applicant must keep original copy of Money receipt which is to be presented on demand when required.

ii. If Applicant is submitting EOI in downloaded copy then original copy of tender documents issued must also be attached with the same.

iii. Applicant must submit a separate sealed envelope of financial proposal for every district applied, clearly indicating the name of district applied on the face of envelope. Demand drafts of Rs. 50,000/- or 10,000/- as security deposit should be placed inside outer envelope only (but not inside technical/financial proposal envelope). Applicant must write their names on the back of every demand draft.

iv. The Society shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may be case for Proposal rejection. If the Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.

v. Format for technical and financial proposals are attached.

vi. Association with Other firms & Quality Assurance: Only single firm is eligible to apply. Association with other firms or Joint ventures of two or more firms are not allowed.

vii. The interested firm should submit the proposal form to Managing Director, Chhattisgarh State cooperative Marketing Federation Ltd, Civil Lines, Raipur, CG, which will evaluate the Technical proposal and finalize the same for opening of financial bids of eligible firms.

viii. All applicants must comply with the Technical Specification, General conditions and format/Requirements for Technical and Financial proposal.

ix. Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.

x. Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorised signatory of the firm.

xi. All blank spaces in the technical/financial proposal must be filled in completely where indicated, either typed or written in ink.

xii. The Technical bid will be opened on 12/03/2013 at 4:00 PM and for opening of financial bid will be informed separately to the qualified applicants.

xiii. Markfed reserves the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of the organisation.

Minimum Eligibility Criteria:

1. The firm/proprietorship must be empanelled with C & AG and ICAI, without which the application would not be considered.
2. The proprietor must be FCA or the CA firm must contain atleast ONE full-time FCA partner as on 1st January 2013.
3. The firm/proprietorship having the Head Office/Branch Office in the applied district shall be given the preference.
4. The average annual turnover of the firm/proprietorship during the last three financial years must be at least Rs. 10 lacs.
5. The firm/proprietorship must have experience of 2 assignments of Internal / Statutory /Concurrent audit of PSU/Central government funded/ State government funded projects/ Government organisations/ Government owned cooperative societies. (Excluding Bank Audits)
6. The applicant firm/proprietorship existence must have at least 5 years as on 1st January 2013. (Deemed date of constitution will not be considered)

Any firm/proprietorship not qualifying these minimum criteria need not apply as their proposal shall be summarily rejected.

Supporting Documents for Eligibility Criterions: Following supporting documents must be submitted by the firm along with the technical proposal:

a. For S. No. 1 above, the firm must submit a self-attested copy of registration letter of C&AG confirming the empanelment status for the financial year 2012-2013 and self-attested constitution certificate issued by ICAI which should not be earlier than 1st January 2013.
b. For S. No. 2 and 3 above, the firm must submit a self-attested copy of constitution certificate which should not be earlier than 1st January 2013.
c. For S. No. 4, the firm must submit, a copy of the audited Financial Statements and audit reports for the last three years.
d. For S. No. 5, the firm must submit copies of the work order and list as per format provided in the technical annexure.
e. For S. No. 6 above, the firm must submit a self-attested copy of constitution certificate issued by ICAI which should not be earlier than 1st January 2013.
f. The firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other government organisation, external organisation in respect of any assignment or behaviour.
g. Latest Income Tax return of the Firm duly acknowledged by the IT Department.
h. **Tender processing fees:** The applicant has to pay Rs. 2,000/- (non-refundable) by way of demand draft for tender processing fees at the time of issue of tender documents only.
i. **Security deposit:** The applicant should enclose the demand draft of any schedule bank of Rs. 50,000/- (Fifty Thousand Only) as Security Deposit for Head Office and Rs.10,000/- (Ten Thousand Only) as Security Deposit for each district applied. The security deposit of selected firms will be retained till the completion of work. Security deposit of firms which are not selected will be returned. All the demand drafts shall be drawn be in favour of **Chhattisgarh State Cooperative Marketing Federation Limited, payable at Raipur**.
j. The applicant firm should be able to demonstrate its capability to execute the work. Accordingly the firm should submit methodology for execution of work.
k. Other documents given in the EOI any where.

Other information for preparation and submission of expression of interest:

1. The term "Full Time Partner" does not include those partners who are –
    a. Partners in other firms or
    b. Employed as Part –Time or Full time elsewhere, practicing in their own name or engaged in practice otherwise or engaged in any other activity which would be deemed to be in practice under section 2(2) of the CA Act, 1949
2. The term Sole Proprietor does not include a person who is a partner in other firms or is employed elsewhere. Accordingly, a person who is a partner/employee in another firm should not apply as a Sole Proprietor.
3. The Expression of Interest must be delivered by post in sealed envelope/or by hand at the following address

    To,
    Managing Director
    Chhattisgarh State Cooperative Marketing Federation Ltd
    Katela Bhawan, Civil Lines, Raipur, CG

4. All full time partners/sole proprietor should invariably sign the undertaking in Section C to the Expression of Interest. Similarly, all the full time Chartered Accountant employees of the firm should sign in the column provided at Annexure B of the format.

Non-Eligibility of applicants:

1. Firms submitting application in joint ventures / associations will not be considered.
2. Subletting the work to the other CA Firms / any other person is not allowed. Such cases if brought into notice/found at any point of time before/after selecting the concerned firms will be deferred from bidding process for next 3 years and contract will be cancelled with penalty.
3. Firms who have been allotted work by Markfed have not accepted the work / left the work unfinished are not eligible to apply.

Terms of appointment of the Auditor

- At the district level, the auditor appointed once can be retained/ reappointed for a maximum total term of three financial years, i.e. current year and next two years. However, the Contract awarded will be for one year at a time and be renewed next year on the basis of auditor's performance review.
- The auditor can apply for any 5 districts of their choice, however
    - Proprietorship will not be awarded work of more than ONE district,
    - CA Firms will not be awarded work of more than TWO districts, and
    - The HO Auditor will not be awarded work of any district.

(If any applicant applies for more than 5 districts and 1 head office unit, then their whole proposal shall be REJECTED.)

- In a case where applicant qualifies for more than one/two districts after selection procedure, then Markfed reserves the right to allot work of any one/two districts at its own discretion to such applicant.
- One Unit will cover One District and their respective Storage Centres/KRMs (existing & probable).
- CA firms can apply for the following Units:

S. No.	Name of District	S. No.	Name of District
1.	Head Office	15	Korba
2	Raipur	16	Janjgir
3	Baloda Bazar	17	Raigarh
4	Gariyaband	18	Jashpur
5	Mahasamund	19	Sarguja
6	Dhamtari	20	Surajpur
7	Durg	21	Balrampur
8	Balod	22	Korea
9	Bemetara	23	Kanker
10	Rajnandgaon	24	Jagdalpur
11	Kabirdhaam	25	Narayanpur
12	Sukma	26	Kondagaon
13	Bilaspur	27	Dantewada
14	Mungeli	28	Bijapur

Selection process of auditor

A two-stage procedure shall be adopted in evaluating the proposals. The selection will be done using Quality Cum Cost Based Selection (QCBS) process. 70% weightage would be given to the Technical evaluation and 30% weightage would be given to the financial bid.

First Stage:

i. Only Technical Proposals shall be opened first for all the firms.
ii. Thereafter, a technical evaluation shall be carried as per the evaluation parameters provided in the "Eligibility Criteria & Technical Evaluation" section.
iii. The technical proposal scoring at least 65% of the marks shall be considered as "Qualified on Technical Parameters". A Proposal shall be rejected at this stage if it does not respond to important aspects of the RFP, and particularly the Terms of Reference or if it fails to achieve the minimum technical score (i.e. at least 65%)

Second Stage:

i. Financial proposals shall be opened only for those firms who have Qualified on Technical Parameters (i.e. secured at least 65% of maximum marks on evaluation criteria). Financial Proposals of the firms which have not qualified on technical parameters shall be returned unopened after the completion of selection process.
ii. Quality cum Cost Based (QCBS) process shall be followed as under:
Once the Technical points have been allotted and finalised 70% of such points shall be allotted to the respective bidding firm and after opening of the Financial Bid the amount of quoted Audit Fee shall be mentioned against the respective C.A. firms. 100 Marks shall be allotted to the firm quoting the minimum Financial Bid and the rest will be awarded points on proportionate basis.

Award of Contract:

On completion of selection process, the firm selected shall be eligible for award of the contract of work. The firm should execute a Contract with Markfed within 1 week of the award.

Points System

Sr.	Particulars	Max Marks	Evaluation Criterion
1	Number of Full Time FCA Partners associated with the firm as on 1st January 2013 (As per Certificate of ICAI)	20	1 FCA partner/proprietor = 5 marks
			2 FCA Partners = 10 marks
			3 FCA Partners = 15 marks
			More than 3 FCA Partners = 20 marks
2	Average Annual Turnover in the financial years 2009-2010, 2010-2011, 2011-2012	20	Upto 15 Lacs = 5 Marks
			Above 15 Lacs and upto 20 Lacs = 10 Marks
			Above 20 Lacs and upto 25 Lacs = 15 Marks
			Above 25 Lacs = 20 Marks
3	No. of Years of Firm/Proprietorship existence as on 1st January 2013 (Deemed date will not be considered)	20	Upto 10 years = 5 marks
			Above 10 years & upto 15 years = 10 marks
			Above 15 years & upto 20 years = 15 marks
			Above 20 years = 20 marks
4	No. of Assignments in the last Five years of Statutory/Internal/Concurrent audit/Physical Verification of PSU/Central / State government funded projects/ Government organisations/ Government owned cooperative societies. (excluding bank audits)	20	Upto 3 Assignments = 5 Marks
			Upto 5 Assignments = 10 Marks
			Upto 7 Assignments = 15 Marks
			More than 7 Assignments = 18 Marks
			Physical Verification = 2 Marks
5	Number of Branches / Head Office in Chhattisgarh State	10	HO/Branch in the applied unit = 10 Marks
6	Number of Full Time ACA partners/Qualified CA Staff associated with the firm as on 1st January 2013 (As per Certificate of ICAI)	10	1 ACA Partner/CA employee = 2 Marks
			2 ACA Partner/CA employee = 5 Marks
			3 ACA Partner/CA employee = 8 Marks
			More than 3 ACA Partner/CA employee =10 Marks

NOTE :

a. If any Firm having FCA partners more than 4, then excess number of partners will qualify for ACA Partner / Qualified CA staff points.

b. In case after the technical evaluation, if no bidding applicant gets the minimum 65% marks than top three firms are to be taken into consideration for financial bid. If there are only one or two applicant than they may be considered.

Letter inviting expression of interest

Reference:

To, Dated -------

Subject: Selection of Chartered Accountants for Paddy Procurement Concurrent Audit (FY 2013-14).

Dear Sir,

Expression of Interest is (EOI) invited from your firm in the prescribed format. Only the EOI received in prescribed format accompanied with all requisite documents would be considered.

The following documents are required to be submitted along with the prescribed Expression of Interest

1. Covering letter in the specified format.
2. Expression of Interest (EOI) in specified format.
3. Copy of latest constitution certificates (not earlier than 1st January 2013) of firm issued by ICAI clearly indicating
    a. Date of Formation of Firms with a full time FCA
    b. Latest Details of Partners/Sole Proprietors/CA Employees, date of joining of the firm, date of becoming FCA, their own interest, if any.
4. Copy of latest partnership deed in case of partnership firms.
5. Copy of Audit report and financial statements of the firm along with schedules for the FY 2011-2012, 2010-2011 and 2009-2010.
6. Copy of acknowledgement of the IT returns of the firm for the FY 2011-2012 along with a copy of computation of income.
7. Details of any court cases/arbitration cases/ or any other case pending against the firm.

It may be noted that Managing Director, Markfed reserves every right for selection of suitable applicants.

For, Chhattisgarh State Marketing Federation Ltd
Raipur

Cover letter for submission of expression of interest

To
The Managing Director,
Chhattisgrah State Marketing Federation Ltd,
Civil Lines, Raipur, CG

Date: _____

Sub: Selection of Chartered Accountants for Paddy Procurement Concurrent Audit (FY 2013-14).

Reference:

Sir,

We _____ , a CA firm herewith encloses Expression of interest (EOI) as per prescribed format for selection of CA firm/firm(s) for Paddy Procurement Audit. We also understand that Management reserves every right for selection of suitable applicants.

Enclosures:

1. EOI as per prescribed format
2. Copy of latest constitution certificates(not earlier than 1st January 2013) of firm issued by ICAI clearly indicating
    a. Date of Formation of Firms with a full time FCA
    b. Latest Details of Partners/Sole Proprietors/CA Employees, date of joining of the firm, date of becoming FCA, their own interest, if any.
3. Copy of latest partnership deed in case of partnership firms.
4. Copy of audit report and financial statements of the firm along with schedules for the FY 2011-2012, 2010-2011 and 2009-2010.
5. Copy of acknowledgement of the IT returns of the firm for the FY 2011-2012 along with a copy of computation of income.
6. Details of any court cases/arbitration cases/ or any other case pending against the firm.

Yours faithfully

_____

_____

(Partner- MNO _____)

Format for submission of Expression of Interest

General Profile **Section - A**

1. Status of Firm :
2. Name of the Firm (in Capital Letters) :
3. Address of the Head Office (incl. Tel Ph & Email id) :
4. PAN of the firm :
5. ICAI Registration No :
6. Service Tax Registration Number :
7. Date of Constitution of the Firm :
8. Date since when the firm has a full time FCA :
9. No of years of firm/proprietorship existence as on 1st Jan 2013 :
   (Please attach a copy of certificate issued by ICAI)
10. Number of Full time Partners as on 1st Jan 2013 : As per Annexure A
11. Number of Full time CA Employees as on 1st Jan 2013 : As per Annexure B
12. Number of Semi-Qualified staff employed full time : As per Annexure C
13. Number of Branches : As per Annexure D
14. Whether the firm has experience in any internal audit or Concurrent audit or computerization of accounts or any other services for any Govt. Companies / Corporations etc. : Yes/No
15. Whether there any court cases/arbitration/any other legal case against the firm (If yes, please provide details in separate annexure) : Yes/No
16. Give a self-certified note on implementation of quality control policies and procedures adopted by the applicant to ensure that all audits are conducted in accordance with Statements on Standard Auditing Practices.

    Also give a self-certified detailed note on the procedure and methodology to be adopted & number of audit staff (with names) to be employed for the effective and efficient performance of this audit.

Annexure A: Latest Details of Proprietor/Full time Partners of the firm

SNo	Name of Partner	Membership No.	FCA/ACA	Date of Joining the firm (Full Time)	Date of becoming FCA	Whether ISA/CISA Qualified (Specify the Qualification) *

- If yes please attach a copy of the certificate

Annexure B: Latest Details of Qualified CA Staff

SNo	Name	Membership No.	FCA/ACA	Date of Joining as Employee	Signature of Employee

- If yes please attach a copy of the certificate

Annexure C: Latest Details of Semi-Qualified CA Staff

SNo	Name	Student Reg. No.	Whether Semi-Qualified	Whether Employee/ Article	Date of Joining	Signature of Employee/ Article

* Please attach copy of mark sheets and certificate issued by ICAI

Annexure D: Particulars of HO/Branches of the applicant

SNo	Name of District in which HO/Branch is located	Address of Branch Office (incl. Phone No)	Name of Partner in Charge	Date of Opening of HO/Branch

- If yes please attach a copy of the certificate

Financial Profile and Work Experience — Section B

1. Annual Turnover for the Firm for Last 3 Financial Years
   a. 2011-2012 :
   b. 2010-2011 :
   c. 2009-2010 :

2. Average Annual Turnover for Last 3 Financial Years :

3. Details of Experience of the firm in Statutory/Internal/Concurrent Audit/Physical Verification of PSU/Central Government funded/ / State Government funded projects/ Government organisations/ Government owned cooperative societies. (excluding bank audits): Please fill Annexure E

4. Details of assignments in hand with the firm in PSU/Central Government funded / State Government funded projects/ Government organisations/ Government owned cooperative societies (excluding bank audits): Please fill Annexure F

5. Details of Other Experiences of the firm excluding above: Please fill Annexure G

6. Details of Specialization Gained by the Firm : Please fill Annexure H

Annexure E: Details of Audit Experience of the applicant in Statutory/Internal/Concurrent Audit / Physical Verification (excluding bank audits) in the following format

S.No	Name of the Auditee Organization	Turnover of / Funds handled by the auditee organization	Nature of Assignment	Scope and nature of work	Duration of completion of assignment (in months)	Fees Charged	Work order attached in Page No.*
						TOTAL	

* Only those assignments will be considered for which work order are attached and page number mentioned in the annexure above.

Annexure F: Details of Audit or Accounting work in hand with the firm in PSU/Government Co./Central Government Funded / State Government Funded / Externally Aided Projects of the firm in the following format

SNo	Name of Organization	Turnover of / Funds handled by the auditee organization	Nature of Assignment	Scope and nature of work	Fees Charged / Chargeable	Work order attached in Page No.*
					TOTAL	

* Only those assignments will be considered for which work order are attached and page number mentioned in the annexure above.

Annexure G: Details of Other Experience of the firm for the last 5 years in the following format

(Only those assignments which carry a fee of Rs 25,000/- and above should be mentioned)

Name of the Sector	Name of Company/PSU/Societies	Financial Year	Nature of Work (Type of Audit, Consulting, Computerization)	Total Fees Charged

Annexure H: Details of Specialization Gained by the Firm in Last 3 Years

SNo	Description of Specialization	Specify Nature of Assignment if other than Audit	Name of Organization	Name of Partner who handled the assignment	Whether Partner mentioned is still with the firm

UNDERTAKING — Section C

I/We the sole proprietor/ following partners of _____ Chartered Accountants do hereby jointly & severely verify and declare-

1. That the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application form is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from empanelment/allotment of assignment for 3 years but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed there under ;
2. That the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years (if so, give details);
3. That individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949.
4. Latest constitution of the firm (not earlier than 30 Sept 2012) shown in the Expression of Interest is same as that in the ICAI records.
5. That the firm, proprietor or partners are not black listed by any PSUs or Govt. Co. or any other government organisation, external organisation in respect of any assignment or behaviour.

Sr. No.	Name of the full time partner/ sole proprietor	Membership Registration No.	PAN No	Signature of full time partner /proprietor.

(Seal of the Firm)

Place:
Date:

Letter of Transmittal

To,
The Managing Director,
Chhattisgarh State Cooperative Marketing Federation Ltd,
Civil Lines, Raipur, CG

Dear Sir,

We, the undersigned, offer to provide the audit services for Paddy Procurement Audit in accordance with your Expression of Interest. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

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.

The prices quoted by us in the Financial Proposal are valid till six months from the date of submission of the quotation. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that Chhattisgarh State Cooperative Marketing Federation Ltd is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of [Insert Name of the C.A. Firm] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

Name of Partner/Proprietor
Membership number
Name of CA firm