

## **Expression of Interest**

### **For Conduct of Internal Audit of Madhya Pradesh Rajya Van Vikas Nigam Ltd. for the Financial Year 2023-24**

Madhya Pradesh Rajya Van Vikas Nigam Ltd. (MPRVVN) intends to avail services for internal audit of its Project Divisions and Head Office for F.Y. 2023-24 from Practicing Firms of Chartered Accountants/Cost Accountants. Internal Audit shall be conducted at various locations, the details of which are attached in **Enclosure-1** as under:

1. **Bhopal Region** consisting of, Vidisha-Raisen Division, Sehore Division, Barghat Seoni Division, Lamta Balaghat Division, & Head Office, Bhopal.
2. **Indore Region** consisting of Khandwa Division, Chhindwara Division, & Rampur-Bhatodi Division, Betul.
3. **Jabalpur Region** consisting of Kundam Division, Mohgaon Division ,Rewa-Sidhi Division & Umaria Division

**The Internal Audit of all the referred Divisions and Head Office shall be assigned to a single CA or CMA firm for the F.Y. 2023-24.**

**There will be two Bids :-**

1. **Technical Bid**
2. **Financial Bid**

#### **1. Technical Bid:**

1. The Chartered Accountant (CA) firm or Cost Accountant (CMA) firm must have a minimum of 3 (Three) Fellow Chartered Accountant or Fellow Cost Accountant respectively as a partner.
2. The firm must have at least 5 (Five) Partners and a minimum total strength of 8 qualified persons (Partners + Paid Assistants).
3. The firm should have experience of conducting at least 3 statutory audit of Government or Public Sector Undertaking, except Bank branch audit, in last 5 years including year 2022-23.
4. The firm should have experience of conducting at least 3 internal audits of Government or Public Sector Undertaking, except Bank branch audit, having turnover of 50.00 Crore or more in last 5 years including year 2022-23.
5. The CA or CMA firm must be in operation for at least 5 years, with at least 1 (One) office of operation located in Bhopal for last 3 years, duly registered with ICAI / ICMAI and at least 1 (one) partner must be available in such Office.
6. The Firm's average annual turnover must not be less than Rs. 50.00 lacs in the last three financial years. (i.e., 2020-21, 2021-22, 2022-23)
7. Firm should have at least One Peer Review during last five years.(between financial year 2018-19 to financial year 2022-23)
8. There should be no legal suit/ criminal case pending or contemplated against the CA or CMA firm on the grounds of moral turpitude or for violation of any of the laws in force.

9. Submission of false, fabricated, untrue data & documents shall be treated as disqualification.

The Application Form along with list of document supporting above essential qualification should be submitted through online M.P. E-Tender Portal [www.mptenders.gov.in](http://www.mptenders.gov.in) with a non-refundable application fees of Rs.2500/- on or before **01:00 PM of 15<sup>th</sup> January 2024**. Application will be accepted through **M.P. E-Tender Portal Only**.

Technical Bid Shall be opened on 16<sup>th</sup> January 2024 by 03:30 PM

## 2. Financial Bid

Financial Bids shall be opened only for those firms which are technically qualified.

The Price shall be fixed and including of all applicable taxes & duties except GST as applicable.

While quoting the price, the bidder shall consider all expenses including travelling, boarding, conveyance & other miscellaneous and out of pocket expenditure. No claim for expenditure other than the price quoted will be entertained by MPRVVN on account of Scope of Work provided in tender. Rate quoted shall be fixed & shall not be quoted with price variation/discount clause etc or other conditions.

**Only selected Firm** shall be required to deposit an earnest money of **Rs.25,000** (Twenty Five Thousand Only) through **Demand Draft** in favour of **Madhya Pradesh Rajya Van Vikas Nigam Ltd** payable at **Bhopal**, This amount shall be refunded along with the final payment to be released after the approval of accounts by the Statutory Auditor for the concerned year (i.e., F.Y. 2023-24).

Any Changes in the terms and conditions will be displayed on our website ie [www.mpsfdc.com](http://www.mpsfdc.com)

**Managing Director of Madhya Pradesh Rajya Van Vikas Nigam Ltd.** reserves the right to reject any or all of the applications, without assigning any reason and without incurring any liability thereof.

After Scrutiny of Technical Bid of the parties/firms, the Financial Bids of Qualified parties/firms shall only be opened .

### Conflict of interest

- I. The selected firm should provide professional, objective, and impartial service and hold MPRVVN's interest paramount.
- II. The selected firm shall not deploy former employees who have served MPRVVN in the last five years.
- III. The selected firm shall not downstream or outsource any part of the scope of the work.

**Managing Director**

## Profile Form of and Details of Bidding Amount by

### The Chartered Accountants or Cost Management Accountants Firm

#### (A) Technical Bid –

1. Name of the firm M/s
2. Registered Office
3. Branch Office(s)
4. Permanent Account Number (PAN) of the firm.
5. GST Registration Number of the firm
  - (i) Whether firm has acted as an Internal Auditor of the Nigam in Past – Yes / No.
  - (ii) If Yes –.Mention the year
  - (iii) Whether the firm has ever worked as a Statutory Auditor of the Nigam in past – Yes / No
  - (iv) If yes – Mention the year

#### Index/Covering Letter For Technical Bid

S.No. of Technical Bid	Condition	Whether Fulfilled or not (Yes or No)	Required documents	Whether Required Documents submitted (Yes or No)	Specify Annexure No.	Remarks
1	Minimum 3 FCA		ICAI Certificate.		1	
2	Details of Partners and Paid Assistant.		ICAI Certificate along with Self certificate.(*)		2	
3	Statutory Audit of Govt./ PSU		Appointment letter of Concerned Govt./PSU		3	
4	Internal Audit of Govt./ PSU		Appointment letter of Concerned Govt./PSU along with self decalaration regarding turnover of concerned auditee.(**)		4	
5	Certificate regarding firm operation in Bhopal for last three years.		Self Declaration certificate(***)		5	
6	The Firm's average annual turnover of last three years must not be less than Rs. 50.00 lacs.		Self Certified turnover certificate(****)		6	
7	Whether peer review done during last 5 years.		Peer Review Certificate		7	

8	legal suit/ criminal case pending or contemplated against the CA or CMA firm on the grounds of moral turpitude or for violation of any of the laws in force.		Self Declaration Certificate (*****)		8	
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\* ICAI Certificate along with Self certificate

**Self Declaration Certification**

I/We.....(**Name of Partner**) on behalf of .....(**Name of CA/CMA Firm**),  
hereby declare that there are total number of partners ..... and paid assistant.....  
in our firm.

Yours Faithfully

For and on the behalf of

Name of Firm

Seal and Sign of Authorised Signatory



\*\*\* Self Declaration certificate

Self Declaration Certificate

I/We.....(**Name of Partner**) on behalf of .....(**Name of CA/CMA Firm**), hereby certify that we are operating in Bhopal for past 3 years or more and our address is .....

For and on the behalf of

Name of Firm

Seal and Sign of Authorised Signatory

\*\*\*\* Self Certified turnover certificate

**TO WHOM SO EVER IT MAY CONCERN**

I/We.....(Name of Partner) on behalf of .....(Name of CA/CMA Firm), hereby certified that gross turnover in previous three years as under

<b>Financial Year</b>	<b>Turnover (Rs. In lakhs)</b>
2020-21	
2021-22	
2022-23	
<b>Total</b>	
<b>Average Turnover</b>	

This certificate is issued on the basis of books of accounts maintained by the firm.

Date

Yours faithfully

Place

\*\*\*\*\* Self Declaration Certificate

**Undertaking**

I/We.....(Name of Partner) on behalf of  
.....(Name of CA/CMA Firm),

hereby declare that no legal suit/ criminal case pending or contemplated against our firm on the grounds of moral turpitude or for violation of any of the laws in force and nor our firm has been blacklisted by any central/State govt. department/PSU/Stat.Body/Central or state govt funded bodies/ICAI/RBI for any contract executed in past or during the period of work.

Yours Faithfully

For and on the behalf of

Name of Firm

Seal and Sign of Authorised Signatory

**The Meaning of the various terms used herein are elaborated below:-**

1. **Nigam/ MPRVVN** – Nigam/ MPRVVN mean Madhya Pradesh Rajya Van Vikas Nigam Ltd., a company registered under Companies Act, 2013, having registered office at Panchanan Bhawan 5th floor Malviya Nagar Bhopal.
2. **Division** – Division means Project Division unit of the Nigam, a headquarter where the Books of accounts are available.
3. **Managing Director** – Managing Director means Principal Officer of the Company who is vested with all administrative powers.
4. **Books of Accounts** – Books of accounts means all statutory books of accounts, documents, papers, files etc. related to & including memorandum books – registers, ledgers & subsidiary ledgers.
5. **Accounting year** – Accounting year means a period of 12 months from 1<sup>st</sup> April to 31<sup>st</sup> March.
6. **Report** – Means Internal Audit Report.
7. **Internal Audit** – Means Internal Audit as defined under Companies Act and by the Institute of Chartered Accountants of India.
8. **CA/ Chartered Accountant** – Means a registered member of the Institute of Chartered Accountants of India.
9. **CMA / Cost Accountant** means a registered member of the Institute of Cost Accountant of India.
10. **Firm of Chartered Accountants** – Means a Firm of Practising Chartered Accountants registered with Institute of Chartered Accountants of India.
11. **Firm of Cost Accountants** – Means a Firm of Practising Cost Accountants registered with Institute of Cost Accountants of India.
12. **Forestry year** – Means a period of 12 months from July to June.
13. **Fee** – Compensation for work done as determined through Tender.
14. **DM** – Divisional Manager.
15. **RCGM** – Regional Chief General Manager.

## Terms of Reference

The selected firm of Chartered Accountants Cost Accountants will be required to conduct Internal Audit for the Financial Year 2023-24 and carry out the jobs specified as under:-

Examine the accounting system and give views regarding deficiencies along with suggestions for remedial measures in respect of the following items/issues:-

1. Checking of receipts and expenditure.
2. Drawing up of periodical trial balance.
3. Half-yearly scrutiny of accounts.
4. Examine collection and remittance of taxes at prevailing rates within the prescribed time. Verify filing of returns and assessment of respective taxes. Report non-compliance, if any.
5. Verify proper collection and remittance and applicability under the specific Act of statutory dues such as Income Tax deducted at source, **GST, Provident Fund, Mandi Tax, Professional tax and all other applicable taxes**. Check for timely filing of returns with respective authorities. also check if TDS deduction is required but not deducted. Report cases of non-compliance.
6. Examine no excess Input GST credit (blocked credit) claimed by the Divisions and provide reconciliation of Input GST credit claimed with books of accounts and GSTR 2A and GSTR 2B under GST Act 2017. Report discrepancies.
7. Check whether regular reconciliation of bank accounts of the Nigam with respective banks is done and report deficiencies, if any.
8. Check whether regular updating and reconciliation of control accounts and subsidiary accounts is done. Report discrepancies if any.
9. Examine whether the accounts are maintained and finalized in conformity with the accounting policies as required under Generally Accepted Accounting Principles (GAAP) of the Nigam. Report deviations.
10. Examine whether expenditure and revenue is booked in accounting heads according to its nature. indicate whether any items required to charge in profit & loss account but recorded as assets and liabilities and vice-versa.
11. Indicate whether the property and fixed assets register are properly maintained, updated and reconciled with financial books. Report discrepancies. ensure that physical verification of assets is done on timely basis. if any discrepancies observed between physical verification report and books of accounts than reconciliation required.
12. Examine whether the cash/ bank book is being maintained and updated daily and verified by competent authorities, as per the guidelines issued by Head Office. Additionally, the auditor is also required to check whether all issued money receipts are incorporated in the bank/ cash book & bank draft register. In case realization of money is delayed, report the same to the Head Office.
13. Check no cash payment is made violating sec-40A(3) of the IT Act 1961. List the discrepancies.

14. Check whether annual plan of operation (APO) has been prepared & maintained properly. Reconcile both physical and financial data with budget provisions. Report cases of deficiencies. If the expenditure incurred is in excess of the budget provisions, report in terms of physical targets and respective achievements.
15. Check whether at Division/Range/other level/office there is any parking of funds or delay in making payments.
16. Check whether e- payments especially to labourers, contractors/suppliers are being done regularly as per extant HO orders, if not, specify names of divisions along with clearly ascertaining reasons for non-payment via electronic medium.
17. Regarding the investments made by the Nigam, examine whether there is any discrepancy, if any. Report the same along with suggestions for better/ alternative investment options.
18. Report on purchase procedure, maintenance of store records/ accounts along with deficiencies, if any. Conduct physical verification and reconcile balances with respective heads in books of accounts.
19. In case of personnel-related matters, examine the release of annual increment given to the employees according to rules and regulations as applicable. Check their personal files along with leave records to ensure proper maintenance and incorporation of the orders passed by competent authority. Report non-compliances.
20. Examine the preparation of salary and wage bills, deductions made and their remittance. Review filing of employees' Provident Fund returns, deduction of statutory dues and their remittance as per applicable rules. Report discrepancies, if any.
21. Examine the recording, procurement and disposal of stores and stock. Report discrepancies.
22. Conduct reconciliation of inter-divisional transfers. Transfers include movable assets, stores, advances to staff, felled material and planting stock.
23. Check whether the Company has a system of monitoring of timely recovery of outstanding dues. If not, highlight significant instances.
24. The Headquarter has issued orders regarding timely recording of revenue (sale) along with proper maintenance of records at divisional headquarter, depots, and coupes which must be kept in mind while conducting audit of revenue.
25. Examine the Earnest Money Deposit register in the light of instructions issued and ensure that the minimum required prevalent earnest money is deposited at the Divisional Office in stipulated time. Report each instance of non-compliance.
26. Examine whether remaining balance of sale price is deposited within the prescribed time as per sale conditions. Sanctions issued by Divisional Manager should be examined in the light of powers delegated to DM/ RCGM, and deviations, if any, should be reported.
27. Check whether Work order is issued only after realization of the bid price of the lot and taxes thereon. No money from the bidder/ purchaser is to be accepted in cash after payment of earnest money deposit on the day of auction. Report instances of cash receipts after auction dates.

28. Regarding the maintenance of work order register, the auditor must ensure that the work orders issued are recorded in the Work Order Register as per the numbers given on sale bill-cum-work order.
29. Sales are to be recorded for Crop-I (the material felled from the plantation transferred by the Forest Department at the time of transfer of areas) and Crop-II (the plantation raised by the Nigam). Forfeiture of EMD, if any, shall be shown separately.
30. Scrutinize the debtor's account and reconcile with main Journal ledger account to ensure that the list of debtors tallies with the other relevant books of accounts. Report, if there is any discrepancy. At least two auctions of material are to be examined from acceptance of bid to the final realization of money from parties. This has to be done in every phase of audit period. The auditor must ensure that the quantitative details of disposal of forest produce dispatched as per depot register matches with the figures shown in Work Order register. Report discrepancies.
31. The auditor must check and attach bank reconciliation statements of all the bank accounts of the unit being audited. Report delayed collections. Balances at the end should be probed and audited to ensure that there are no items lying un-reconciled for unusually long period.
32. **Haulage of material** – The auditor must ensure that the material felled is as per the marking records. The estimated production must be compared with actual production and variance, if any, be reported. Haulage of material from coupe to the depots must be examined in the light of agreements entered into between contractors. Report any discrepancy found.
33. **Verification of Timber Account**- Check the Timber Account of Crop-I and Crop-II with respect to opening balances, receipts as per Felling Register, transport to depots as per the Haulage Register and final disposal as per the Sales/ Work-Order Register. Ensure balances in coupes and depots at year end are as per physical verification reports. Ensure Coupe reconciliation statements are prepared and depot receipts are recorded according to Coupe completion reports. Ensure that the valuation of closing stock is done on the basis of Nigam Policies (Inventory shall be valued at average of upset price or price fetched in last 3 auctions whichever is less) Report discrepancies.
34. Ensure that there is timely collection of Ground Rent, Transit Pass charges etc. in the depot and report cases of discrepancies.
35. Examine the lot control register and other registers and see whether they are maintained at depot for recording of material received, disposal and balance material left.
36. **Deposit Works**-The Nigam undertakes work of Deposit Work Plantation in own land or land of agency through its various Divisions. The Internal Auditor has to see whether the works have been done and expenditure incurred is as per the contract (project wise) with the concerned party. The auditor should ensure that the demand bills have been prepared as per the contract and that the due amount has been received. He should ensure that the receipts and TDS matches with Form 26AS. All cases of discrepancies are to be reported in the Internal Audit Report.
37. Whether expenditure has been correctly appropriated between capital expenditure and revenue expenditure. Verify with reference to the nature and size of the transaction.

38. Ensure whether cash and imprest money have been utilized for the desired purpose. Check whether periodical physical verification of money has been done or not and report deficiencies, if any.
39. Report whether advances made to the contractors/ parties are monitored regularly and adjusted as per the terms of Contract/ Agreement.
40. Examine the expenditure in the light of authenticity, nature, utility and budget provisions and report significant instances of deviation. Ensure provisions for expenses, if required, are created at year end.
41. Verify proper maintenance of Journal used to record transactions not routed through bank/ cash book.
42. Verify expenditure incurred on **running and maintenance** Nigam Vehicle including confiscated vehicle that are put to use & other government vehicles in Nigam and their performance reports as per the delegation of powers. Report findings and suggestions for improvement.
43. Examine expenditure incurred with reference to **CSR** activities undertaken by Nigam for the Financial Year 2023-24 and other matters related to it. Report findings and suggestions for improvement.
44. Examine and report with suitable comments on expenditure incurred with reference to **Wild Life conservation** and **NTCA** activities undertaken by the division for the Financial Year 2023-24 and other matters related to it. Report findings and suggestions for improvement.
45. Examine and report with suitable comments on whether internal audit of **Joint Forest Management Committees** of the divisions has been done by a Chartered Accountant and whether the division has sent compliance of the objections raised in such report to the Nigams Head office along with suitable comments of the Regional Chief General Manager there on, for the Financial Year 2023-24 and other matters related to it.
46. Any **other matter** that is required to be looked into under Companies Act, 2013 & Rules made there under.

### Terms and Conditions

1. Audit will be done under the supervision of a Fellow Member of Institute of Chartered Accountants of India / Institute of Cost Accountant of India.
2. Internal Audit has to be conducted as per the guidelines issued by the Institute of Chartered Accountants of India, Companies Act, 2013 and directions issued by Nigam from time to time regarding maintenance of books of accounts and audit.
3. The firm will not assign or transfer the work to other firms etc. If done, it will be considered as violation of engagement terms.
4. The Firm selected to conduct Internal Audit will have to deposit an amount of Rs. **25,000** (Twenty Five Thousand Only) as Earnest Money through **Demand Draft** in favour of **Madhya Pradesh Rajya Van Vikas Nigam Ltd** payable at **Bhopal**. The said amount will only be returned at the end of the engagement after approval of accounts by the Statutory Auditor, subject to Point No. 7 & 8 mentioned below.
5. Internal Audit will be for the financial year **1<sup>st</sup> April, 2023 to 31<sup>st</sup> March, 2024**.
6. The audit will be conducted on half yearly basis i.e. from April to Sept. & from Oct. to March.
7. The selected Firm will have to start audit from the end of referred half year, i.e.,  
for 1<sup>st</sup> half year ended 30<sup>th</sup> Sept., 2023- before 15<sup>th</sup> February, 2024  
for 2<sup>nd</sup> half year ended 31<sup>st</sup> March, 2024- before 31<sup>st</sup> May, 2024  
**Failing to adhere to the above mentioned deadlines will amount to forfeiture of full or part of earnest money of Rs. 25,000 (Twenty Five Thousand Only).**
8. Reporting for the period from April to Sept. shall be done by **31<sup>st</sup> March, 2024**. For the period from Oct. to March, reporting shall be done by **15<sup>th</sup> July, 2024** along with the final consolidated full year's Report. The time limit for reporting on checking of Final Timber Account for the year ending on **31<sup>st</sup> March, 2024** as mentioned in Item No. 33 of T.O.R. will be **15<sup>th</sup> July, 2024**.  
**Failing to adhere to the above mentioned timeline will amount to forfeiture of full or part of earnest money of Rs.25,000 (Twenty Five Thousand Only).**
9. The Internal Auditor is required to adhere to the time schedule mentioned in Point No. 7 and 8 above. In case any extension in time limit is desired, the same should be asked for in writing, citing reasons for extension. The management, if thinks fit may grant extension in time limit to complete the audit in writing to the internal auditor.
10. The Firm will have to carry out the assignment in accordance with the highest standard of professional and ethical competence and integrity having regard to the nature of work assigned and ensure that the staff assigned to perform the services will conduct themselves in the manner consistent here with.
11. The payment of the work undertaken by the firm(s) shall be done in 4 installments i.e.
  - a) 40% of the approved fees will be paid upon submission of first half yearly Internal Audit report.
  - b) 40% of the approved fees will be paid upon submission of second half yearly Internal Audit report.
  - c) 10% of the approved fees will be paid upon submission of Report on Timber Account for the year ending on 31<sup>st</sup> March, 2024.
  - d) 10% of the approved fees will be paid after the approval of accounts by the Statutory Auditor for the financial year 2023-24

12. Nigam will not pay any TA/ DA, boarding or lodging expenses. All such expenses shall be borne by the concerned internal audit firm for successful completion of the audit.
13. Income Tax at source will be deducted from the bills raised and TDS Certificates will be issued accordingly.
14. No advance towards fees etc. shall be paid/ sanctioned at any stage of the audit.
15. The Internal Audit firm must ensure that all the knowledge and information not within the public domain which may be acquired during the carrying out of his duties, shall be, for all time and for all purpose, regarded as strictly confidential and held in confidence, and shall not be directly or indirectly disclosed to any person whatsoever, except with the written permission of the Nigam.
16. In case of any dispute the matter shall be decided by the Board of Directors of M.P. Rajya Van Vikas Nigam Ltd. Bhopal.

**Scope of the audit will also include any directions given by the Management from time to time for effective conduct of internal audit in the light of Accounts Manual, Audit Manuals, 'Red Book' issued by the Management and generally accepted Audit Procedures and Accounting Standards approved by the Institute of Chartered Accountants of India.**

**Kindly sign the duplicate copy of this letter as token of acceptance.**

**Managing Director**

**Address and contact details of Head Office/ Divisions**

S. No	Head Office/Project Divisions	Address	Phone & Fax No. with STD Code	E-mail ID
1	<b>Head Office</b>	5th Floor, Panchanan Bhawan, Malviya Nagar, Bhopal	0755-2551821	mdrvvn@mp.gov.in
2	<b>Khandwa</b>	35 Keshavkunj, Siddhipuram Colony, Bhandariya Road, Khandwa	0733-2225025	mprvvnkhandwa6@gmail.com
3	<b>Sehore</b>	Jungle Ahata, Indore Naka, Sehore	07562-226345	mprvvnspd@yahoo.in mprvvnspd@gmail.com
4	<b>Vidisha</b>	HIG-1/476, Arvind Vihar, Baagmugalia, Bhopal	0755-2802307	mpvvnvidisha@rediffmail.com ipdvannigam@yahoo.com
5	<b>Barghat</b>	Nagpur Jabalpur road, Near Jyrat Naka, Seoni	07692-220240	dmbpros@rediffmail.com
6	<b>Chhindwada</b>	Khajri Road, Near Working Plan Office, Chhindwada	07612-243271	dmvvnchw@yahoo.com
7	<b>Lamta</b>	Opposite Banganga Circuit Office, Balaghat	07632-240772	dmlamta_bgt@rediffmail.com dmlamta1975@gmail.com
8	<b>Rampur Bhatodi</b>	Sadar Bazar, Itarsi Road, Betul	07141-238417	dmrbbbetul@gmail.com
9	<b>Kundam</b>	451, Sanjeevani Nagar, Gada, Jabalpur	0761-2420362	dmkundam@rediffmail.com
10	<b>Mohgaon</b>	Opposite South Mandla Forest Divn., Civil Lines, Mandla	07642-251287	dmmdl@rediffmail.com
11	<b>Rewa-Sidhi</b>	DFO Campus, Kotwali Road, Sidhi	07822-252299	mpr_vvnSidhi@yahoo.com dmsidhi@yahoo.com
12	<b>Umaria</b>	PO Umaria, Dist. Umaria	07653-222218	dmmprvnumr@gmail.com