

District Mineral Foundation, Jharsuguda

Order No--556

Date: 05.07.2018

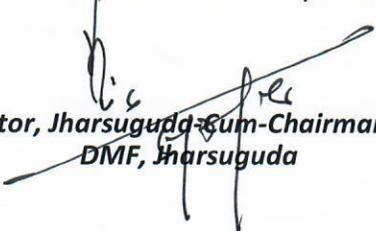
EXPRESSION OF INTEREST FOR HIRING SERVICES OF CHARTERED ACCOUNTANT FIRM FOR STATUTORY AUDIT OF ACCOUNTS OF DISTRICT MINERAL FOUNDATION, JHARSUGUDA.

District Mineral Foundation Jharsuguda invites "Expression of Interest(EOI) for Statutory Audit of Accounts of DMF, Jharsuguda District from Odisha based Partnership Chartered Accountant Firms empaneled with C & AG for the year 2017-18.

The engagement of Chartered Accountant Firms shall be of two bid systems i.e. Technical Bid & Financial Bid. The firm who qualifies in the Technical Bid shall be eligible for the Financial Bid. EOI along with all the documents can be submitted by the interested firms through **Speed Post/ Registered Post** only to "District Mineral Foundation, behind Collector's Office, 1st floor above Planning Office Jharsuguda, Pin- 768203, Odisha". The firm should submit their Technical & Financial Bid in two separates envelops & both the envelops are to be placed inside one sealed envelope superscribing "Technical Bid" & "Financial Bid" on top of the respective envelops. The outer envelope is to be superscribed with "**EXPRESSION OF INTEREST FOR ENGAGEMENT OF CHARTED ACCOUNTANT FIRM FOR STATUTORY AUDIT OF ACCOUNTS OF DISTRICT MINERAL FOUNDATION JHARSUGUDA DISTRICT FOR THE FY 2017-18**".

The Detail Terms & Conditions, documents to be attached, along with Bid documents shall be available in Jharsuguda District Website i.e. :- www.jharsuguda.nic.in from dt. 06.07.2018 to dt.21.07.2018.

- Last date for submission of Bid paper Dt.21.07.2018 through Speed/Registered Post only.
- Opening of Technical Bid paper: Dt: 23.07.2017 at 12.00 PM in the office chamber of Project Director, DRDA, Jharsuguda.
- Cost of EMD: Rs.20,000/- (Rupees Twenty Thousand) only should be pledged in favour of "**District Mineral Foundation, Jharsuguda**" from any Nationalized Banks.
- The details of the eligibility criteria, documents to be attached & other important instructions etc are annexed with the EOI.


Collector, Jharsuguda-Sum-Chairman,
DMF, Jharsuguda

EXPRESSION OF INTEREST (EOI).

District Mineral Foundation, Jharsuguda seeks to invite **Expression of Interest** from Odisha based C&AG empaneled Chartered Accountant firms for conducting the statutory audit of District Mineral Foundation Jharsuguda for the Financial Year 2017-18.

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, fee structure and general instructions for selection of the C.A. firms are outlined in the following paragraphs.

Terms of Reference (ToR)

1. Objective of audit services:

The objective of the audit is to ensure that the fund received by DMF Trust for the different mineral product royalty and such fund are utilized in accordance of the DMF Rule 2015 for which released and as per the approved guidelines issued by Govt. in this regard.

The audit firm is required to conduct and generate audit report pertaining to DMF, Jharsuguda as well as to prepare the Consolidated Financial Statements of the Trust as a whole i.e., Balance Sheet, Income & Expenditure A/c, Receipt & Payment A/c, Bank Reconciliation Statements, Statement of Funds Positions.

2. Standards:

The audit shall be carried out as per the Guideline issued by P& C. Deptt. Govt. of Odisha & MOSM, Govt. of India from time to time. The Audit Firm should also adhere to the standards & principles laid down by ICAI and guidelines laid down in Odisha General Financial Rule(OGFR).

3. ELIGIBILITY OF THE CHARTERED ACCOUNTANT FIRM

The Bid of only those Firms shall be entertained, which satisfy the following eligibility Criteria:-

- CA Firm must be Odisha based and must have been empanelled as per the latest order of Comptroller and Auditor General of India (C&AG) for the year 2017-18.
- The CA Firm must have registered more than 10 years back and have minimum 2 Partners with at least one FCA. Single proprietorship Firms are not eligible to participate.
- The average annual turnover of the Firm should not be less than Rs. 20.00 Lakh for the last 03 preceding Financial Year.
- The CA Firm must have registered with The Institute of Chartered Accounts of India (ICAI) and have Income Tax Permanent Account Number (PAN) and valid service Tax Registration.

- At least 5 years of External Audit Experience in similar Kind of state Level Govt. Institution /Agencies/Societies under Panchayati Raj Department or any Other Govt. Organization /Autonomous bodies/PSU of state/Central Government must be there.
- The CA Firm must not have been blacklisted by any Govt. or any other organization and the Authorised signatory of the Firm must submit an undertaking to this effect.
- Have minimum 10 (ten) numbers of Audit staffs in addition to partners.
- Audit managers must be qualified Chartered Accountants (FCA) with valid Membership Number and having at least 5 years of post-qualification experience.
- The Audit staff must have 3 years of audit experience in similar nature of work. The Bidder will submit the relevant documents along with EMD of Rs.20,000/- (Rupees Twenty Thousand) only in shape of Demand Draft from any Nationalized Bank duly pledged in favour of "District Mineral Foundation Jharsuguda". The EMD of unsuccessful bidder will be refunded.

4. Scope & Coverage of audit:

During Audit special attention should be paid to the following points:

1. 100% verification of all vouchers, Head of Accounts wise receipt & payment.
2. 100% verification of Opening Balance entry in all Heads of Accounts with previous Cash Books. This verification should include Cash Books of all money parked in different banks/post offices/NSCs/Fixed Deposits/ KVPs/IVPs etc.
3. Analysis of Unadjusted advances to different categories of people including PRI representatives/employees etc.
4. Ensure arithmetic accuracy and recording of all transactions.
5. Bank Reconciliation and certification.
6. Reconciliation of Stock & Store, GIA Register, Demand Collection Register, Asset Register etc. as prescribed under OGP Act.
7. Preparation of final accounts i.e. Receipt & Payment A/C, Income & Expenditure A/c & Balance Sheet. Submission of audit reports with necessary suggestion and recommendation to rectify the flaws if any in commensurate to the Govt. instructions.
8. Compliance to all the instructions issued by Govt. C&AG & Local Fund Audit from time to time.

5. Audit Fees:

Intending C.A. Firms to participate in the EOI are required to quote consolidated audit fees. Firms quoting less than the unit cost fixed by Govt.. shall summarily be rejected by the Selection Committee. The details of Audit Fee structure are given below.

INSTITUTION	SCOPE OF WORK	Audit Fees in Rs.
DISTRICT MINERAL FOUNDATION	STATUTORY ADUIT OF ACCOUNTS AND PREPARATION OF AUDIT REPORT	Lowest quoted price

- i) Payment to be made to the C.A. firm in following stages:

Stage	Completion of Work	Payment of Fees
Stage-1	1. 100% vouching	25%
Stage-2	1. Verification of Opening Balance entries 2. Analysis of unadjusted advances 3. Reconciliation and certification	25%
Stage-3	1. Submission of Audit Report with final a/c .	50%

ii) The total audit fee is inclusive of all statutory taxes & expenses.

6. Payment Terms:

The payment against the services provided by the firms is subject to the following terms and conditions:

- a. The price quoted by the firm should be valid for the entire contract period.
Payment shall be made at agreed rates. No price variation would be allowed.

7. Job Chart of the Chartered Accountant:

- a) The members of CA Firm shall visit the District Mineral Foundations at least three times in a month during the period of audit.
- b) 100% verification of entries of all vouchers including heads of accounts and Public Distribution System accounts.
- c) Verification of all carry forward balances including cash books for all money parked in different banks/post offices/financial institutions.
- d) Analysis of all cases and incorporate necessary comments in the report and prepare separate schedules for all those accounts and append to the monthly and final accounts as follows:
- i) Unadjusted advances account with list of persons against whom such advance is outstanding – Advance Register
 - ii) Cash payment accounts – Payment Register
 - iii) List of work executed – Works Register
 - iv) List of assets created & maintained – Asset Register
 - v) List of incomplete works account
 - vi) Investment of surplus funds account
 - vii) List of Muster Rolls issued – Muster Roll Issue Register
- e) Conduct of all Bank reconciliation along with compilation of bank ledger, cheque issue & receipt register and its certifications.
- f) The CA firm should give their views and suggestions on correctness of maintenance of cash books and other financial documents pertaining to the DMF Trust, to the Collector through DMF Office in appropriate format.
- g) They have to certify the correctness of accounts subject to their comments, if any, at the end of each month in appropriate format.

8. Financial Statements:

The following financial statements and relevant schedules showing the consolidation of all the programmes/ schemes shall be submitted:

- a. *Audit Opinion.*
- b. *Balance sheet showing accumulated funds of the scheme, Assets and liabilities of the scheme, if any for the Year ending 31st March 2018.*
- c. *Income & Expenditure account for the year ending on 31st March 2018.*
- d. *Receipt and Payment Account for the year ending on 31st March 2018.*
- e. *Other Schedules to the Balance sheet as appropriate, but which shall include:*
 - i. *Statement of Fixed Assets in the form of a Schedule*
 - ii. *Schedule of Loans and Advances (Age-wise analysis)*
 - iii. *Schedule of all Cash & Bank Balances (supported by bank reconciliation statements)*
 - iv. *Scheme wise statement of expenditure*
 - v. *Statement of Utilisation Certificates submitted to the appropriate authorities under various scheme against the Fund receive by Executive Agency.*
- f. *Notes on Accounts showing the accounting policies followed in the preparation of accounts in the individual implementing agencies and State Society and any other significant observation of the auditor.*
- g. *Auditor shall have to specify the significant observations, including internal control.*
- h. *Weaknesses for each program and specify the institution to which these relate to enable/ facilitate appropriate follow up action.*
- i. **Representation by Management:** *The management should sign the financial statements and provide a written acknowledgement of its responsibility for the preparation and fair presentation of the financial statements and an assertion that the project funds have been expended in accordance with the intended purposes as reflected in the financial statements.*

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

- i. *Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;*
- ii. *Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;*
- iii. *Report on the level of compliance with the financial internal control.*
- iv. *Report procurements which have not been carried out as per the procurement manual/ guidelines of the state for the individual schemes.*
- v. *Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the scheme; and*
- vi. *Bring to Agency's attention any other matter that the auditor considers significant.*

audit assignment to this DMF, Jharsuguda in triplicate (**Spiral Bound**) and also provide soft copy in MS Excel / MS Word and Scanned (Both) format through e-mail & CD .

10. Additional Instructions to Auditors:

- a. Audit for the financial year shall include all the components and schemes.
- b. An Audit Team will be constituted and deployed consisting at least 02 Audit Staff under guidance of an Audit Manger being a qualified F.C.A.
- c. The auditor will specifically mention in the audit report about the coverage of audit (SHOULD MENTION THAT AUDIT OF ALL THE IMPLEMENTING AGENCIES HAS BEEN COMPLETED BY HIM) on these components and also will ensure that all releases and expenditures are duly and separately reflected in each program's financial statements.
- d. An undertaking to the effect that neither any person of the firm/partner is related to any employee of the DMF, Jharsuguda nor have any interest in their activities must be submitted.

11. Re-appointment of Auditor:

The Audit Firm(s) appointed to conduct the Audit for the F/Y 2017-18 may be assigned the Audit work of next F/Y i.e. 2018-19 subject to satisfactory performance and incorporation of the firm in the panel of C&AG. Further, any comments/remarks/observation of the Ministry in this regard shall have to be considered while re-appointing the same audit firm.

12. BID document:

- a. The Tender Paper can be downloaded from the district website i.e. www.jharsuguda.nic.in up to dt.06.07.2018 but the same has to be submitted along with a DD worth Rs. 3000/- + 18% GST towards cost of tender paper(non-refundable).
- b. The last date of submission of Bid document is 21.07.2108.
- c. The cost of Tender Paper is Rs. 3,000.00 + 18%GST (non-refundable).
- d. Cost of Tender Paper shall accompany with Demand Draft drawn in any commercial bank in favour of "District Mineral Foundation Jharsuguda, Payable at jharsuguda".
- e. Cost of EMD: Rs. 20,000/- (Rupees Twenty Thousand) only in shape of Demand Draft from any nationalized bank duly pledged in favour of "District Mineral Foundation Jharsuguda, Payable at jharsuguda".
- f. The EMD shall be refunded to the unsuccessful bidder on written request of same without any interest within 15days of receipt of request letter.

13. General Provisions:

The auditor shall be given access to any information relevant for the purpose of conducting the audit. This will normally include (other than all financial and procurement records) the instructions issued regarding scheme guidelines, administrative orders, cost norms etc. Where schemes are financed by Development Partners, copies of the legal agreement, project appraisal document should be made available to the auditors.

GUIDELINES FOR SUBMITTING THE EOI:

C.A. Firms are required to submit the proposal as per the guidelines and formats detailed

GUIDELINES FOR SUBMITTING THE EOI:

C.A. Firms are required to submit the proposal as per the guidelines and formats detailed outlined in the following paras:

- a. The original and all copies of the Technical Proposal shall be placed in a sealed envelope clearly marked "**TECHNICAL BID**". Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked "**FINANCIAL BID**". The envelopes containing the Technical and Financial Bids shall be placed in an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Assignment, and be clearly marked "**EXPRESSION OF INTEREST FOR ENGAGEMENT OF CHARTED ACCOUNTANT FIRM FOR STATUTORY AUDIT OF ACCOUNTS OF DISTRICT MINERAL FOUNDATION, JHARSUGUDA FOR THE FY 2017-18**". DMF JHARSUGUDA shall not be liable for any misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. Such lapses in the part of Bidder may lead to rejection of Bids. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this shall constitute grounds for declaring the Proposal non-responsive/invalid.

Single Proposal: A firm should submit **only one proposal**. If a firm submits or participates in more than one proposal, all such proposals shall be disqualified.

- b. All bidders must comply with the Technical Specification, General Conditions and Format/Requirements for Technical and Financial proposal.
- c. Each page, Form, Annexure and Appendices of the Technical and Financial Bid must be signed by the Authorised signatory of the firm.
- e. All blank spaces in the financial bid must be filled in completely whether typed or written in blue/black ink.
- f. The bidder must attach the money receipt/DD (in original) in support of purchase of EOI paper. In absence of such document, the EOI shall automatically be rejected.
- g. The bidding firm also have to submit an **EMD** to be pledged for **Rs.20,000.00** in shape of **Demand Draft** from any nationalized bank pledged in favour of "**District Mineral Foundation, Jharsuguda**". The same will be returned to the firm, only after successful completion of assigned work. After completion of Audit, evaluation of the audit work done shall be made by the Selection Committee and if the committee finds any type of lapses/deviation, then the entire EMD amount shall be forfeited.
- h. The EOI duly filled in must be submitted through **Registered Post/Speed Post** only to District Mineral Foundation, Jharsuguda. Any EOI received after due date will be outrightly rejected. DMF Jharsuguda will not be responsible for any postal delay or misplacement of the document.
- i. DMF Jharsuguda reserves the right to accept or reject any or all the application without assigning any reason thereof and can change the evaluation criteria as per its requirements in the interest of the organization.
- j. If the required commitments as per the Bid document is not adhered to by the firm, then DMF Jharsuguda shall take appropriate action as deem fit (including blacklisting of the firm) against the firm, keeping the P&C Department informed.
- k. The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).

I. *The Expression of Interests has to be submitted in two parts, as given below.*

a) Technical Proposal will consist:

- i. *Letter of Transmittal (Annexure-I)*
- ii. *Form for Technical Proposal (Details of the Firm along with Details of Partners) (Annexure-II, III, IV)*

b) Financial Proposal will consist *Form for Financial Proposal (Annexure-V)*

c) The bidder scoring highest marks in Technical & Financial Bid shall be declared as L-1. Similarly, the Bidder scoring second & third highest mark shall be declared as L-2 & L-3 respectively.

Annexure-II

FORM FOR TECHNICAL PROPOSAL

Sl. No.	PARTICULARS	Supporting Documents (self attested) required to be submitted along with this form
1	Details of the CA Firm	
1.1	Name of the Firm	
1.2	Contact Details of the Firm	
1.3	Address of the Head Office	
1.4	Phone No. Mobile No. of Contact Person:	
1.5	Fax No.	
1.6	Branch Offices: 1. 2. 3. (Attach separate sheet if necessary. Particulars of each branch including contact details to be given)	(Attach copy ICAI certification)
2	i. Date of establishment of the firm ii. Date since H.O. & B.O. are functioning at the existing Station.	(Attach copy ICAI certification)
3	Firm's Income Tax PAN No.	(Attach copy of PAN card)
4	Firm's Service Tax Registration No.	(Attach copy of Registration)
5	Firm's Registration No. with ICAI	
6	C&AG empanelment No.	(Attach proof of empanelment with C&AG for the year 2016-17)
7	No. of years of Firm's existence & Date of establishment	(Attach copy of Certificate issued by ICAI)
8	Turnover of the Firm for the last three years (in Rs.) 2014-15: 2015-16: 2016-17:	(Attach a copy of Balance Sheet and Profit & Loss Account of last three years duly certified / audited)
9	Audit Experience of the Firm	
9.1	Number of Assignments in Commercial/ Statutory Audits	i. Attach copy of the Offer letter for each assignment.
9.2	Number of Assignments of auditing PSUs, Govt. undertakings, Govt. managed schemes/ projects, Externally Aided Projects	ii. Relevant evidences to be given of the turnover and fee.
10	Profile of persons to be engaged in the work, both professional and support staff.	(detail of staffs to be engaged in this assignment to be enclosed, duly signed by the authorized person of the firm.)
11	Details of Partners:	
11.1	No. of Full Time Fellow Partners associated with the firm	

11.2	<ul style="list-style-type: none"> ▪ Name of each partner ▪ Date of joining the firm ▪ Membership No. ▪ Status – FCA/ACA ▪ Date of becoming FCA/ACA ▪ Highest qualification ▪ Experience (in years) ▪ Type of Engagement (Part Time/ Full Time) ▪ Contact Details (Correspondence Address, e-mail, mobile no.) 	Attach self-attested copy of Certificate issued by ICAI
12	Details of Audit Staff:	
12.1	No. of Audit Staff engaged by the firm	
12.2	<ul style="list-style-type: none"> ▪ Name of Audit Managers ▪ Name of each Audit Staff ▪ Date of joining the firm ▪ Highest qualification ▪ Experience (in years) ▪ Contact Details 	Attach self-attested copy to the effect.

Seal & Signature of Partner
Membership No.

Annexure-III

Detail of CA Firm Experience of Similar Service during the last 5 years' Experience

<i>SL NO.</i>	<i>Name of the Assignment (start date/End date)</i>	<i>Name of the Client/Organization</i>	<i>Nature of Assignment (Please Specify the Work involved as detailed in scope of work)</i>	<i>Detail of the Supporting Documents provided</i>
1				
2				
3				
4				
5				
6				
7				
8				

Annexure-V

FORM FOR FINANCIAL PROPOSAL

FINANCIAL BID

(To be filled by Bidder)

PRICE QUOTATION FORMAT

NAME OF THE FIRM: _____

<i>Sl No.</i>	<i>Name of the Work: Statutory Audit of Accounts of District Mineral Foundation, Jharsuguda</i>	<i>Price Quoted (in Rs) inclusive of taxes and charges</i>
<i>1</i>	<i>DMF, jharsuguda</i>	

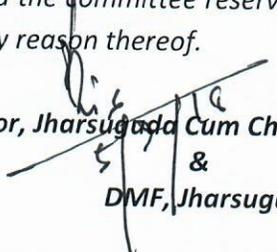
Seal & Signature of Partner

Membership No.

SELECTION PROCESS OF C.A. FIRM:

A Selection Committee constituted under the Chairmanship of Collector, Jharsuguda has been constituted for selection of the Audit Firm. The selection shall be of two-pronged process. In the 1st stage the Technical Proposals shall be scrutinized, and the eligible firms will be shortlisted for the 2nd stage. The Financial proposals of the shortlisted firms shall be opened by the Selection Committee and the financial proposals will be compared and firm having lowest quotation in Financial Bid (L-1) will be selected. After the selection of auditor by the said committee the same shall be intimated Auditor.

On completion of selection process, the firm selected shall be awarded the contract of audit of DMF, Jharsuguda. The firm should furnish a letter of acceptance to the Collector Cum Chairman, DMF, Jharsuguda within one week of the issuance of offer letter. In the absence of same the contract shall be rescind automatically and the opportunity to work shall pass on to the L-2 bidder automatically and likewise to the L3/L4 bidders. The decision of Selection committee is final & binding in this matter and the committee reserves the right to accept or reject any or all the EOIs without assigning any reason thereof.


Collector, Jharsuguda Cum Chairman
&
DMF, Jharsuguda

Finalization of Bid:

Entire Bid process will be two tire systems as follows:

1. Technical Evaluation (carry 50 marks) (Sl. No. 1 to 5)
2. Financial Evaluation (carry 50 marks) (Sl. No. 6)

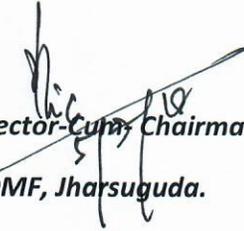
Basis of Evaluation:

Sl. No.	Criteria	Max. Marks
1	No. of years of Firm's existence & Date of establishment: a) More than 10 years of existence after partnership : 10 marks b) 10 years of partnership : 05 marks	10
2	Average Turnover of the Firm for the last three years (in Rs.): a) More than Rs.20.00 lakh : 10 marks b) Rs.20.00 lakh : 05 marks	10
3	Experience in successful & satisfactory completion of GP Account Maintenance for 03 years	10
4	No. of Full time Fellow Partners: a) More than 05 full time partners along with more than 03 FCA :10 marks b) 03 full time partners out of which 02 FCA : 07 marks c) 02 full time partners : 02 marks	10
5	a.) Firms having Head Offices in Sundargarh or undivided Sambalpur District (i.e. Jharsuguda, Sambalpur, Deogarh & Bargarh). :10 marks b.) Firms having Head Offices in other Districts. :05	10
6	Financial Bid Score: <u>Minimum Audit Fee X 50</u> Price quoted by Individual Bidder	50
Total Marks:-		100

Auditors having poor track record in conducting Audit of DRDA, Jharsuguda or any DRDA shall be disqualified from participating in the EOI.

The bidder scoring highest marks in Technical & Financial Bid shall be declared as L-1. Similarly, the Bidder scoring second & third highest mark will be declared as L-2 & L-3 respectively.

NB: The financial Bid will be opened for the bidders who will score 40 marks or more in the Technical Bid.


Collector-Cum-Chairman,
DMF, Jharsuguda.