

**EXPRESSION OF INTEREST (E.O.I)**

**PMKSY- WATERSHED DEVLOPEMENT WCDC  
AGRICULTURE DEPARTMENT KORBA  
EOI For Chartered Accountants Firms for conducting  
Statutory Audit of PMKSY WATERSHED DEVLOPEMENT  
(IWMP) across all its administrative units**

Applications are invited from the eligible Chartered Accountants Firms in the prescribed format for conducting Statutory Audit of PMKSY-WATERSHED (IWMP) schemes/programmers for F.Y 2015-16 KORBA districts Chhattisgarh

Detailed Terms of Reference (ToR) and RFP document can be found at [www.korba.gov.in](http://www.korba.gov.in) . Last date for submission of EOI is **27<sup>th</sup> of September, 2016** at 4.00PM.

**Expression Of Interest of Chartered Accountant Firms for conducting  
Statutory Audit of PMKSY-WATRESHED DEVLOPEMENT (IWMP)  
across all its administrative units Of Korba District for F.Y 2015-16**

**PMKSY- WATERSHED DEVLOPEMENT AGRICULTURE DEPARTMENT KORBA CHHATTISGARH** invites Expression of Interest in form of Technical and Financial Bids separately from reputed and experienced Chartered Accountant Firms to undertake Statutory audit of PMKSY- WATERSHED DEVLOPEMENT (IWMP) projects for F.Y 2015-16

- The selection will be done using Quality cum Cost Based Selection (QCBS).
- Both Technical & Financial Bids should be submitted in separate sealed envelope. The Firm
- The Firm Should Deposit Rs 1,000/- only (Rs one thousand) (non refundable in form of DD) towards tender processing fees in favour of “**Deputy Director Agricultures and Member Secretary cum project Manager WCDC Korba** “ ,payable at ‘Korba..
- DD should be inside the main Envelope and not within Technical Proposal envelope & Financial Proposal envelope.
- All relevant documents are available on the official web [www.korba.gov.in](http://www.korba.gov.in)
- Interested Firm may download the form and other instructions / documents to the bidders from above website.
- The Deputy Director Agriculture, . PMKSY- WATERSHED DEVLOPEMENT AGRICULTURE DEPARTMENT KORBA reserves all the rights to reject the received bids or cancel/revise the process without giving any reason to the bidders.**
- Opening of Technical Bid** – Opening of technical bid will take place on same day i.e. 27<sup>th</sup> of September, 2016 at 4.00 PM.
- Place of Submission** – WCDC, Department of Agriculture , Room No.-09 , Ground Floor , Commercial Tax Office Building, Collectorate Campus District –Korba , Chhattisgarh Pin 495677

  
**Dy. Director Agriculture**  
**PMKSY- Watershed Dev.**  
**WCDC Korba**

# TERMS OF REFERENCE (ToR)

## Introduction

The main objectives of the IWMP are to restore the ecological balance by harnessing, conserving and developing degraded natural resources such as soil, vegetative cover and water. The outcomes are prevention of soil run-off, regeneration of natural vegetation, rain water harvesting and recharging of the ground water table. This enables multi-cropping and the introduction of diverse agro-based activities, which help to provide sustainable livelihoods to the people residing in the watershed area.

Deputy Director Agriculture, PMKSY- WATERSHED DEVELOPEMENT AGRICULTURE DEPARTMENT KORBA, intends to empanel suitable Chartered Accountant firms for conducting statutory audit of **PMKSY-WATERSHED DEVELOPEMENT (IWMP)** scheme & Institution fund of watershed cell cum data centre Korba District for F.Y 2015-16

- Watershed Cell – Cum- Data Centre (WCDC)
- Project Implementing Agency (PIA)
- Watershed Committee (WC)

CGSWMA Raipur is State Headquarter, WCDC unit is district headquarter level, PIA is block (project) level and WC is Panchayat / micro watershed level unit. Its details is enclosed as annexure along with this document.

## Watershed Cell cum Data Centre (WCDC)

A separate Cell, called the Watershed Cell cum Data Centre (WCDC) will be established at the district level, which will oversee the implementation & monitoring of each watershed programme in the district and will have separate independent accounts for this purpose. WCDC will function in close co-ordination with the District Planning Committee. District Collector may be designated as Chairman of WCDC and a Deputy Director Agriculture of the Department, in which WCDC has been located, may be called the Member Secretary cum Project Manager of WCDC. The Member Secretary cum Project Manager (DDA) will attend to day to day functioning of WCDC and implementation of watershed programmes in their jurisdiction

### 1) The functions of WCDC will be as follows:

- a) Identify potential Project Implementing Agencies (PIAs) in consultation with District Council {Monitoring Evaluation (WCDC) Committee} as per the empanelment process to be decided by the respective State Governments.
- b) Take up the over all responsibility of facilitating the preparation of strategic and annual action plans for watershed development projects in this district
- c) Providing professional technical support to Project Implementing Agencies (PIAs) in planning and execution of watershed development projects.

- d) Develop action plans for capacity building, with close involvement of resource organizations to execute the capacity building action plans.
- e) Carry out regular monitoring, evaluation and learning.
- f) Ensure smooth flow of funds to watershed development projects.
- g) Ensure timely submission of required documents to CGSWMA(SLNA) / Nodal Agency of the Department at central level.
- h) Facilitate co-ordination with relevant programmes of agriculture, horticulture, rural development, animal husbandry, etc with watershed development projects for enhancement of productivity and livelihoods.
- i) Integrate watershed development projects/ plans into District Plans of the District Planning Committees. All expenditure of watershed projects would be reflected in district plans.
- j) Establish and maintain the District Level Data Cell and link it to the State Level and National Level Data Centre.

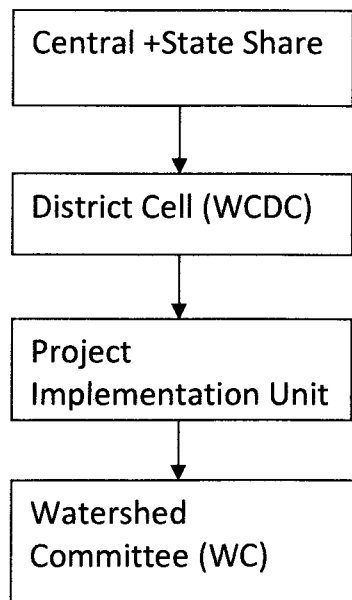
**Project Implementing Agency (PIA)**

The CGSWMA (SLNA) would evolve appropriate mechanisms for selecting and approving the PIAs, who would be responsible for implementation of watershed projects. The main role of PIA is to provide Technical Assistance to Watershed Committee of Grass route level & Monitoring of their work .

**WATERSHED COMMITTEE (WC)**

WC is the grass route working agency of which surpanch is the chairperson of the committee, This committee work through selfhelp group(SHG) , user group.

**Fund Flow of System**



## **Audit Objectives**

The objective of the audit by an external agency is to ensure through the auditor's professional opinion on the financial position of each programme at the end of each financial year and of the funds received and expended for the accounting period ended as reported by the Programme, that the funds are utilized properly to achieve the intended objectives of the programme. The programme accounts provide the basis for preparation of the Programme Financial Statement and are established to reflect the financial transaction, as maintained by the project executing agency.

## **Scope of Work**

(A) The Auditor shall be required to carry out the following tasks;

- Accounting Policies and Change: The auditor should comment on the accounting policies and confirm the extent to which all the programmes accounting policies have been applied. In particular, the auditor should report any deviations from the agreed accounting standards.
- The Auditor will also verify the amounts admitted and reimbursed by Programm. and will report on the disallowances, if any with reasons for the same and suggest corrective measure needed not to repeat the same for future claims.
- Verify that the procurement of goods, services and civil works have been made following the guidelines issued by the Governments as applicable to each programme.
- Verify that the accounting transaction in all programme units are duly supported by adequate documentation and are duly approved.
- Verify that the funds have been used in accordance with the relevant guidelines.
- Verify that the Bank Accounts at all levels are reconciled and reconciliation statement checked.
- Verification and reporting on statutory compliances, deductions and deposit of TDS etc.
- All necessary supporting documents, records and accounts have been kept in respect of all programme expenditures as per guideline.
- The financial statements follow acceptable accounting standards and give true and fair description of the financial positions.
- Report audit compliances and persisting irregularities.
- Any other matter incidental to above matters.
- The auditor shall clarify any audit objection raised by the State office (CGSWMA) & revised their report if required

### **Summary of Auditing Requirements:**

1. Government of India guidelines clearly mentions that all the programmes require audited financial statements and separate programme accounts and records exclusively to ensure that the funds were used only for the objectives set out and for release of funds.
2. The accounts and records pertaining to the Programmes must be consistently maintained in accordance with the standard laid down by the statute governing the respective Scheme/ Programme.
3. The programme accounts are to be maintained on Double Entry System of accounting, as per guideline of Watershed . In this context, the auditor's responsibilities will be to verify, if the stated Guideline have been followed consistently.
4. Apart from expressing an opinion on the financial condition of the Programme, the Auditors should also express an opinion as to whether:
  - a. The proceeds have been utilized only for the Programme activities;
  - b. The financial information complies with relevant regulations and statutory requirements; and
  - c. All the covenant of the Grant Agreement have been complied with
5. Action or deficiencies disclosed by the Auditors in their Report should be resolved by the Government effectively and within a reasonable time. The Auditors should review and comment upon the adequacy of the corrective measures taken by the Government in the subsequent Auditor's Report.

### **Programme Financial Statements shall include the following:**

- i. Balance Sheet at 31<sup>st</sup> March 2016 showing accumulated funds and assets and liabilities of the programme.
- ii. Income & Expenditure account for the year ending on 31<sup>st</sup> March, 2016 showing the grant and other income received and expenditure incurred on the programme.
- iii. Receipts and Payments Account for the year ending on 31<sup>st</sup> March, 2016 showing the receipts and payments of the programme.
- iv. Other Schedules to the Programme Financial Statements as appropriate, but which shall include:
  - Statements of Fixed Assets,
  - Schedule of Loans and Advances
  - Schedule of all Cash & Bank Balances (also attach bank reconciliation statements as at 31<sup>st</sup> March, 2016)
  - Programme wise Statement of Expenditure
- v. Notes on Accounts explaining, wherever necessary, the transactions relating to the programme including any significant events during the year or changes in accounting policies etc. that would provide the reader a better understanding of the programme financial statements.
- vi. Statement of Significant Accounting Policies followed in the preparation of accounts/ financial statements in the administrative units.

- vii. Scheme wise Utilization Certificates (UCs); duly tallied with the aggregate of Income & Expenditure and Expenditure on Fixed Asset (which have been shown as capitalized in the schedule of fixed assets) during the financial year.
- viii. Action taken report on the previous year's audit observations.

**Re-appointment of Auditor:**

As the auditor once appointed can continue for two more years, subject to the satisfaction of the performance by the District and the District wishes to reappoint the same auditor shall have to seek the approval of the Tender Committee after obtaining the consent of the auditor and confirming that the said firm is in the panel of C&AG for the year for which firm is being re-appointed. Further, any comments/remarks/observation of the CGSWMA in this regard shall have to be considered while re-appointing the same auditor

**Eligibility Criteria:**

**1) Basic Eligibility Criteria:**

Interested Chartered Accountant firms with the following prerequisites may apply for Appointment of Statutory Auditor of PMKSY WATERSHED DEVELOPEMENT KORBA (IWMP) For F.Y 2015-16

<b><u>S.No</u></b>	<b><u>Criteria</u></b>	<b><u>Supporting documents to be furnished</u></b>
<b><u>1</u></b>	The firm must have been empanelled with the Institute of Chartered Accountants of India (ICAI) for at least five years as on 01 April 2016 and should have at least 5 years of auditing experience on that date.	Constitution certificate from ICAI as on 01.04.16. or Latest
<b><u>2</u></b>	The firm must have empanelled with the office of the Comptroller and Auditor General of India as date For F.Y 2015-16 & 2016-17	Copy Of CAG Empanelment (Acknowledgement copy not acceptable)
<b><u>3</u></b>	The firm must have undertaken at least 5 (five) assignments in Government sector(s)	Copies of appointment letter
<b><u>4</u></b>	The firm should have an average turnover of Rs.20 lakh in the last 3 years 14-15, 13-14, 12-13	Copy audited Balance sheet and P&L a/c for last 3 years to be furnished in support of turnover (incase no audit required then copy of self Attested B/s & P/L should be submitted)
<b><u>5</u></b>	The firm must have Head office/ Branch office in Chhattisgarh	Constitution certificate from ICAI as on 01.04.16. or latest

- Any firm not qualifying these minimum criteria need not apply as their proposal shall be summarily rejected.
- Supporting Documents for Eligibility Criteria : The firm must submit required supporting documents to establish the minimum eligibility criteria.
- The firm should not be black listed by ICAI / Centrally Sponsored Projects / PSUs / Government Company in respect of any assignment or behaviour. [Self-attested Declaration to be given in this regard by the authorized person of the firm].

**Guidelines for Submitting the Proposals:**

- 1) The firms should submit their Technical and Financial bids in separate sealed envelopes and both the envelopes are to be packed inside one sealed envelope **indicating 'Technical Proposal' and 'Financial Proposal' on top of the respective envelopes. The Financial Proposal is also to be marked as 'DO NOT OPEN WITH TECHNICAL PROPOSAL'. Similarly, the outer envelope is to be superscripted with 'Request for Proposal for Statutory Audit Of PMKSY WATERSHED DEVELOPEMENT (IWMP) DISTRICT -KORBA (C.G) for F.Y 2015-16 - TO BE OPENED ONLY IN THE PRESENCE OF THE TENDER COMMITTEE'.**
- 2) DD of Rs 1000/- (Tender Processing Fees) shall be inside the main envelope . if DD of Rs 1000/- were not found in the main envelope their Technical envelope shall not be open & summarily rejected.
- 3) **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.



## **TECHNICAL EVALUATION:**

Eligibility criterion of the firms shall be based on the various criterions as given in the table below. The technical proposal evaluation shall be based on the following parameters.

<b><u>S.n</u></b>	<b>Criteria</b>	<b>Maximum Marks</b>	<b>Supporting documents to be furnished in proof of claim</b>
<b>1</b>	<b>No. of Patners (FCA)&amp; (ACA) FCA @ 2 marks per FAC &amp; ACA @ 1 Marks per ACA</b>	<b>10</b>	<b>ICAI Firm Constitution Certificate as on 01.04.16 or Latest</b>
<b>2</b>	<b>Years of existence of the firm 0.50 marks per completed year</b>	<b>25</b>	<b>ICAI Firm Constitution Certificate as on 01.04.16 or Latest</b>
<b>3</b>	<b>Nature of Experience</b>		
<b><u>(i)</u></b>	<b><u>Experience of Audit of IWMP Scheme</u></b>  a) Experience in Audit of IWMP Scheme – 10 Marks b) No Experience in IWMP Scheme – Nil / Zero Marks	<b>10</b>	<b>Copy of work order</b>
<b><u>(ii)</u></b>	<b>Experience in Audit of Central / State Govt program / scheme (Other then experience mentioned in (i) above )</b>  1 to 5 Work Order. = 2 (marks) 6 to 10 Work Order. = 5 (marks) Above 10 Work Order. = 10 (marks)	<b>10</b>	<b>Copy of work order</b>
<b><u>(iii)</u></b>	<b>Experience of audit/Other Assignment in /PSU/Govt Companies/Bank</b>  1 to 5 Work Order. = 2 (marks) 6 to 10 Work Order. = 5 (marks) Above 10 Work Order. = 10 (marks)	<b>10</b>	<b>Copy of work order</b>
<b>4</b>	<b>Average Turnover of the firms in last 3 years (2012-13, 2013-14 &amp; 2014-15)</b> Rs. 1 and upto Rs.20 lakh – 0 marks > Rs.20 lakh and upto Rs.30 lakh – 5 marks > Rs 30 lakh and upto Rs.45 lakh – 10 marks > Rs.45 lakh and upto Rs.60 lakh – 15 marks > Rs.60 lakh – 20 marks	<b>20</b>	<b>Attach copies of audited Balance Sheets and P &amp; L Accounts of the last three years i.e 2012-13, 2013-14, 2014-15 were applicable (incase no audit required then copy of self Attested B/s &amp; P/L should be submitted)</b>
<b><u>5</u></b>	<b>Firm having Branch Office / HQ in the Distric</b> <b>No Office In Chhatisgarh - Disqualify</b> <b>Head/Branch office in Korba - 15 marks</b> <b>Office in any other District - 5 marks</b>	<b>15</b>	<b>Copy of ICAI Firm Constitution Certificate as on 01/04/2016 or latest</b>

**Note :-**

- I. For the purpose of calculating experience 1 appointment letter should be count as one order  
i.e if single order contain audit of more than one scheme it shall be count as one order.
- II. For the purpose of calculating year of existence of Firm, year will calculated from date  
mention in Firm Constitution Certificate of ICAI to 31/03/2016 .
- III. **The firm must achieve at least 60% of the marks to qualify on technical parameters for the  
Purpose of the audit of PMKSY WATERSHED DEVLOPEMENT (IWMP) KORBA DISTRICT.**
- IV. **In case after the technical evaluation, if no bidding firm gets the minimum 60% marks in  
Technical evaluation than top three firms are to be taken into consideration for financial bid.  
If there are only one or two firms than they may be considered.**
- V. **All page of the tender document should be serially numbered with index**
- VI. **All the pages of tender document shall be self attested by the authorized person of the firm.**

**Selection Process of the Auditor:**

- 1) **A two-stage procedure shall be adopted in evaluating the proposals. The selection will be  
done using Quality cum Cost Based Selection (OCBS) process. 80% weightage would be  
given to the Technical evaluation and 20% weightage would be given to the financial  
bid. :**
- 2) **The firm must achieve at least 60% of the marks to qualify on technical parameters for  
the purpose of the Statutory audit of PMKSY WATERSHED DEVLOPEMENT  
(IWMP) Korba. In case after the technical evaluation, if no bidding firm gets the  
minimum 60% marks than top three firms are to be taken into consideration for  
financial bid. If there are only one or two firms than they may be considered.**

**First Stage:**

- 1) Only Technical Proposals shall be opened first for all the firms.
- 2) Thereafter, a technical evaluation shall be carried as per the evaluation parameters provided in the  
“Eligibility Criteria & Technical Evaluation” section.
- 3) The technical proposal scoring at least 60% 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 60%)

## **Second Stage:**

1. Financial proposals shall be opened only for those firms who have Qualified on Technical Parameters (i.e. secured at least 60% of maximum marks on evaluation criteria(Technical Evaluation) ). Financial Proposals of the firms which have not qualified on technical parameters shall be returned unopened after the completion of selection process.
2. Quality cum Cost Based (QCBS) process shall be followed as under:

Once the Technical points have been allotted and finalised 80% 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.
3. Total bid amount of the firm shall be consider for Evaluating financial bid.

## **Award of Contract:**

- 1) On completion of selection process, the firm selected shall be awarded the contract of audit of PMKSY WATERSHED DEVLOPEMENT (IWMP) KORBA by issuing the Letter of Award (LOA)
- 2) The firm selected for audit shall submit EMD of Rs 10,000/- only at the time of Work order ( EMD shall be refund after completion of Audit) in favour of  
**“ Deputy Director Agricultures and Member Secretary cum project Manager WCDC Korba ,payable at ‘Korba**

## **Reporting and Timing**

- i) Four copy of Audit Report should be submitted within 20 DAYS of award of work, to the PMKSY WATERSHED DEVLOPEMENT (IWMP) KORBA
- ii) In case the Audit Report is not submitted as per the stipulated time and /or it is not in accordance with the terms of the tender then the EMD deposited by the firm shall be forfeited and a penalty of 2 % per week of the bill amount shall be deducted from the bill . (If Delay is on Part of Auditor)

## **Payment of Audit Fees**

*The audit fees pertaining to Statutory shall be released only after successful completion of the Audit .*

### **Financial bid**

(i) Minimum Fee Structure for Statutory Audit Assignment is given Below

S.No	Particular	Rate
1	Watershed Committee	Rs 700/- per Committee
2	Project Implementation Agencies (PIA)	Rs 2500/- per PIA
3	Project Fund Audit in Watershed Cell Cum Data Center (WCDC) Level	Rs 2200/- per WCDC
4	Consolidation Project wise ( i.e WC + PIA + Project Fund wcdc )	Rs 1500/- Per Project
5	Consolidation Batch wise of Sanction Project (mandatory)	Rs Nil
6	Institutional Fund	Rs 1800/- per Institutional Fund

- (ii) Rate to be Quoted in Financial bid excluding service tax & shall be paid separately at applicable rate were applicable.
- (iii) The firm quoting fees below the above mention amount shall be rejected

**Particulars/ Details of the Firm**

S.No.	Particulars	Supporting Documents required to be submitted along with this Form
1.	Name of the Firm	
2.	Addresses of the Firm	
	Head Office	Name of the In-charge Phone No. Fax No. Mobile of Head Office In-charge
	Branch Office 1,2,3,---- (Particulars of each branch to be given)	Name of the In-charge Phone No. Fax No. Mobile of Branch Office In-charge
3.	Firm Income Tax PAN No.	Attach copy of PAN card
4.	Firm Service Tax Registration No.	Attach copy of Registration (if applicable)
5.	Registration No. with ICAI	Attach copy of ICAI Firm Constitution Certificate
6.	Empanelment No. with C & AG For F.Y 2015-16 & F.Y 2016-17	Attach proof of empanelment copy with C & AG for the year 2015-16 & 2016-17 ( <b>Copy of Acknowledgment not acceptable</b> )
7.	No. of years of Firm Existence & Date of Establishment of Firm	Attach copy of Icai Firm Constitution Certificate
8.	Turnover of the Firm in last three completed years (As per Audited Statement as applicable) Year 2012-13 Year 2013-14 Year 2014-15 Average	Attach audited accounts for the last three completed Years Rs. .... Rs. .... Rs. .... Rs. ....
9.	Audit Experience of the Firm  1. Number of Audit Assignments Of IWMP Scheme 2. Number of Audit assignments in Central/State Govt. schemes 3. Experience of audit/Other Assignment in / PSU/ Government Companies / Bank	Copy of the Offer Letter

10.	<p>Details of Partner: Provide following details:</p> <ul style="list-style-type: none"> <li><input type="checkbox"/> Number of Full Time Fellow Partners Associated with the firm</li> <li><input type="checkbox"/> Name of each partner</li> <li><input type="checkbox"/> Date Of becoming ACA and FCA</li> <li><input type="checkbox"/> Date of joining of the firm</li> <li><input type="checkbox"/> Membership No.</li> <li><input type="checkbox"/> Qualification</li> <li><input type="checkbox"/> Whether The partners is engaged full time or part time with the firm</li> </ul>	<p>Firm Constitution Certificate of ICAI Latest</p> <p>Provide the details in a separate sheet in a tabular Format</p>
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**Financial Bid**  
(To be submitted in a separate sealed envelope)

S.No (1)	Particular (2)	Number of Units (3)	Rate per Unit (4)	Total Amount = (3) x (4)
1	Watershed Committee	58	Rs ..... per Committee	
2	Project Implementation Agencies (PIA)	11	Rs ..... per PIA	
3	Project Fund Audit in Watershed Cell Cum Data Center (WCDC) level	11	Rs ..... per Project	
4	Consolidation Project wise ( i.e WC + PIA + Project Fund wcdc)	11	Rs ..... Per Project Consolidation	
5	Consolidation Batch wise (mandatory)	05	Rs Nil (no amount payable for batch wise consolidation)	Nil
6	Institutional Fund	01	Rs .....	
<b>TOTAL AMOUNT</b>				
Rs in Words .....				

**Note:**

- 1) Rate to be quoted excluding service tax
- 2) Total bid amount of the firm shall be consider for Evaluating financial bid