Deen Dayal Antoyodaya Yojana, National Rural Livelihoods Mission (DAY NRLM) is an ambitious mission mode programme launched by Ministry of Rural Development, Government of India for eradication of rural poverty. Maharashtra State Rural Livelihoods Mission is established to implement National Rural Livelihoods Mission (NRLM). A special component under National Rural Livelihoods Mission is National Rural Livelihoods Project (NRLP), which is funded jointly by Government of India, IDA, IBRD & Government of Maharashtra. National Rural Livelihoods Mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial and public services.

Maharashtra State Rural Livelihoods Mission intends to apply a portion of the proceeds to make payments under the contract for the following service:

- **CONSULTANCY FIRM FOR INTERNAL AUDIT**


Interested consulting firms may submit "Expression of Interest" for any or all of the services in separate sealed envelopes clearly superscripted as Expression of Interest for statutory audit.

Consulting Firms may obtain further information about Terms of Reference and the requirements and procedures for submitting the Expression of Interest at www.umed.in. Further updates regarding this procurement will be displayed on www.umed.in.

Consultants may associate with other firms in the form of a joint venture or a sub consultancy to enhance their qualifications. Expressions of Interest must be delivered to the address below, by 06/10/2016 before 15.00 Hours (IST).

-Sd-

R. Vimala
Chief Executive Officer
Umed-Maharashtra State Rural Livelihoods Mission (MSRLM)
State Mission Management Unit,
5th floor, South Wing (SBI Side),
CIDCO Bhavan, CBD Belapur,
Navi Mumbai 400614.
REQUEST FOR EXPRESSIONS OF INTEREST
(CONSULTING SERVICES— FIRMS SELECTION)

INDIA
MAHARASHTRA STATE RURAL LIVELIHOODS MISSION (MSRLM)
NATIONAL RURAL LIVELIHOODS PROJECT (NRLP)
Loan No./Credit No./Grant No.: 4978 IN

Assignment Title: Consultancy service for Internal Audit of MSRLM
Reference No.: PP/CON/C 2

1. The Government of India has launched the National Rural Livelihoods Mission (NRLM) under the Ministry of Rural Development (MoRD). The mission aims at creating efficient and effective institutional platforms of the rural poor enabling them to increase household income through sustainable livelihood enhancements and improved access to financial and selected public services. NRLM has set out with an agenda to reach out, and mobilize 7 crore BPL households, across 600 districts, 6000 blocks, 2.5 lakhs Gram Panchayats, 6 lakhs villages in the country, into self-managed SHGs and federated institutions and support them for livelihoods enhancement and income augmentation.

2. The Government of India has availed a credit from International Development Association (IDA), towards the National Rural Livelihoods Project which aims to support the National Rural Livelihoods Mission under the Ministry of Rural Development, Government of India; and intends to apply part of the loan proceeds to make payments under the contract for the following services:

Consultancy service for Internal Audit of MSRLM primarily include following:

Objectives of the Audit: The essence of the World Bank/NMMU audit policy is to ensure that the bank/NMMU receives adequate, independent, professional, audit assurance that the proceeds of World Bank loan/NMMU Financing were used for the purposes intended, that the audit reports are free from material mismanagement and that terms of the loan agreement are complied with in all material respects. The objectives of the internal audit are to enable the auditor to express a professional opinion on the effectiveness of the overall financial management and procurement arrangements. It has to be ensured that the overall financial management and arrangements including the system of internal controls as documented as per the Financial Management Manual (FMM) & Procurement Manual (PM). It is expected that the process of audit shall be in position to provide to project management with timely information on financial management aspects of the mission, including internal controls and compliance with financing agreements, to enable follow-up action. In addition, it is expected that internal audit should play a role in assisting management with MIS utilization of fund, including the prevention, detection and investigation of fraud as part of “Bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

Coverage and Standards for the Internal Audit: The Audit will cover 1 State Mission Management Unit (SMMU) and 14 District Mission Management Units (DMMU)/34 District Rural Development Agency of MSRLM and three districts in which MAVIM Partnership is in force (Thane, Solapur & Gondia). Apart from the above from this year MSRLM is intending complete internal audit of approximate 10 partner organization (NRLM and NRLM component) Internal Auditor will also cover 5% of VO’s in the half yearly audit from NRLP Districts. VO’s will be selected mutually. The audit will also cover all consultancies and other contract that may be entered into by the implementation agency. Internal audit should be carried out in accordance with the Auditing & Assurance Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the auditor considers necessary under the circumstances.

Period of Internal Audit:
Initially contract with the firm will be for one year for FY 2016-17 which will be extended further one year based on the performance. The selected firm will submit audit plan in consultation with SMMU in advance and agree with SMMU a Schedule of Audit. The contract will be renewed after assessing the pace of implementation, requirement of the Missions and performance of the consultant for next one year on same terms till 2 years.

3. Invitation
The Maharashtra State Rural Livelihoods Mission (MSRLM) now invites eligible consulting Chartered Accountancy (CA) firms (“Consultants”) to indicate their interest in providing the Services. Interested Consultants should provide information demonstrating that they have the required qualifications and relevant experience to perform the Services.

Required Qualifications & Experience of Consultants for Internal Audit: Firms fulfilling the following criteria may apply:

3.1 The firm shall have a standing of at least ten years in the profession and should be empanelled with CAG for “Major Audits”. C.A. firm should be an Indian firm having independent legal existence, registered under the applicable Act. [Submit proof of CAG Empanelment, Registration Certificate, Articles and Memorandum of Association].
3.2 C.A. firm expressing interest should have an annual turnover of Rs 40 Lakhs or more in each of the last three financial years (from 1/4/2012 to 31/03/2015) [Relevant documents viz, Audited financial statements and a certificate from Charted Accountant in support of satisfying the criteria should be submitted]

3.3 Experience of having undertaken at least 5 Internal Audit Assignments with Central/state Government/externally aided projects in India, in last 5 years. (from 1/4/2010 to 31/03/2015) [Annexure I to ToR must be submitted]

3.4 Experience of having undertaken at least 3 Internal Audit Assignments with Central/state Government/externally aided projects in Maharashtra, in last 5 years. (from 1/4/2010 to 31/03/2015) [Annexure I to ToR must be submitted]

3.5 The Chartered Accountancy firm shall have at least 6 of chartered accountants / CA Partners. The break up details are (i) Partners of Firm i.e. number of full time chartered accountant partners (ii) paid chartered accounts of firm must be given in Annexure I to ToR


5. Consultants may associate with other firms in the form of a joint venture or a sub consultancy to enhance their qualifications.

6. A Consultant will be selected in accordance with the Lease Cost Selection (LCS) method set out in the Consultant Guidelines.

7. Further information can be obtained at the address below during office hours i.e. 10.00 to 17.00 hours.

8. Expressions of interest must be delivered in a written form to the address below (in person, or by post) by 06/10/2016 before 15.00 Hours (IST)
1. **Introduction:** Maharashtra State Rural Livelihoods Mission (MSRLM) is an independent and autonomous institution registered society under the Societies Registration Act 1860. Maharashtra State Rural Livelihoods Mission is implementing National Rural Livelihoods Mission (NRLM). A special component under National Rural Livelihoods Mission is National Rural Livelihoods Project (NRLP), which is funded jointly by Government of India, IDA & Government of Maharashtra.

2. **Objectives of the Audit:** The essence of the World Bank/NMMU audit policy is to ensure that the bank/NMMU receives adequate, independent, professional, audit assurance that the proceeds of World Bank loan/NMMU Financing were used for the purposes intended, that the audit reports are free from material mismanagement and that terms of the loan agreement are complied with in all material respects. The objectives of the internal audit are to enable the auditor to express a professional opinion on the effectiveness of the overall financial management and procurement arrangements. It has to be ensured that the overall financial management and arrangements including the system of internal controls as documented as per the Financial Management Manual (FMM) & Procurement Manual (PM). It is expected that the process of audit shall be in position to provide to project management with timely information on financial management aspects of the mission, including internal controls and compliance with financing agreements, to enable follow-up action. In addition, it is expected that internal audit should play a role in assisting management with MIS utilization of fund, including the prevention, detection and investigation of fraud as part of “Bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes”.

3. **Coverage and Standards for the Internal Audit:** The Audit will cover 1 State Mission Management Unit (SMMU) and 14 District Mission Management Units (DMMU)/34 District Rural Development Agency (DRDA) and 3 MAVIM Partnership Districts and head office (NRLP Component) apart from the above from this year MSRLM is intendent complete internal audit of approximate 10 partner organization (NRLM and NRLP component) Internal Auditor will also cover 5% of VO’s in the half yearly audit from NRLP Districts. VO’s will be selected mutually. The audit will also cover all consultancies and other contract that may be entered in to by the implementation agency. Internal audit should be carried out in accordance with the Auditing & Assurance Standards prescribed by the Institute of Chartered Accountants of India and will include such tests and controls, as the auditor considers necessary under the circumstances.

4. **Scope:** Specific areas of coverage of the audit will include 1 State Mission Management Unit (SMMU) and 14 District Mission Management Units (DMMU)/34 District Rural Development Agency (NRLP Component-DRDA) and 3 MAVIM Partnership Districts and head office (NRLP Component) apart from the above from this year MSRLM is intendent complete internal audit of approximate 10 partner organization (NRLM and NRLP component) In conducting the audit, special attention should be paid to assessing whether adequate controls have been established and complied with to ensure that:

4.1 All funds have been used in accordance with the conditions of the relevant legal agreements and only for the purposes for which the financing was provided. Relevant legal agreement includes the Financing Agreement, the Project Agreement and the Minutes of Negotiation.

4.2 The monthly expenditure Statement submitted by the districts indicating the approved budget provision and expenditure during the month, cumulative expenditure against the activity / sub-activity during the year should be reviewed in the internal audit.

4.3 The procurement procedure adopted for civil works, goods and consultancy services should be reviewed by the internal auditors and it should be ensured that correct procedures as per the Bank procurement guidelines have been followed, for each procurement.

4.4 It should be ensured that the records of all procurement, agreements, work/purchase orders, invoices, receipts, stock registers etc. are properly maintained, duly linked and retained including expenditures reported via Interim Unaudited Financial reports (IUFR). The auditor should also review contract management and whether business standards for payment to contractors are being adhered to.
4.5 The Mission account have been prepared in accordance with consistently applied Govt. accounting standards

4.6 The auditor should ensure the efficiency and timeliness of the funds flow mechanism at the State and District level and whether there are delays and which could impact the timely implementation of project. The auditor should also identify and report the reasons for such delays and possible remedial measures.

4.7 The auditor should ensure all funds received under the Mission have been used with due attention to economy, efficiency and effectiveness, and only for the purposes for which the financing was provided;

4.8 The auditor should ensure that all necessary supporting documents, records, have been separately filed in respect of all project activities and that clear linkages exist between the supporting documents, accounting books and records and the periodic financial reports from the respective spending units

4.9 The internal auditor should ensure that the adequate records are maintained regarding the assets created and assets acquired by the project, including description, details of cost, identification and location of assets. The internal auditor should carry out physical verification of a sample of assets created out of the project and comment on its utilization.

4.10 Whether the accounting for the advances to line departments and concern units are properly recorded in the accounting books; whether systems are in place for monitoring the receipt of periodic financial reports & follow up on overdue reports are adequate. Exceptions should be identified and reported.

4.11 Whether the IUFRs are submitted in a timely manner, whether release of funds are conditional to receipt of IUFRs and report exceptions, if any

4.12 Bank reconciliations have been carried out on a monthly basis.

4.13 While conducting internal audit in a subsequent phase the auditor will ensure that the compliance report on previous audit observations pointed out in the reports relating to earlier audit is made and corrective actions taken on those points are furnished in the Audit Report of the subsequent phase.

4.14 Routine errors of omission or commission noted during the course of internal audit may be rectified on the spot.

4.15 The auditor should ensure that Mission assets exist; adequate records are maintained and assets are adequately safeguarded and are actually used for their intended purposes.

4.16 The auditor will be responsible for verification of records of partners of MSRLM. MOU’s, may need to be verified.

Coverage of audit extends to

4.17 An assessment of the adequacy of the mission financial management systems, including internal controls. This would include aspects such as adequacy and effectiveness of accounting, financial and operational controls and any needs for revision; level of compliance with established policies, plan and procedures; reliability of accounting systems, data and financial reports; creating controls mechanism in areas where they are lacking; verification of assets and liabilities, security and effectiveness of the operation of the computerized system.

4.18 Efficiency and timeliness of the funds flow mechanism at the SMMU and DMMUs/DRDAs and to the Community Institutions. (Through compilation and consolidation of report.)

4.19 Whether the accounts of the mission are compiled in a timely manner and the expenditures consolidated on a monthly/Half Yearly basis at the SMMU level.

4.20 Whether the computerized accounting system is in place, regular entries are being made in the system and reports are generated through the computerized accounting system.

4.21 Verify payment to the consultants/partners as per agreement.

4.22 All necessary supporting documents, records, and accounts have been kept in respect of all Mission activities and that clear synchronizations exist between accounting records, accounts books and the periodic financial reports (internal and external i.e. Interim unaudited Financial Reports)
4.23 The auditor is expected to obtain and satisfactorily document sufficient audit evidence to support audit conclusions.

4.24 Internal auditors to summarize key issues and risks from a review of DMMU/DRDA audit report.

4.25 Auditor will also provide variance report as per approved annual action plan and budget.

In conducting the audit of DMMUs / DRDAs, special attention should be paid to assessing whether adequate controls have been established and complied in respect to following.

4.26 Risk assessment report is to be prepared by the auditor in the first Half Yearly report: Identifying what are the risks in the mission. Assessment of risk (High, Medium, Low). Ensure that there is an appropriate response to all risks.

4.27 Informing the SMMU, MSRLM about the risks which are outside acceptable limits, usually those which are to be tolerated or taken for the potential risk.

4.28 Efficiency and timeliness of the funds flow mechanism at the DMMUs and to the Community Institutions (through compilation and consolidation of report up to VO level)

4.29 Whether the fund/ tranche released to the Community Institutions are properly recommended by the officer in BMMU and approved by the DMMU/ DRDA having the necessary authority, and the conditions (triggers/ graduation criteria) for tranche release have been complied and are in line with the financing agreement, with the NRLM. Whether milestones have been reached before release of fund to CBOs.

4.30 Whether the DMMU/DRDA is accounting for the tranche release properly in the subsidiary records and is monitoring the receipt of periodic reports and utilization certificates from the CBOs & systems to follow up on overdue reports are adequate. Quantify (number and amount) of the funds transferred to the Community Institutions for which the reports and/or UCs are overdue.

4.31 The reports and other documents submitted by CBOs to the BMMU, form the basis of providing funds by the Project (e.g. aggregated MCP, UC etc.), provide clear linkages with the books/records and reflect the correct position.

4.32 The auditor or his representative shall be required to put the certificate with date on all manual records and books of accounts of being verified. Any record not found to have the stamp shall be considered as not verified and deficiency in audit on the part of auditor.

4.33 Auditor will verify the no. of CBOs to whom fund transferred during the quarter and no. of CBOs reported in IUFR.

5. Data, services and facilities to be provided by MSRLM:

5.1 All the Mission documents, copy of agreement and relevant papers needed for Audit will be provided by the MSRLM. The auditor would be given access to all documents, correspondence, and any other information relating to the Mission and deemed necessary by the auditor for carrying out audit.

5.2 The auditor would be provided copies of the Project Implementation Plan (NMMU), Financial Management Manuals, Procurement Manual, guidelines, Government Resolutions, minutes of executive committee meeting, policies and procedures issued by NMMU/MSRLM.

5.3 One day workshop will be organized by MSRLMS for giving details of Mission. It should be attended by all the members of audit team.

6. Final Output & Reporting: final outputs & reporting will be as follows;

6.1 Half Yearly Reporting & Annual reporting at SMMU: The Auditor will provide separate consolidated reports on NRLM, NRLP, VO and Partnerships. The reports will be provided Half Yearly and a summary of the key findings, implications and recommendations to enable the Mission Management to take timely action. DMMU/DRDA (34 Districts having NRLM & NRLP funds & 3 MAVIM districts) and SMMU audit observations/reports should be discussed and agreed with the state audit review committee of MSRLM and should be structured in a manner giving the observations, the implications of the observations, the
suggested recommendation and the management comments/ agreed actions. The audit observations should be supported by instances and quantified, as far as practicable. Half Yearly audit reports and annual audit report to be submitted each financial year. Discussion notes duly signed by the both parties will be part of audit Report.

6.2 The audit reports should be submitted within 30 days after completion of Half Yearly audit. Any delay beyond 30 days for any Half Yearly report attracts the termination of the contract without any financial liability of the client.

6.3 Half Yearly Reporting & Annual reporting at DMMU: The Auditors will also submit a copy of Half Yearly audit report for the units audited to Chief Executive officer, ZP of respective district to enable the District Management to take timely action. Besides Half Yearly audit report, annual report will also submitted by the auditor.

6.4 The audit reports should be submitted within 30 days of the completion of Half Yearly audit to SMMU. Any delay beyond 30 days for any Half Yearly report attracts the termination of the contract without any financial liability of the client. The reports will be directed as under –

6.4.1 The Project Management Letter with consolidated Half Yearly reports to the Chief Executive Officer, SMMU, MSRLM.

6.4.2 The individual Half Yearly audit reports to each of the auditable unit reports must be addressed to Chief Executive officer Respective Zilla Parishad.

6.5 Besides Project Management Letter to the State Mission Chief Executive Officer the internal auditor of SMMU and DMMU/DRDA should provide an executive summary highlighting the critical issue that requires the attention of CEO of MSRLM and status of action on previous recommendation.

6.5.1 Format of the Management Letter: The Management Letter will inter alia have the following sections

- Objectives of the audit;
- Methodology of the audit;
- The status of implementation of the financial management system;
- The status of compliance of the previous audit reports, including major audit observations pending compliance;
- The key areas of weaknesses that need improvement; and
- Recommendations for improvements.

6.5.2 Reporting Procedure

6.5.2.1 Procedure of conducting audit at SMMU

- The auditor shall inform the SMMU before the start of Audit.
- The auditor should give detailed work plan for conducting audit at SMMU.
- The auditor should make audit programme and plan for SMMU in coordination with the accounts & finance team.
- Feedback as necessary can be given to the management on the outcome of the Audit from time to time. Information about any discrepancies can be shared with the management for rectification/clarification.
- During the audit the internal Audit team shall interact with management staff for any clarification. For the clarification, the audit team will present their findings in the common platform.
- The auditor shall interact with the management before furnishing of any report.
- The plan shall be finalized in consultation with management at SMMU level.
- The detail approach and methodology should be provided by the auditor themselves in the RFP.

6.5.3 Procedure of conducting audit at DMMU/DRDA and Partnerships Audit

6.5.3.1 The auditor should give detailed work plan for conducting audit at DMMU to SMMU and concerned Office. The audit manual is to be shared with and finance team.

6.5.3.2 The audit questionnaire and audit work sheet shall be signed by the audit team member and officials of DMMU.

6.5.3.3 Feedback as necessary can be given to the management on the outcome of the Audit from time to time. Information about any discrepancies can be shared with the management for rectification/clarification.
6.5.3.4 During the audit the internal Audit team shall interact with management staff for any clarification.
6.5.3.5 The auditor shall interact with the SMMU management before furnishing any report.
6.5.3.6 The auditor should inform SMMU and concerned office before start of audit at DMMU/BMMU. The plan shall be finalized in consultation with management at concerned at SMMU level.
6.5.3.7 The detailed approach and methodology should be provided by the auditor themselves in the RFP.

7 Composition of review committee and review procedure to monitor consultants work: The proposed assignment will be reviewed and monitored by a review committee on a Half Yearly basis and take further remedial measures on the discrepancies pointed out in internal audit constituted by MSRLM. The Internal Audit Review committee at SMMU will keep a watch on the deliverables, of the assignments, take actions for the speedy settlement of the issues raised by consultant and timely follow up. Committee is set up under Chief Executive officer with following members.

<table>
<thead>
<tr>
<th>SMMU Members</th>
<th>Designation</th>
<th>Representation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chief Executive officer</td>
<td>Chairman</td>
<td>SRLM/State Govt.</td>
</tr>
<tr>
<td>COO &amp; Additional Director</td>
<td>Member</td>
<td>SRLM/State Govt.</td>
</tr>
<tr>
<td>Dy. Director -Finance and Accounts</td>
<td>Member Secretary</td>
<td>SRLM/State Govt.</td>
</tr>
<tr>
<td>Senior Accounts Officer 1</td>
<td>Member</td>
<td>SRLM/State Govt.</td>
</tr>
<tr>
<td>Desk officer</td>
<td>Member</td>
<td>SRLM/State Govt.</td>
</tr>
<tr>
<td>Senior Accounts Officer 2</td>
<td>Member</td>
<td>SRLM</td>
</tr>
<tr>
<td>MM Procurement</td>
<td>Member</td>
<td>SRLM</td>
</tr>
</tbody>
</table>

Committee will provide an update to the Principal Secretary, (RDD). Review will be done for the work performed by the Internal Audit Firm.

8. Period of Internal Audit: Initially contract with the firm will be for one year for FY 2016-17 which will be extended further one year based on the performance. The selected firm will submit audit plan in consultation with SMMU in advance and agree with SMMU a Schedule of Audit. The contract will be renewed after assessing the pace of implementation, requirement of the Missions and performance of the consultant for next one year on same terms till 2 years.

9. Selection process based on Least Cost: The Audit firm will be selected based on Least Cost method (LCS) of NRLM procurement guidelines.

10. Key Personnel: The list of key personnel’s required for this assignments;

<table>
<thead>
<tr>
<th>Sl. No</th>
<th>Key Professinals</th>
<th>Description of Services to be provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Audit Manager</td>
<td>Overall coordination, &amp; planning, team leadership, reporting, liaison with client</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Qualified Chartered Accountant with at least 7 years experience as a partner with expertise in the area of internal audit planning, execution and reporting.</td>
</tr>
<tr>
<td>2</td>
<td>Audit Team Leader</td>
<td>Responsibility to lead the audit teams in the field, planning and execution of the audits, discussion with heads of offices, consolidation/compilation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Qualified Chartered Accountants with at least 5 years experience in internal audit with ability to lead and team and interact with senior level govt. officials</td>
</tr>
<tr>
<td>3</td>
<td>Senior Audit Asst. ( Minimum Two Persons Required)</td>
<td>Vouching and verification of SMMU and DMMMU books of accounts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>CA (Inter) with 3 years of experience in Accounting, audit and report writing.</td>
</tr>
</tbody>
</table>
11. Time lines for deliverables: Time lines of conducting the audit will be as follows:

For 2016-17

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Period of Audit</th>
<th>Time line for submission of Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Half Yearly Audit Report</td>
<td>April to Sep</td>
<td>31st January</td>
</tr>
<tr>
<td>2nd Quarter</td>
<td>Oct to March</td>
<td>15th June</td>
</tr>
</tbody>
</table>

For 2017-2018

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Period of Audit</th>
<th>Time line for submission of Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Half Yearly Audit Report</td>
<td>April to Sep</td>
<td>15th November</td>
</tr>
<tr>
<td>2nd Quarter</td>
<td>Oct to March</td>
<td>15th June</td>
</tr>
</tbody>
</table>

Final report of the audit will be submitted as per the timelines indicated above. The written acceptance of the report by MSRLMs will be considered as submission of the Report. The report must be signed by the team leader of the assignment.

12. Qualification Criteria for short listing of Internal Audit firm for the RFP Stage.

12.1 The firm shall have a standing of at least ten years in the profession and should be empanelled with CAG for “Major Audits”. C.A. firm should be an Indian firm having independent legal existence, registered under the applicable Act. [Submit proof of CAG Empanelment, Registration Certificate, Articles and Memorandum of Association].

12.2 C.A. firm expressing interest should have an annual turnover of Rs 40 Lakhs or more in each of the last three financial years (from 1/4/2012 to 31/03/2015) [Relevant documents viz, Audited financial statements and a certificate from Chartered Accountant in support of satisfying the criteria should be submitted]

12.3 Experience of having undertaken at least 5 Internal Audit Assignments with Central/state Government/externally aided projects in India, in last 5 years. (from 1/4/2010 to 31/03/2015) [Annexure I to ToR must be submitted]

12.4 Experience of having undertaken at least 3 Internal Audit Assignments) with Central/state Government/externally aided projects in Maharashtra, in last 5 years. (from 1/4/2010 to 31/03/2015) [Annexure I to ToR must be submitted]

12.5 The Chartered Accountancy firm shall have at least 6 of chartered accountants / CA Partners. The break up details are (i) Partners of Firm i.e. number of full time chartered accountant partners (ii) paid chartered accounts of firm must be given in Annexure I to ToR

13. Instructions to the Applicants: Interested C.A. firm should submit their application expressing interest, to the MSRLM in the prescribed proforma annexed herewith [Annexure I] in sealed envelope with each page of the application signed by an authorised signatory, including the pages comprising the annexure, if any, of EOI document.
13.1 The Expression of Interest MUST be accompanied by all the relevant documents in support of the statements or claims made in the application including:-

13.1.1 Brief description of the background and organization of your entity/firm (not more than two page)

13.1.2 Brief description of ownership details, date and place of incorporation of the firm, objectives of the firm, total manpower strength- availability of appropriate professional staff, infrastructure etc. in annexure I

13.1.3 Evidence of registration/incorporation of the firm.


13.1.5 A Self attested copy of the latest empanelment intimation letter issued by the CAG containing the Unique Identification Number and the score.

13.1.6 Self-declaration form from the firm to the effect that the firm including the partners of the firm has not been found guilty of professional/other misconduct by the Institute of Chartered Accountants of India under First and Second Schedule of the Chartered Accountants Act 1949 or is one against whom no disciplinary sanction order have been passed by the Public Companies Accounting Oversight Board. In case the firm has such partners, the firm provides details of such partners and certifies that they will not be associated with the audit in any manner.

13.1.7 If EOI is submitted as a Joint venture then the copy of attested JV agreement.

13.2 Any response received after the due date or not found to be in accordance with the above procedure, may be liable to be rejected outright and the decision of the MSRLM in this regard shall be final.

13.3 The proposal containing EOI should be addressed to The Chief Executive officer, MSRLM.

13.4 The sealed envelope containing the proposal should be superscripted with the words “Expression of Interest for appointment of Internal Audit firm for MSRLM”

14. Payments: Lump sum payments will be made, MSRLM will pay audit fees in following percentage of the agreed amount, within 30 days of receipt of pre receipted bills duly verified by the designated officer of MSRLM in duplicate for respective stages as follows;

<table>
<thead>
<tr>
<th>Stage</th>
<th>Rate percentage of agreed amount</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st</td>
<td>40%</td>
<td>Upon receipt and acceptance of 1st Consolidated Half Yearly Internal Audit Report of NRP, NRM, VO &amp; Partnerships at SMMU. And upon receipt and acceptance of Half Yearly NRLM/NRPL/(NRLM&amp;NRLP) MAVIM Partnership reports at districts (DMMU/DRDA)</td>
</tr>
<tr>
<td>2nd</td>
<td>60%</td>
<td>Upon receipt and acceptance of 2nd Consolidated Half Yearly Internal Audit Report of NRP, NRM, VO &amp; Partnerships at SMMU. And upon receipt and acceptance of Half Yearly NRLM/NRPL/(NRLM&amp;NRLP) MAVIM Partnership reports at districts (DMMU/DRDA)</td>
</tr>
</tbody>
</table>

-Sd-
Senior Accounts Officer
Maharashtra State Rural Livelihoods Mission

-Sd-
Deputy Director Accounts & Finance
Maharashtra State Rural Livelihoods Mission
Annexure I
Mandatory Information for of Statutory Audit Firm of Maharashtra State Livelihoods Mission
Submission Requirements

A – Consultant's Company/Firm Profile:
1. Organizational: Provide a brief description of the background and organization of your firm/entity. The brief description should include ownership details, date and place of incorporation of the firm, objectives of the firm etc.

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Particulars</th>
<th>To be filled up by CA firms</th>
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<tbody>
<tr>
<td>1</td>
<td>Name of Firm</td>
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<td>2</td>
<td>CAG Empanelment Number (Please attach Empanelment Certificate as per instructions)</td>
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<td>CAG Empanelment Year</td>
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<td>4</td>
<td>Registration No. &amp; Date: (Please attach Registration Certificate)</td>
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<td>5</td>
<td>Year of incorporation</td>
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<td>6</td>
<td>Total number of years of Experience from the incorporation of the Firm.</td>
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2. Financial: Provide previous three financial years turnover of the firm on the basis of the audited accounts of the previous three financial years as follows.

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Amount in Lakh (INR)</th>
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<tbody>
<tr>
<td>Turnover 2012–13</td>
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<td>Turnover 2013–14</td>
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<td>Turnover 2014–15</td>
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<td>Average Annual Turnover for 2012–15</td>
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</table>

B – Consultant’s Experience
Internal Audit consultancy Assignments of Central/state Government/externally aided projects/PSU in India (Excluding Maharashtra). Information of at least last 5 years (1/4/2010 to 31/03/2015)

<table>
<thead>
<tr>
<th>Sl. No.</th>
<th>Name of Assignment &amp; Type of Assignment (statutory/Internal/concurrent)</th>
<th>Name of Central/state Government/externally aided projects/PSU in India (Excluding Maharashtra) which is audited</th>
<th>Audited year</th>
<th>Contract value (in lakhs)</th>
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Internal Audit consultancy Assignments of Central/state Government/externally aided projects/PSU in Maharashtra.

Information of at least last 5 years (1/4/2010 to 31/03/2015)

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<tr>
<th>Sl. No.</th>
<th>Name of Assignment &amp; Type of Assignment (statutory/Internal/concurrent)</th>
<th>Name of Central/state Government/externally aided projects/PSU in Maharashtra which is audited</th>
<th>Audited year</th>
<th>Contract value (in lakhs)</th>
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Key Staff Profile:

A) Total Number of full time chartered accountants (partners with the firm)

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Name of Chartered accountant (Partner)</th>
<th>Education</th>
<th>Total Years of Experience</th>
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B) Details of Paid Chartered accountants with the firm

<table>
<thead>
<tr>
<th>S. No.</th>
<th>Key member of the firm (Name / Position)</th>
<th>Education</th>
<th>Total Years of Experience</th>
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C) Details of Audit Assistant with the firm

<table>
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<tr>
<th>S. No.</th>
<th>Key member of the firm (Name / Position)</th>
<th>Education</th>
<th>Total Years of Experience</th>
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</table>
### Annexure II

#### Administrative Divisions in Maharashtra State

<table>
<thead>
<tr>
<th>Division</th>
<th>Intensive NRLP Districts (DMMU) and Non Intensive NRLM districts (DRDA)</th>
<th>MAVIM Partnership District</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nagpur</td>
<td>1. Gondia</td>
<td>1. Gondia</td>
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<td>2. Chandrapur</td>
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<td>3. Gadchiroli</td>
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<td>4. Wardha</td>
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<tr>
<td>Amravati</td>
<td>5. Yavatmal</td>
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<tr>
<td>Aurangabad</td>
<td>6. Jalna</td>
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<td></td>
<td>7. Beed</td>
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<tr>
<td></td>
<td>8. Osmanabad</td>
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<tr>
<td>Konkan</td>
<td>9. Ratnagiri</td>
<td>2. Thane</td>
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<td></td>
<td>10. Sindhudurg</td>
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<tr>
<td></td>
<td>11. Thane</td>
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<td></td>
<td>12. Palghar</td>
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<tr>
<td>Nashik</td>
<td>13. Nandurbar</td>
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</tbody>
</table>
Annexure - A

Annexure to Main Audit Report

Part A: Serious Observations
In this part, give details of serious audit observations such as ineligible expenses, major lapses in internal controls, systemic weaknesses, procurement procedures not followed etc.

Part B: Other Observations
Observations that are not serious in nature, but nonetheless require the attention of the Project should be detailed in this part.
The Observation should also mention the best practices and how the error can be minimized at every level.

Part C: Executive Summary to the project and Suggestions/Recommendations
Provide an Executive Summary of the observations in Part A and B along with suggestions/recommendations. Only those observations that are dealt within either Part A or Part B should be included in this section Provide specific recommendations on internal control and systemic weaknesses.

Part D: Matters Requiring Immediate Attention
1. Matter requiring Immediate Attention
Auditor should point out the serious issue like cash defalcation, payment made without any approval and beyond the limit of devolution of powers, blank cheque signed, and any other matter which auditor deemed serious in nature.

2. Persisting Irregularities
Under this Para, Auditor should report the persisting irregularities which have been raised earlier but not complied.

3. Books of Account
Under this, Auditor should verify all the books of account maintained by the unit, identify the discrepancies in the books of accounts and also suggest their improvement.

4. Internal Control System
Under this Para, auditor should report on discrepancies of current internal control system and suggest remedial measures.

5. Compliance with Finance Agreement, Project agreement PIP COM, and FM Manual / devolution of power
Under this Para, auditor should comment on deviation from Finance Agreement, Project agreement, PIP, COM, and FM Manual.

6. Procurement Procedures
Under this paragraph auditor should report on procurement process which deviate from procurement guidelines.

7. Computerized financial Management system (Tally)
   ✓ Data entries in tally are up to date or not
   ✓ Payroll accounting in tally or not
   ✓ Verification of group, sub – group, head, sub head and ledger in tally and make suggestions on proper classification of accounts, if any.
   ✓ Cost Centre
   ✓ Chart of accounts and upload of approved Half Yearly budget in tally
   ✓ Verify the computerized balance with Manual Books of accounts (cash Books, Cheque register etc)

8. Advance to staff and others and its periodicity
   ✓ Age of advance
   ✓ Settlement of advance within stipulated period with proper voucher
   ✓ Pending bill for settlement of advance
   ✓ Action on bills submitted for settlement against advance after one month.
   ✓ Statutory deduction/ payments like TDS, VAT, EPF, Professional Tax and its compliance
   ✓ Deduction and date of deposit with any irregularities
   ✓ Employee benefit in the light of HR and approval from competent authorities
   ✓ Verify and certify the IUFR from available books of records
9. Check the accuracy of Half Yearly IUFR from tally data / BRS etc.

10. Tracking of financial variance – Variance showing physical and financial achievement in the light of approved action plan and budget.
11. Any other matter:
Any other matter which auditor deemed fit for notice to the management.

12. Suggestion with specific case for improvement

13. TA & DA
   a) TA & DA submission by the Staff within stipulated time
   b) Settlement of TA & DA within stipulated time (within one month) with proper voucher
   c) Settlement of TA & DA Advance.

14. Fund Transfer to DMMUs/DRDAs
   a) Observation on the Time taken by the SMMU in transfer of funds.
   b) Whether a system has been developed for the fund transfer.
   c) Whether the DMMUs are clear about the Fund Mechanism

SUGGESTIVE QUESTIONNAIRE FOR SMMU/DMMU/DRDA (GIVE SHORT DETAILS OF DIVERGENCE):
1. Whether Office has maintained proper records showing full particulars including quantitative details and situation of fixed assets?
2. Whether all assets including current assets like inventory have been physically verified during the quarter?
3. Whether the cash book is properly maintained and whether it conforms to computerized system of accounting?
4. Cash balance as on the date of audit
5. Whether expenditure has been made as per the devolution of power? Details of any divergence should be mentioned.
6. Whether bank book is properly prepared and whether the balance as per the pass book conforms with the balance as per the bank book?
7. Whether proper training programs are being conducted?
8. Whether the training expenditure is as per the Budget and whether the training report is submitted with each residential training or not?
9. Whether the books of accounts reconciled between DMMUs/DRDAs and SMMU? If not, then reason and amount of such difference.
10. Whether any advance is given to the staff? If yes, whether advance register is maintained and updated till the date of audit and whether it is properly sanctioned and settled within specified days?
11. Whether there is proper internal control system followed?
12. Whether the office is paying TDS, VAT, Professional Tax and EPF regularly and on time?
13. Whether any fraud on or by any office or person has been noticed or reported during the year? If yes, the nature and amount involved.
14. Whether log book of Vehicle hiring has been properly maintained or not?
15. Whether stock register is maintained? If yes, last entry of goods number/voucher page number of stock register and particulars of goods.
16. Whether 100% vouching is done? If yes, then give the total number of vouchers, component wise total expenditure during the reporting period and its variance from budget.
17. Whether all expenditure is made as per the budget? If not, amount of variance.

-Sd-
Senior Accounts Officer
Maharashtra State Rural Livelihoods Mission

-Sd-
Deputy Director Accounts & Finance
Maharashtra State Rural Livelihoods Mission

पुरवठादर संस्थानांची स्वास्थ्यांची अभियंत्री सिलबंद पाकळ्यात सुपूर्णपणे. सदर पाकळ्यात ३५० अक्षरात उपरोक्त नमुद केलेल्या सेवेचा उल्लेख करता. Terms of Reference (TOR) व स्वास्थ्यांची अभियंत्री सादर करण्याची प्रक्रिया या वातावरणी अधिक महत्त्वाची व यापासून एवढी विविध सूचारुवाची www.umed.in वर संकेतस्थापित पडली तसेच संपादनाच्या प्रक्रियेच्या अधिक महत्त्वाची व यापासून एवढी विविध सूचारुवाची www.umed.in व संकेतस्थापित महत्त्वाची देखील येईल.

इच्छक सेवा पुरवठादर हे ल्याच्यांचा वाची विविधांकरीता इतर सेवा पुरवठादर संस्थानांच्या संपूर्ण होऊ शकतात. तसेच इच्छक सेवा पुरवठादर संस्थानांच्या ल्याच्या स्वास्थ्यांच्या अभियंत्रींनी दिनांक 06/07/2016 रोजी १५.०० वाजपेयत अवघ्या वेळपासून स्वास्थ्यांच्या ल्याच्यांच्या नियमांनी मंजुर असलेल्या पुरवठादर सेवा प्रस्तावांनी उत्तराधिकारी आहेत.

स्थानीय आर.विभाग कार्यालय
मुख्य कार्यालयांची अधिकारी
महाराष्ट्र: राज्य प्राधिकृत जीवनेन्द्रती अभियान
प्रामाणीकार व जलसंगठन विभाग
पाचवा मजला, सिड्डके भवन,
दक्षिण विभाग, सेक्टर १२
सीबीडी बेलापुर, नवी मुंबई ४०० ६९४