

THE ODISHA AGRO INDUSTRIES CORPORATION LTD.

**EXPRESSION OF INTEREST (EOI) FOR OUTSOURCING OF
CHARTERED / COST ACCOUNTANT FIRMS FOR CONDUCTING
INTERNAL AUDIT FOR THE FINANCIAL YEAR 2016-17**



Last Date of Submission of EOI form:- **2.00 p.m.** on **30.05.2016**

Date of Opening of EOI:- **3.00 p.m.** on **30.05.2016**

Cost of EOI Form: Rs.525/- (inclusive of VAT)

Form Serial no.:

Cash Receipt No. Date:

D.D No..... Bank :

Address:

95 - SATYA NAGAR, BHUBANESWAR - 751007

Tel No. 0674- 2570687, FAX: 0674 - 2570313

e-mail : oaicho@orissaagro.com

Website: www.orissaagro.com



**THE ODISHA AGRO INDUSTRIES
CORPORATION LIMITED**
(A Government of Odisha Undertaking)
95, SATYA NAGAR, BHUBANESWAR – 751 007.

EOI NOTICE

EOI is invited from registered Chartered / Cost Accountant Firms to undertake the Internal Audit of our Zone wise Unit Offices for the year 2016-17. The EOI document can be obtained from the office of undersigned on payment of Rs. **525/-** inclusive of VAT through Cash/DD drawn in favour of **OAIC Ltd.** payable at **Bhubaneswar** from 20/05/2016 to 30/05/2016. The same can also be downloaded from our website www.orissaagro.com. The last date for submission of EOI is **30/05/2016 up to 2:00 p.m.** The applications received within the stipulated time shall be opened at **3:00 p.m.** on the same day. The Managing Director reserves the right to accept or reject any application without assigning any reason there to.

MANAGING DIRECTOR

A. INDICATIVE SCOPE OF WORK

1. Short listed firms are required to conduct internal audit of OAIC, Head Office and all 30 District Offices, one Factory & Central Store as per statutory requirement for the year 2016-17 as per **Annexure-I**.
2. Short listed firm (s) has/have to carry out audit for the period from 01.04.16 to 31.03.17.
3. Selected firm(s) has/have to submit the Draft & Final Internal Audit Report to the Managing Director, OAIC from time to time District-wise as well as of Head Office, Factory & Central Store on quarterly basis.
4. Pre-Audit/Post-Audit (as the case may be) of all cash/Journal Vouchers/ Bank Payment vouchers/ Bank Receipt vouchers, Purchase Orders, Work Orders, Contracts & Agreements etc.
5. Verification of all records such as fixed assets registers, purchase registers, stock registers and all books of accounts maintained with finance division/other divisions.
6. Critical Analysis of all payments on the basis of delegation of power, administrative approval, statutory resolutions, budgetary provisions & measures of economy and advise time to time for necessary corrective action. Report on actual expenditure vis-à-vis the budgetary provision with remarks of deviation.
7. Verification of monthly trial balance & cash inflow and outflow statement with reference to ledger & submit the same to the management within a fortnight of the successive month. To advise the units on proper way of preparation of balance sheets.
8. Submit the completed quarterly Trial Balance, Profit & Loss Account and Balance Sheet to the management within a month of respective quarter ending. The 1st quarter reports may be submitted within August 2016 & the rest quarterly reports should be submitted as per time schedule mentioned above.

The report should be submitted under signature of both by Head/ In-charge Account and Internal Auditor alongwith Auditors remarks.

9. Verification & review of Cash Balances with Field Offices, Head office & advise if any idle cash is lying with field units & suggest procedure for optimum utilization of cash in hand.
10. Preparation & verification of monthly Inter Unit Reconciliation statement & suggest thereon for necessary corrective measures.
11. Preparation & verification of Subsidiary Ledgers viz Sundry Creditors, Sundry Debtors & Advances etc.
12. Review and scrutiny of Security Deposit, EMD, advances and report bi-monthly to the Management with reason of long outstanding if any.
13. Verification of Opening Balance.
14. Checking of subsidiary ledgers or registers and reconciliation of the same with the General Ledger.
15. Checking of Compliances of Internal Audit Report, Statutory Audit Reports & A.G. Audit Report if any for the preceding financial year.
16. Checking of proper vouching of transactions.
17. Checking of ATDs / ATCs and accounting thereof at unit level. It is important to ensure that all the ATD/ATC from the unit concern have been sent or received and whether clearance certificate have been received from clearing house at Corporate Office.
18. Verification of Bank Reconciliation Statement (BRS) / Balance Confirmation Certificate with reference to each bank account including inoperative bank account. Ensure that proper accounting effects have been given with regards to bank charges during the current year and reverse of original entry in case of stale cheque. In case of unreconciled balances appearing in the BRS of last year, stress should be given to reconcile the same during the year.
19. Checking of Purchase Order with reference to estimate, EOI, quotation and comparative statement etc. as per delegation of power assigned to respective unit head.
20. Checking of pay and allowances, administrative and general expenses and other Misc. Expenses on sample basis selected at random and provisions thereon.

21. Checking of all types of advance account including imprest and emergency temporary advance account, Checking of Balance Confirmation Certificate from District Offices for Temporary Advance as on certain date and also to ensure the timely adjustment have been made or not. If any temporary advance remains at the end of the year, it should be transferred to MPWA Account of respective person.
22. Checking of Project-wise expenditure, verification of the proper maintenance of works/job register with respect to consumption of materials, labours etc & proper submission of Utilization Certificate.
23. Checking of expenditure incurred for deposit works and ensure adjustment of advance/deposit from time to time.
24. Checking of materials at the site which have been generated out of completed capital works and repair & maintenance work. The valuation of such materials must be done as per actual cost.
25. Checking of proper maintenance of stock / material at site Register and Record (Both for Capital and O & M items).
26. Checking of stores materials receipt, issued, utilized and balance thereof (i.e. Stock at site with District level Officer). Ensure that material quantity and its values as per store ATDs is correctly incorporated in stock at site account.
27. Physical verification of Cash to be made and to express whether time-to-time physical verification of Cash have been conducted or not.
28. To give comments in case Actual Expenditure exceeds Annual Revised Budget in respect of revenue & capital expenditure.
29. To verify Service Tax paid as per reverse mechanism during the year is correct or not and all the credit balance have been duly paid during the year.
30. Checking of proper deduction of taxes.
31. To verify the calculation of depreciation of Fixed Assets of opening balance and addition during the year as per rules.
32. The selected firm may cover any area not mentioned above where they feel it affects the revenue/ interest of OAIC.

33.OAIC will have the absolute right to cancel all or part of EOI application without assigning any reason thereof. OAIC will have also full right to select one or more firm(s) to award the service contract.

34.Service Charge will be paid in 4 (four) equal installments (for each Quarter) and the entire audit is to be completed before 30.04.2017. The selected firm(s) will not charge any interest or fee for delayed payment.

35.The above said scope is only indicative. Interested firms are requested to submit the enlarged scope of works at the time of their presentation.

INVITATION OF EXPRESSION OF INTERST FOR OUTSOURCING OF INTERNAL AUDIT OF THE ODISHA AGRO INDUSTRIES CORPORATION LIMITED FOR FY 2016-17.

The Odisha agro Industries Corporation Ltd. deals with sale of Agro Inputs, Seeds, Agro Machinery, Diesel & Electric pump sets & Installation of Lift Irrigation Projects through its branch/district offices in the state. It is having 33 Auditable locations with the approximate annual turnover of ₹ 500 Crores. OAIC invites expression of interest from the professional Firms of Chartered Accountants, Cost Accountants, specialization in Internal Audit and fulfilling the eligibility requirements for conducting Internal Audit for the FY 2016-17.

The 33 Auditable location are divided into 4 (four) zones as mentioned below. Internal Audit of one zone shall be entrusted to a single firm only. **Therefore, one firm will be eligible to apply for one zone only.** If a firm applies for multiple zones, then its application(s) will be rejected and not be considered in the EOI evaluation process.

ZONE NO- 1 (CENTRAL ZONE)

1. Cuttack
2. Jagatsinghpur
3. Kendrapara
4. Khurda
5. Nayagarh
6. Puri
7. C & P.F. Plant, BBSR
8. Head Office ,BBSR
9. Central Store, Khapuria

ZONE NO- 2(WEST ZONE)

1. Bolangir
2. Bargarh
3. Deogarh
4. Jharsuguda
5. Kalahandi
6. Nuapada
7. Sambalpur
8. Sonepur

ZONE NO- 3 (SOUTH ZONE)

1. Boudh
2. Gajapati
3. Ganjam
4. Koraput

5. Malkangiri
6. Nawrangpur
7. Phulbani
8. Rayagada

ZONE NO- 4 (NORTH ZONE)

1. Angul
2. Balasore
3. Bhadrak
4. Dhenkanal
5. Jajpur
6. Keonjhar
7. Mayurbhanj
8. Sundargarh

The Audit firms are requested to submit the Expression Of Interest cum quotation for each Zone as per the enclosed prescribed bid document viz. (1) Part -1: Technical proposal & (2) Part-2 : Financial proposal in a sealed cover and the envelopes should be marked as “**OUTSOURCED INTERNAL AUDIT EMPANELMENT, PART-1**” and “**OUTSOURCED INTERNAL AUDIT EMPANELMENT, PART-2**” separately. These two sealed envelopes shall then be kept in a third envelope and superscripted as “**Outsourced Internal Audit Empanelment for _____ Zone**”.

All the three envelopes should be addressed to-

Managing Director, Odisha Agro Industries Corporation Ltd.,95- Satyanagar, Bhubaneswar -7 and shall also bear the name & address of the sender.

The Expression of Interest should be submitted within 30.05.2016 (upto 2.00 p.m) as per the prescribed format available from the website of the Corporation i.e. www.orissaagro.com.

It is to mention here that the scope is not exhaustive but indicative in nature.

You are requested to fill up the Form-I which is the Technical proposal and Form-II as Financial proposal in A4 size paper covering all the points with due authentication. In addition to the Form-I all the supporting documents in evidence of the particulars stated in the Form-I has to be submitted with due authentication.

GENERAL INFORMATION -1

- 1.** “Technical Proposal as per Form-I” and ‘Financial Proposal as per Form-II’ shall be sealed in two separate envelopes. Both these sealed envelopes shall bear distinct identification with regard to the type of bid i.e. for the ‘Technical Proposal’ the envelope should be marked as , OUTSOURCED INTERNAL AUDITOR EMPANELMENT , PART-1 and for the ‘Financial Proposal’ the envelope must be marked as , OUTSOURCED INTERNAL AUDITOR EMPANELMENT , PART-2’.
- 2.** These two sealed envelopes shall then be kept in a third envelope and superscribing “Outsourced Internal Auditor Empanelment for _____ Zone”. The outer cover should be addressed to the issuing authority of this enquiry and shall also bear the name and address of the sender on left hand side of the envelope for clear identification.
- 3.** Part-II containing ‘Financial Proposal as per Form-II’ will be kept in a safe custody. It will be opened after completion of Technical Proposal (Part-1) evaluation of all the proposals received. OAIC will not open the ‘Financial proposal’ of technically disqualified firms. No revision of prices as quoted will be entertained thereafter.
- 4.** The fees shall be quoted in financial proposal as per Form-II only. Quotations not submitted as per ‘Form-II’ will be rejected.
- 5.** Conditional EOIs other than the conditions mentioned in the EOI document will be liable for rejection.

6. The sealed EOI should reach The Odisha Agro Industries Corporation Limited, Head Office, 95 - Satya Nagar, Bhubaneswar - 751007 through Registered Post/Speed Post/Courier Service/ By Hand on or before 30.05.2016(upto 2:00 pm).

7. EOIs received after the schedule date and time shall not be considered.

8. The firm submitting EOI is required to sign all pages of the EOI Document with seal.

9. Important dates:-

Expression of Interest should be submitted within 30.05.2016

The Technical Proposal shall be opened on 30.05.2016 at 3:00 pm

Other Important dates will be intimated later.

10. Submission of Technical Proposal as per Form-I & Financial Proposal as per Form-II: within 30.05.2016 (upto 2 pm)

11. The Technical Proposal (part –I) shall be opened on 30.05.2016 at 3:00 pm at OAIC Head Office at 95- Satyanagar, Bhubaneswar-7 in the presence of Company Secretary, OAIC Ltd.. The Technical proposal has to be evaluated as per the scale mentioned in selection criteria as per the Table –I. With reference to the particulars submitted as per Form-I and supporting documents in evidence of particulars in Form-I marks will be awarded as per Table –I. The firms who have secured a minimum 80% marks and above shall be qualified in the Technical Proposal and their Financial Proposal shall be opened.

12. No consortium or JV will be permitted to participate in the process, in case a firm does not qualify under Sl. No- 11 above on its own strength..

13. Opening of Part-II i.e., Financial Proposal: The firm securing 80% marks in technical bid, the financial proposal of the firm will be opened for consideration in

presence of authorized representatives of the bidders. The date/ time/ venue of opening of financial proposal shall be intimated to the firms who have qualified in the technical proposal through email in the registered mail ID.

14. QCBS procedure of selection will be followed for selection of firm against each zone. 80% of weightage will be given to technical bid & 20% weight would be given for financial bid. The short listed firm will have to give their presentation before selection.

15. After selection of the firms as per the procedures as above, they will be intimated in their registered address to accept the audit as per the scope of the work and the date of commencement and completion of work in writing through registered letters. Within seven days of receiving the offer letter they have to submit the acceptance letter to the Managing Director, OAIC Ltd., 95- Satyanagar, Bhubaneswar-7, failing which their offer letter shall be treated as cancelled and no further communication in this regard will be entertained. The next best firm will be given the fresh offer letter.

16. After taking up the audit assignments they have to stick to the dead line stated in the offer letter to complete the audit. Failing to complete the audit assignments within the due date the authority reserves the right to cancel the assignment.

17. If progress/ performance of the audit team is not satisfactory, the management reserves the right to terminate the appointment of the Firm with 7 days prior notice.

18. The Management reserves the right to seek any information/ clarifications related to engagement at any time during the process of audit as per the requirement.

19. The Audit Firm is not permitted to sub-contract the work to any other firm.

20. They should keep themselves away from illegal & dishonest practices.

- 21.** The Internal Auditor shall have an obligation to work objectively and diligently while performing duties.
- 22.** The Internal Auditor shall not accept any gifts or hospitality from any employees of OAIC.
- 23.** The Internal Audit staff should collect and keep information from OAIC only for carrying out the assignment and should not take undue advantage of such information for personal profit or use the information in a manner contradictory to the ethics set forth by Institute of Chartered Accountants of India or Institute of Cost & Management Accountants of India.

APPLICATION FORM

FORM-I

The Audit firm(s) shall apply with details as noted below in the application failing which the application may not be considered for empanelment.

1. Year of establishment:

(Photocopy of latest Certificate of registration issued by the Institute of Chartered / Cost Accountants of India to be enclosed).

2. Name of EOI firm:

With details of Partners

(a) Qualifications (ACA/ACMA or FCA/FCMA).

(b) Date of Joining the firm.

(c) Post qualification experience of the partner (total no. of years).

(d) Membership No. of all Partners.

3. Details of the qualified assistants with

(a) Name _____

(b) Membership number (if any) _____

(c) Date of joining the firm _____

4. Details of the semi-qualified assistants with

(a) Name _____

(b) Registration number (if any) _____

(c) Date of joining in the firm _____

5. Detailed Office Address: _____

6. Contact Details: (a) Mobile No. _____

(b) L/L No. _____

(c) Name _____

(d) e-mail ID. _____

7. Submit Affidavit for not black –listed /debarred by any Central /State Govt. or ICAI/ICWA/Central/State Agencies/PSU etc.

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8. PAN No. _____
9. TIN No. _____
10. Service Tax Registration Number _____
11. Name of the Organization where the EOI firm has worked (Pl. attach proof)
1. _____
2. _____
3. _____
12. Annual turnover of 2015-16 :-
13. Name of the Banker with Address :-
14. Account No. with IFS Code No. :-
15. EOI document payment Details :-
- i) Money Receipt No. & date :-
- ii) Value: - Rs. 525/-
16. Details of experience of the firm.
- a. Statutory / Internal audit of Agricultural sector.
- b. In other PSU/ Govt./ Internal Audit.
- (Photocopy of proof of experience to be enclosed)

I/We hereby declare that the information furnished herein is true to the best of my knowledge & I/we further declare that in case of appointment I/we shall abide by the terms and conditions of OAIC. In case the furnished information is found to be false at any stage, OAIC will cancel the EOI/awarded order(s) without assigning any reason thereof.

Dated _____

Full Signature with office seal of
The EOI firm

TABLE -I (SELECTION CRITERIA)

SL. NO.	CRITERIA	BASIS OF MARKS	MAXIMUM MARKS
1	Years of Establishment of the firm/Limited Liability Partnership since the date of registration.	2 mark/ year (fraction of the year to be ignored)	30
2	Number of partners in the firm/ Limited Liability Partnership who is with the firm for a minimum period of one year as on the date of application.(Details to be attached)	3 marks for each partner who is ACA/ACMA, 4 marks for each partner who is FCA/FCMA.	10
3	Number of qualified assistances who is an ACA/ACMA & is working with the firm for a minimum period of 1 year on the date of application. (Details to be attached)	1.5 marks for every qualified assistance.	15
4	Number of semi- qualified assistances (inter cost/ inter chartered -IPCC-both group) & is working with the firm for a minimum period of 1 year on the date of application.(Details to be attached)	1 mark per semi qualified assistant	10
5	Annual Turnover during financial year 2015-16	1 mark for each 1 lakh or part thereof. over and above minimum turnover of 2 lakhs	10
6	Experience of firm in conducting internal audit in Central / State PSUs.	1.5 marks per conducting Internal Audit in PSUs	15
7	Audit Firms having Registered Office/ Branch Office within the state on the date of application, in which company headquarter is situated.		10
		TOTAL	100

FORM-II

FINANCIAL PROPOSAL

NAME OF THE ZONE	CONSOLIDATED AUDIT FEES IN RUPEES

Important information with respect to Financial proposal:-

1. A firm can quote against one zone only.
2. The fees to be quoted should be consolidated and includes all taxes and duties.
3. No out of pocket fees will be paid/ reimbursed for conducting the audit.
4. Financial proposal shall be opened for those firms who have secured at least 80% marks in the technical proposal as per the evaluation criteria stated in the Table-I.

Full Signature with office seal of
The EOI firm.

ANNEXURE-I

NAME OF DISTRICT (ZONE WISE)	
CENTRAL ZONE	SOUTH ZONE
Cuttack	Boudh
Jagatsinghpur	Gajapati
Kendrapara	Ganjam
Khurda	Koraput
Nayagarh	Malkangiri
Puri	Nawrangpur
C & P.F. Plant, BBSR	Phulbani
Head Office ,BBSR	Rayagada
Central Store, Khapuria	NORTH ZONE
WEST ZONE	Angul
Bolangir	Balasore
Bargarh	Bhadrak
Deogarh	Dhenkanal
Jharsuguda	Jajpur
Kalahandi	Keonjhar
Nuapada	Mayurbhanj
Sambalpur	Sundergarh
Sonepur	

Dated _____

Full Signature with office seal
of the EOI firm.