



The Haryana State Co-operative Supply & Marketing Federation Limited (HAFED) Hafed Corporate Office,
Sector-5, Panchkula, Haryana-134109
LL No. (0172) 2590520-26 Extn:137 & 139

HAFED INVITES EXPRESSION OF INTEREST FOR APPOINTMENT OF CHARTERED ACCOUNTANTS FIRM FOR CONDUCTING INTERNAL AUDIT OF ITS OFFICES/UNITS FOR THE F.Y. 2020-21.

The Haryana State Co-operative Supply & Marketing Federation Limited (HAFED) invites Expression Of Interest in sealed Quotations from experienced Chartered Accountants firms for Conducting Internal Audit of its offices/units for the F.Y. 2020-21.

Interested firms of practicing Chartered Accountants empanelled with Comptroller & Auditor General of India having committed professionals/resource persons may apply to the Chief Accounts Officer (F&A), Hafed, Panchkula in the prescribed proforma available on Hafed's website: <https://www.hafed.gov.in> , along with the eligibility criteria and other terms and conditions. The sealed quotations must be received in this office in person or through registered post by 05:00 PM on 20.11.2020. Shortlisted CA Firms shall be intimated for technical discussions.

MANAGING DIRECTOR

BASIC INFORMATION:-

The Haryana State Cooperative Supply and Marketing Federation Limited (hereinafter referred as 'HAFED') is the Haryana's largest cooperative federation serving farmers and consumers since 1966. Procurement of food grains from farmers at MSP for delivery to the federal government; warehousing, arrangement and distribution of agri-inputs, agro-processing and marketing are its core activities. Over the years HAFED has become one of the leading organizations of the Haryana State being, its largest food grain procurement agency and a premier warehousing agency for scientific storage of foodgrains, having largest chain of Agro-processing units, major supplier of quality, hygienic and safe consumer products, cattle/animal feeds and having a largest supply-chain network upto village level for distribution of agri- inputs like fertilizers, pesticides, seeds, etc.

ELIGIBILITY CRITERIA:-

The eligibility criteria for participation in conducting Internal Audit are as follows:

1. The Chartered Accountant firm should have at least 15 years experience/standing and At least 3 Number of assignments of Audit of Private/ Govt./ Semi Govt. / Board / corporation / PSUs / Cooperative institutions having turnover of not less than Rs.100 crore per annum.
2. The Chartered Accountant firm should have an average annual turnover of more than Rs. 25 lakh in the previous three years.

SCOPE OF WORK:-

Hafed engaged the internal audit of 17 District Offices, 8 processing units, Procurement & Warehouse, Construction & Inputs Division of Head Office.

1. Procurement of Wheat:-

- i. To check that the payments are made as per procedure to the Arhtiyas/societies.
- ii. To check that the direct delivery /local delivery of stocks to FCI is made as per movement plan.
- iii. To check the bills of labour & transportation.
- iv. To check that the stock procured from Mandi on actual weighment.
- v. Shortage occurred, if any at the time of receipt of stocks at storage point has been recovered from concerned quarters i.e. labour contractor, transporter, Arhtiyas or society etc. according to purchase policy.
- vi. Receipt of dispatch document of claims to FCI in time as per policy.
- vii. Submission and preparation of claims to FCI as per instructions and receipt of payment thereof well in time.
- viii. Recovery has been made against the deductions made by FCI from, the bills on account of moisture cut, bardana cut etc.
- ix. To check that the storage gain/shortage observed during dispatches according to the norms fixed by HO.
- x. Reconciliation of physical & financial balances are carried out at regular intervals with stock register, CSR and financially.

- xi. PV of stocks in the godowns and storage points at random. This should be minimum once in a quarter for each godown/storage unit.
- xii. Test weighment of stocks in the godown /storage unit.
- xiii. To check that statutory liabilities i.e. GST & TDS Tax etc is deducted and deposited in time.
- xiv. To check that funds are not kept idle in banks.

2. WAREHOUSING:-

- i. Whether log/Book /inspector register has been maintained in each campus/godown or not?
- ii. Completion of log book has been made or not.
- iii. To check that godown/plinths hired after following procedure and at proper location.
- iv. Stocks articles are arranged according to the requirement and are properly stored.
- v. Adequate quantity of fumigants is available.
- vi. Condition of stocks stored in the godowns.
- vii. Watch and ward deployed as per norms.
- viii. Inspector register/ Technical Register is maintained at each godown/storage Point.
- ix. Fumigation of stocks is done as per scheduled time.
- x. To check over all cleanliness of godowns.

3. COMMERCIAL WAREHOUSING:-

- i. To check that advancement of loan to the farmers as per scheme approved.
- ii. PV of stocks to be carried out by carried out by DM/SO before storing in the Godown.
- iii. Quality of the stocks has been checked before advancement of loan.
- iv. Document i.e. agreement / pronote etc. has been taken before advancing loan to the farmers.

7 years Guarantee Godowns:

- i. To carry PV/test weighment of stocks at regular intervals.
- ii. To check that recovery of retails from FCI or any claims thereof are made in time.

4. Rice Division:-

I. PURCHASE:

- i) To ensure the lifting of stocks from mandi to rice Mills/godowns for which the payment has been released by Hafed.
- ii) Checking of quantity of stocks with stocks register. Shortage, if any to be notified.

II. MILLING OF PADDY IN HAFED RICE MILLS;

- i) Capacity utilization of the mill.
- ii) Maintenance of record by the mill.
- iii) To check the recovery of Rice and Bye-products as per norms fixed.
- iv) Delivery of Rice to FCI as per schedule.
- v) Rejection of rice by FCI-reasons thereof and responsibility to be fixed, if any.
- vi) Sale of rice and bye-products as per procedure.
- vii) Processing expense-checking thereof.

III. CUSTOM MILLING:

- i) To check execution of agreement by the millers before start of milling.
- ii) Receipt of proper security/surety as per agreement.
- iii) Receipt of paddy supplied to the millers.
- iv) Delivery of rice to FCI as per schedule.
- v) To check that penalty/handling charges, if any are recovered from the millers.
- vi) To check stocks with the millers from time to time.
- vii) To check receipt back of the stock articles in time from the millers after completion of milling.

IV. FCI claims specifically with regards to clause No. vi, vii, viii, ix & xvi of wheat Procurement policy.

5. SCOPE OF AUDIT OF CATTLE / ANIMAL FEED PLANT.

1. PRODUCTION OF CATTLE FEED.

- Following parameters needs to be FEED.
- Capacity utilization of the plant.
- Maintenance of record by the plant.
- Check the production of feed and other products as per fixed norms.
- Delivery /sale of products as per sales policy and schedule.
- Processing losses and reasons thereof.
- Checking of processing expenses with budget figure, difference if any and reasons thereof.
- Checking of Inward of Store spares /issue of indents /consumption of store spares.

2. Age wise and value wise evaluation of debtors, reasons of non-payment of current recoverable and old debts and verification of debtors with record maintained at Rice mills.
3. To check bank reconciliation statement, Trial balances, Day Book, daily balance of banks A/C s with Bank statement.
4. Check the statutory compliance report in respect to GST/TDS etc.
5. Vouchers are duly signed by authorised signatory

6. SCOPE OF AUDIT OF PESTICIDES PLANT.

1. Products of pesticides and insecticides.
 - Following parameters needs to be checked.
 - Capacity utilization of the plant.
 - Maintenance of record by the plant.
 - Check the production of pesticides and insecticides as per fixed norms.
 - Delivery/Sales of products as per sales policy and schedule.
 - Processing losses and reasons thereof.
 - Checking of processing expenses with budget figure, difference if any and reasons thereof.
 - Checking of Inward of Store spares /indents of store spaces consumed during running of Machinery.
2. Age wise and value wise evaluation of debtors, reasons of non- payment of current recoverable and old debts and verification of debtors with records maintained at plants.
3. To check physical and financial balance of stocks bye-products.
4. To check bank reconciliation statement, Trial balances, Day Book, daily balance of banks A/C s with Bank statement.
5. Check the statutory compliance report in respect to GST/TDS etc.
6. Vouchers are duly signed by authorised signatory

7. SCOPE OF AUDIT OF OIL MILLS.

1. Crushing of mustard seed and production of oil.
Following parameter needs to be checked:-
 - Capacity utilization of the mill.
 - Maintenance of records by the mill\
 - Check the recovery of oil and its bye products as per fixed norms.
 - Delivery /sale of products as per sales policy and schedule.
 - Processing losses and reasons thereof.
 - Checking of processing expenses with budget figure, difference if any and reasons thereof.
 - Checking of Inward of Store spares /indents of store spaces consumed during running of Machinery.
2. Age wise and value wise evaluation of debtors, reason of non- payment of current recoverable and old debts and verification of debtors with record maintained at Oil mills.

3. To check bank reconciliation statement, Trial balances, Day Book, daily balance of banks A/C s with Bank statement.
4. Check the statutory compliance report to in respect GST/TDS etc.
5. Vouchers are duly signed by authorised signatory

8. Scope of Audit of Ganaur seed plant.

1. Processing activities:-

- Following parameters needs to be checked.
 - Capacity utilization of the plant.
 - Maintenance of record by the plant.
 - Delivery /sale of products as per sale policy and schedule.
 - Losses, if any and reasons thereof.
2. Age wise and value wise evaluation of debtors, reasons of non recovery receivables.
 3. To check the physical and financial balance of stocks.
 4. To check bank reconciliation statement, Trial Balance, day Book, daily balance of banks A/C s with Bank statement.
 5. To check the Fixed Assets & stocks.
 6. Contract /agreement of the party.
 7. To check Direct & Agreement of the party.

9. Scope of Audit of INPUTS DIVISION:-

1. To check that lifting orders have been issued for the quality actually received in good condition duly signed by the DM.
2. To check that lifting certificates have been issued by DM.
3. Payment has been released to the suppliers on lifting certificates.
4. Sale proceeds are remitted to HO in time.
5. To ensure that bank charges are charged by the bank as per instructions.
6. Remittances are made in time by the co-operative banks and to work out interest for Delayed remittances and purse with bank/HO for its recovery.
7. To check the reconciliation of physical and financial balances with central stock Register.
8. Physical verification of stocks in the godowns at regular intervals.
9. To check labour and transportation bills of the societies as per approved rates.
10. Submission of bills of storage charges/handling charges and recovery of the same from the suppliers on actual basis.
11. Issue of Sales bill to Societies/Mini Banks as per approved rates.
12. Any other work assigned by Management from time to time relating to this activity.

GENERAL TERMS & CONDITIONS:

1. The Technical & the financial bid are to be sent in two separate sealed envelopes and marked Technical/financial bid respectively. The last date for submission of Quotation is 20.11.2020 by 05:00PM. The bids received after due date will not be considered under any circumstance.
2. The Internal Auditors have to submit the "Half yearly Audit Report "(1st half year) by 31 Jan, 2021 (as we are already in the month of Oct 2020) & 2nd half year Audit Report by 30th June 2021 to the Chief Accounts Officer (F&A) with a copy to concerned District Offices /Processing unit / Divisions. However the period of submission of the report can be extended upto 30 days with the prior approval of Worthy MD Hafed in deserving cases. If in case, the report is not submitted within the stipulated time even after the extension of period (30 days), the penalty will be levied @ 20% of the fees for the delay of month or part of the month.
3. It is necessary to ensure that Chartered Accountants will personally visit the offices of Hafed and conduct the audit besides their Article Assistants. The qualified CA must visit at least twice in a period of six months. i.e. 1st half yearly Audit & 2nd half yearly Audit. In case CA does not visit as per requirement, no fee will be paid to the firm. The audit fee will be paid after the completion of full year Audit.
4. Timely delivery of the application is the responsibility of CA firm. Telex / Fax / e-mail offers will not be accepted.
5. Evaluation that whether CA firm possesses qualification criteria would be done on the basis of the information/ data/documentary evidences provided by the CA Firms.
6. All the pages of the proposal documents shall have to be signed by the applicant firm(s) with firm's seal and documents submitted along -with the proposal shall also have to be authenticated by the authorized signatory of the applicant firm(s)
7. The Technical bid of the firms will be examined first and the financial bid will be opened in respect of only those firms who qualify the norms under the Technical bid.
8. This EOI is only for the purpose of empanelment of Firms and does not guarantee/assure allotment of Internal Audit/any other assignments.
9. If progress/performance of the audit team is not found satisfactory, HAFED's management reserves the right to terminate the appointment of the Firm at any point of time.

10. The Audit Firm will be debarred in future for Internal Audit assignments of HAFED in the following cases:-
- a. If the firm obtains the appointment on the basis of misrepresentation of information / misstatement of facts at the time of submission of application / documents along with EOI.
 - b. The Audit Firm is found to have sub-contracted the work.
 - c. If the firm does not take up audit in terms of the appointment letter.
 - d. If the firm does not submit the Audit Report, complete in all respects in terms of the appointment.
 - e. If the firm refuses to take up the assignment as mentioned in the letter of appointment for any other reason whatsoever.
11. The Managing Director, Hafed reserves the right to cancel any or all bids without stating any reasons thereof.

Expression of Interest for Empanelment of Internal Auditor
APPLICATION FORM

To
The Managing Director,
The Haryana State Co-operative Supply & Marketing Federation Limited (HAFED)
Corporate Office, Sector-5, Panchkula

Sr. No.	PARTICULARS		Self certified supporting documents required to be submitted along with this Form
1.	Name of the Firm & Registration No.		Firm Registration Certificate under ICAI
2.	Addresses of the Firm:	Address:	Firm Registration Certificate under ICAI
3.	Head Office	Phone No: Email: Mobile of Office In-charge Along with his name:	
4.	Firm Income Tax PAN No.		Attach copy of PAN card
5.	Firm GST No.		Attach copy of Registration
6.	Registration No. with ICAI		Company Registration Certificate issued by the ICAI
7.	Empanelment No. with C&AG		Attach proof of latest empanelment with C&AG for the year under Audit.
8.	No. of Years of Firm Existence & Date of establishment of Firm		Attach copy of Partnership Deed
9.	Details of Partners along with Educational Qualification & Experience	As per enclosed format -(A) & (B)	Attested copy of Certificate of ICAI as on 01.01.2019 /01.01.2020
10.	Audit Experience of the Firm during last five Financial Years: Detail of audit assignments of Internal /Statutory Audit	As per enclosed format -(C)	Copy of appointment Letters
11.	Turnover of the Firm during last three years	As per enclosed format -(D)	Attach P & L and Balance Sheet of last three financial years

(A) Details of Full Time Partners of the Firm (as on 01.01.2020)

Sr. No	Name of Partner	Member ship No.	Whether FCA/ ACA	Date of joining the firm (full time)	Date of becoming FCA	Educational Qualifications	Area of key expertise	Relevant Experience

[Documentary proof, as previously indicated, to be submitted]

(B) Details of Qualified & Semi-qualified Staff (including Articled Clerks etc.)

Sr. No	Particulars	Staff Strength	Educational Qualifications	Area of key expertise
1.	Qualified			
2.	Semi-qualified			
3.	Others(specify)			

[Documentary proof, as previously indicated, to be submitted]

(C) Detail of Internal/ Statutory Audits in previous years:

Sr No	Financial Year	No. of Statutory/ Internal Audits done in F.Y.	Name of the Company/ Institution	Type of Audit (Statutory / Internal)	Turnover of company ('in Crore)	Remarks (brief scope of audit)
1	2019-20					
2	2018-19					
3	2017-18					
4	2016-17					
5	2015-16					

(D) Financial position of CA Firm is as under:

Financial Year	Turnover (' in lakh)	Profit/ Loss (' in lakh)
2018-19		
2017-18		
2016-17		
Total		
Average of above		

Also, provide a brief description of the background of your firm for empanelment. The brief description should include both functional and sectoral experiences of the applicants. It should not exceed more than 2- pages.

Annexure-A
Undertaking
(On Firms Letter Head)

I/We the following partners of M/s _____, Chartered Accountants having Registered Office at _____ (Address) bearing Registration No. _____ (Firm Reg.No.) do hereby jointly and severally verify and declare –

1. that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application form is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed there under;
2. that the firm, or partners has not been debarred or cautioned by ICAI during the last five years, (if debarred, give details);
3. that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949;
4. that the constitution of the firm as on 31st March of the relevant year shown is same as that in the constitution certificate issued by the ICAI.

Sl. No.	Name of the Partner	Membership Registration No.	PAN No.	Signature of Partner

(Signature of Authorized Person with Seal of the Firm)

Place:.....

Date:.....

Financial Proposal

(Form-II)

(On Firm's Letter Head)

(To be kept in a separate Envelope sealed properly while sending the proposal)

To
The Managing Director,
The Haryana State Co-operative Supply & Marketing Federation Limited (HAFED)
Corporate Office, Sector-5, Panchkula

Subject: Appointment of Chartered Accountants Firm/Professional firm for Conducting Internal Audit of Hafed's Offices/units for the F.Y. 2020-21.

Table for Quoting Fee for the Assignment in terms of the Tender.

Particular	Price bid (all inclusive)	
	In figure	In words
Conducting Internal Audit for the F.Y. 2020-21: All -inclusive Lump sum fee (including TA/DA, Boarding & Lodging and other out of pocket expenses / contingencies etc.) payable after completion of assignment.		

Please Note:

- (i) The above quoted Lump sum fee shall be inclusive of all expenses/charges and GST.**
- (ii) The firm shall raise its Invoice after completion of assignment.**
- (iii) In case of any discrepancy in Fee between figures and the amount mentioned in Words, the Fee mentioned in Words shall be taken into cognizance.**

Signature.....

.....

Full
name.....

.....

Designation/ Firm

Name.....

Address.....

Phone.....FAX.....

Mobile No E-Mail.....

Firm's Seal

Date:

Place: