



M.P. AGRO

**M.P. State Agro Industries Development Corporation Ltd.**

Panchanan, 3<sup>rd</sup> Floor, Malviya Nagar, Bhopal-462 003  
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www.mpagro.org

HO/Acct./2018/

Date : 10/05/2018

**Empanelment of Internal Auditors for Financial Year 2017-18 to 2019-20**

MPSAIDC invites Application from Chartered Accountant Firm who fulfills the eligibility criteria for Empanelment as internal auditors for the financial year of 2017-18 to 2019-20 and willing to have their firms empanelled as internal auditor in MPSAIDC for Audit of Branches/Production Units and Head Office. Intending eligible Chartered Accountant Firm can download from website by visiting [www.mpagro.org](http://www.mpagro.org) . Last date of Receipt of Application for empanelment on above address is at 3:00 pm on 11/6/2018 and will be opened at 04.00pm on the same day. Managing Director of the corporation reserve the right to accept/reject any/all application without assigning any reason thereof.

**General Manager (Acct.)**

## **EMANELMENT FOR INTERNAL AUDIT**

1. M. P. State Agro Industries Development Corporation Ltd. Bhopal invites applications on the undernoted prescribed format from practicing firms of Chartered Accountants who fulfill the eligibility criteria as mentioned hereunder and are willing to have their Firms empanelled as Internal Auditor in the MPSAIDC and for conducting Internal audit of branches/HO/Production Units.
2. The Bio-data should be submitted on the undernoted format addressed to the Managing Director, M.P. State Agro Industries Development Corporation Ltd., Bhopal 3rd Floor Panchanan Building, Malviya Nagar, Bhopal. Pin Code 462003.
3. "Application for "Empanelment of Internal Audit" should be mentioned on the envelope, carrying Bio-data .
4. The eligibility criteria for empanelment of Internal Audit in Company for CA Firms is as under:

<b>S.No</b>	<b>Particulars*</b>	<b>Minimum Criteria</b>
1	Number of Full Time Fellow Partners associated with the firm for not less than 3 years (As per Certificate of ICAI as on 1.1.2018) and they must have Head Office or Branch in Madhya Pradesh.	02
2	Turnover of the firm per year (Last THREE financial years.)	Minimum Rs.25 Lakhs
3	No. of Years of Firm Existence	12 years
4	No. of assignments of Statutory Audit of Corporate/PSUs entities and Internal audit of PSU except Bank Branch Audit in the last 3 years.	03

5. Applying CA Firms must submit along with application, copy of constitution Certificate issued by the ICAI certifying the constitution of the Firm as on 01/01/2018, their branches & date from which it is continuing as a Partnership Firm (latest).
6. Experience Certificates of Partnership Firm in the PSU/Corporate as statutory auditor / internal auditor of PSU be enclosed. In absence of which application will not be accepted.
7. Mere submission of application does not, in any way, constitute guarantee for allotment of the audit job of any nature from the Company. The allocation of branches(Branches means branch,Head office,Work shop & production units) to the auditors will be purely the prerogative of the Company.
- 9 Incomplete application or application without requisite enclosures will not be entertained.
10. The CA Firm will undertake that they will not sub contract/sub assign the audit assignment.
11. If empanelled, the detailed terms & conditions of offer, Audit fee (including all expenses) payable will be intimated at the time of allotment of audit work. Service tax will be paid extra as per prevailing rate.
14. The last date for receipt of Application at M P State Agro Industries Development Corporation, Ltd 3rd Floor, Panchanan Building, Bhopal (M P) is 11th June 2018 upto 3:00 PM.

**APPLICATION FORMAT: EMPANELMENT FOR INTERNAL AUDIT**

Sr. No.	Particulars	Detail
1.	Name of the CA Firm	
2.	Address of its Head Office	
3.	Landline No/s. (with STD Code)	
5.	Fax No/s.	
5.	E-mail address	
6.	Date of Establishment	
7.	Registration No. of Firm with ICAI	
8.	Name & Mobile No. of the nominated FCA partner of the CA Firm to whom Company may contact, in connection with the assignment applied for.	

9. Name of full time Partner <span style="float: right;">AS ON 01/01/2018</span>					
Name of Partner	Address	FCA/ACA	Landline No. (with STD Code)	Mobile No.	E-mail Address

10.	Turnover of the Firm Year	Amount
	2014-15	
	2015-16	
	2016-17	

\* Proof to be enclosed.

11.	Name of Assignment Statuary Audit of Corporate/ PSUs / Internal Auditor of PSU Entities Only	Particular
	2014-15	
	2015-16	
	2016-17	

\* \*Appointment letter to be enclosed.

12. Other Details : PAN No., Service Tax Registration No. & CAG Empanelment.Proof to be enclosed.

13. Certificates:

a) We also confirm that the details/information furnished above are / is true and correct. In case, any detail furnished above is found incorrect later on, the Company has right to terminate the assignment given any, without giving any notice.

b) We shall also be abide by the rules and regulations of the Company in force from time to time and will always keep the company's interest foremost in our mind.

Place :.....

Name of Firm (seal)

Date :.....

(Signature)  
Name of Partner & MRN

## 1. SCOPE OF WORK

Auditor has to vouch cash book, bank book, journal book 100%. Balance Sheet and P&L accounts has to be drawn as per revised schedule 6. Trial Balance Audit has to stress more on systems and processes. All gaps, lapses and departures from approved standard Operating Practices (SOP), and Head Office guidelines are to be reported with instances of transactions and events.

## 2. GUIDELINES FOR AUDIT REVENUE ITEM

Internal Auditors is to review and report the followings:

- a) That invoice for various services have been raised as per the agreement and rate list. All invoices have been duly accounted in computer cash book.
- b) That no credit allowed to private party. No cheques of private party may be accepted.
- c) That material issued on challan should be billed timely.
- d) That issued invoice must contain full details regarding material supplied as well as order no and date. Also it should contain the name of subsidy scheme under material supplied.
- e) That interest income and other income have been properly accounted for.
- f) That all reconciliation stated in reconciliation section has been carried out and reported.
- g) Outstanding position to be kept by branch clearly i.e. party wise, bill wise and in respect of Agriculture department it should be scheme wise.

## 3. EXPENSES

Internal auditor has to carry out following and report on same: Review of internal check and control procedures with an objective to assess their adequacy and strengthen, in respect of :

- a) Passing and payments of establishments bills, (i) viz salary, TA Medical and local conveyance, staff lease and office rent,
- b) Payment for procurement of services and supplies like data link, telephone, printing and stationery, vehicle maintenance, office maintenance, consultancies, travels etc,
- c) Contractor / Supplier bills,
- d) Consultancy fees bills,
- e) Staff advances- Adjustment of Staff Advances have been completed timely. Grain Advance, Festival Advance, Computer Advance, Vehicle Advance Installments have been deducted monthly.
- f) Capital Expenditure
- g) Vouching of receipts, payments and journal vouchers for proper coding/allocation, authentication and accountal,
- h) Check payroll of employee, leave record, attendance registers etc. and report deficiencies' if any,
- i) Review the application of tendering system and examine various contracts awarded for expenses and confirm that these are awarded as per applicable guideline of the HEAD OFFICE.
- j) Examine and comment on the incidence of single tender awards and comment on the reasonableness of the justification given in single tender contracts,
- k) Review and confirm that all the expenses are booked as per various applicable accounting standards issued by the institute of Chartered Accountants of India,
- l) Review and confirm that no item of revenue nature has been capitalized and also that no item of capital nature has been accounted for as revenue.
- m) All expenses related with financial year 2013-14 have been duly recorded in respect of Building rent, Godown rent, Telephone, Electricity bill.

#### **4. MONEY RECEIPTS**

- a) All Money receipts have been duly recorded in computer cash book. Amount shown in money receipts have been shown exactly in cash book.
- b) All Bank Reconciliation statement have been duly prepared and all outstanding entries have been cleared in reasonable period. No received cheque have been dishonored. Adequate steps have been taken for obtaining fresh cheque in place of dishonored cheque.
- c) Daily collection of cash have been deposited in Bank. Minimum balance have been kept in chest. Cash denomination have been mentioned in Cash Book regularly.
- d) Cash memo have been duly entered in cash book.

#### **5. PAYMENT TO SUPPLIERS**

- a) Normally company follows payment procedure to suppliers on "payment after payments" basis hence it is desired that payment to be made to suppliers only proportion of received payment after deducting company margin. Each payment voucher contain payment basis i.e. details of amount received and money received number against billed amount.
- b) Purchase bills should contain valid TIN number and duly bifurcated in basic price and VAT amount separately.
- c) Purchase bills duly verified Branch Manager, Accountant and Store Keeper. Bill should be entered in Stock Ledger and endorsement may be made of Store Ledger folio.
- d) Purchase bill should contain order copy of competent authority.
- e) Payment should be made by account payee cheque only and payment voucher should contain acknowledgment of payment.
- f) Income tax, Professional tax deduction to be made to concerning authorities within 07 days.
- g) Head Office reconciliation to be prepared monthly and at the close of the year the balance sheet be matched with head office.
- h) Payment made to fertilizer company to be settled within 01 month and at the close of the year there should be no balance pending with them.

#### **6. BIOGAS REGISTER**

- a) Biogas register should contain list of name of beneficiaries and all columns of register should be properly filled.
- b) Biogas file may be prepared for each beneficiaries.
- c) Payment of Subsidy to be made to beneficiary after obtaining completions certificate. Completions certificate should be signed by Technical Assistant, Branch Manager and DDA.

#### **7. STATUTORY COMPLIANCES**

Internal auditor is to review and report on followings:

- a) Whether tax deduction at source are being made in all cases, as applicable under the Income tax Act at prescribed rates and that TDS deposits are being made within the prescribed time,
- b) Whether Service Tax has been charged in all cases, as applicable under the Service Tax Rules, at prescribed rates and that deposits are being made within the prescribed time
- c) Whether Value Added Tax (VAT has been charged correctly, as applicable under relevant statute, at prescribed rates and 01/7/2018 GST.
- d) Whether Contribution towards Provident Fund has been properly deducted and deposited within prescribed time,
- e) Whether all statutory returns have been filed with respective authorities in time. If not report the deficiencies,
- f) Whether estimation of income and expenses and TDS has been correctly reported to

corporate office.

**8. PURPOSE**

The purpose of audit of Branches is to ensure that:

- a) The activities are carried out as per the processes and guidelines issued by head office.
- b) All the transactions are properly accounted for.
- c) There is no leakage of revenue.
- d) Bank accounts are reconciled timely.
- e) All statutory compliances are made in time,.
- f) All contracts for projects purchases and services are awarded as per the guidelines of head office.
- g) All expenditure is duly supported, approved by the authority as per delegation of powers and properly accounted for.
- h) Books and accounts and all statutory records are timely updated and maintained properly.