

State Horticulture Mission
Department of Horticulture and Food Processing,
Government of Uttarakhand,
Government Garden, Circuit House, Dehradun

Tender document for submission of Expression of Interest (EoI) for selection of firm of Chartered Accountants for audit of Horticulture Mission for North East and Himalayan States (HMNEH) and On Farm Water Management (OFWM) Scheme in Uttarakhand for financial year 2014-2015

Horticulture Mission for North East & Himalayan States (HMNEH) and
On Farm Water Management (OFWM)

Background

HMNEH

The Centrally Sponsored Scheme of HMNEH is being implemented in the State since 2003-04 for the holistic development of horticulture sector duly ensuring forward and backward linkages by adopting cluster approach, covering production, post-harvest management, processing and marketing with the active participation of all the stake-holders.

Before 2014-15 the mission was being implemented through four Mini Missions i.e. Mini Mission-I (Research), Mini Mission-II (Production & Productivity Improvement), Mini Mission-III (Post Harvest Management & Marketing) and Mini Mission-IV (Processing & Value addition).

During 2014-15 with a view to promote holistic development of horticulture sector in the country, Department of Agriculture and Corporation, Ministry of Agriculture, Government of India has approved a Mission for Integrated Development of Horticulture (MIDH) by subsuming ongoing schemes of National Horticulture Mission (NHM), Horticulture Mission for North East and Himalayan States (HMNEH), National Bamboo Mission (NBM), National Horticulture Board (NHB), Coconut Development Board (CDB) and Central Institute for Horticulture (CIH), Nagaland. HMNEH continue to be implemented in the State of Uttarakhand with revised cost norms and pattern of assistance during remaining period of 12th five year plan. All the four Mini Mission of HMNEH now have been clubbed in the scheme.

Mission Objective:

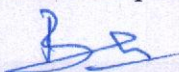
The Mission's objective are to promote holistic growth of the horticulture sector through area based regionally differentiated strategies, to enhance horticulture production, improve nutritional security and income support to farm households and others, to establish convergence and synergy among multiple on going and planned programmers for horticulture development; to promote, develop and disseminate technologies, to generate employment for skilled and unskilled persons, especially unemployed youth.

Mission Strategy: The Mission envisages an end-to-end approach covering production, post harvest management, processing and marketing to assure appropriate returns to growers / producers; promote R&D technologies for production, post harvest management and processing; enhance acreage, coverage, and productivity in potential belts/clusters; adopt a coordinated approach and promote partnerships, convergence and synergy among R & D, processing and marketing agencies in public as well as private sectors, at all levels; promote, wherever promote capacity building and Human Resource Development at all levels.

Mission Structure: The Mission has a three tier structure – National, State and Districts levels. At the National level, there is a Central Steering Committee (CSC) headed by the Secretary (Agriculture & Cooperation) to oversee the activities of the Mission and approves the Annual Action (AAPs) of the States. Similarly, at the State level, State Level Steering Committee (SLSC) under the Chairmanship of the Chief Secretary which is responsible for approving the State Annual Action Plan and ensure the effective implementation and monitoring of the mission programmes. At the Districts level, the Districts Level Committee (DLC) under the Chairmanship District Magistrate is responsible for formulation and monitoring.

HMNEH is being implemented in Uttarakhand in all the 13 Districts covering 95 Blocks. The Department of Horticulture & Food Processing, Uttarakhand is implementing following activities under the Mission:-

Under this Mission, activities related to increase production and productivity of identified horticulture crops (Fruits, Vegetables, Spices and Flowers) having comparative advantage are taken up by adopting cluster approach, which include setting up of nurseries, tissue culture labs and distributions of planting material, vegetable seed production, area expansion, rejuvenation of



old and senile orchards, creation of community and individual water sources, protected cultivation, INM/IPM, organic farming, pollination support through bee keeping, promotion of mushroom cultivation, mechanization, post harvest management, marketing, processing and training of farmers and officials, awareness campaign etc.

Funding Arrangements

The funds are released by State Government to Horticulture Mission through treasury route.

Horticulture Mission releases funds to District Horticulture Officers. The District Horticulture Officer further releases funds, as far as possible through cheques, to beneficiaries identified in the district on the basis of approved work plan (based on district project report). The Department facilitates beneficiaries in procurement of planting material, inputs, equipments, etc.

On Farm Water Management (OFWM)

- To optimize utilization of limited irrigation water through efficient water management, a Centrally Sponsored Scheme on Micro Irrigation (MI Scheme) was launched during the year 2005-06, which was upscaled as the "National Mission on Micro Irrigation" (NMMI) to be implemented during XIth Plan. The National Mission on Micro Irrigation is being implemented in Uttarakhand from 2011-12. During 2014-15 NMMI has been subsumed in NMSA, as **On Farm Water Management (OFWM)**.
- Till 2014-15, expenditure on installation of Micro Irrigation System under the scheme was shared in the ratio of 50:10:40 between Central Government, State Government and the beneficiary in case of Small and Marginal farmers and 35:10:55 for General category farmers.

Mission Objectives

The main objectives of OFWM are as follows:

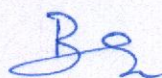
- To increase the area under micro irrigation through improved technologies.
- To enhance the water use efficiency in the country.
- To increase the productivity of crops and farmers' income.
- To establish convergence and synergy among on-going Government programmers
- To promote, develop and disseminate micro irrigation technology for agriculture / horticulture development with modern scientific knowledge.
- To create employment opportunities for skilled and unskilled person especially unemployed youth.

Objectives of Audit

Location of the units to be covered under audit would be at around sixteen (16) different places spread throughout Uttarakhand State, Scope of audit would include bank reconciliation, inter unit reconciliation, preparation of unit - wise as well as component - wise statement of utilization of funds, consolidation of the same and issue Audit Certificate along with Audit Statement of Account with in stipulated time frame, Certificate as per requirement of DAC, Government of India.

Standards

The audit will be carried out in accordance with **Engagement & Quality Control Standards (Audit & Assurance Standards)** issued by the Institute of Chartered Accountants of India in this regard. The auditor should accordingly consider materiality when planning and performing (except where a certain minimum coverage of implementing units is specified) the audit to reduce the risk to an acceptable level that is consistent with the objective of the audit. In addition the auditor should specifically consider the risk of material misstatements in the financial statements resulting from fraud.



Scope of Work and audit coverage

- Balance Sheet
- Income & Expenditure Account
- Utilization Statements
- Inter Unit Reconciliation Statements
- Verification of Cash Book and
- Bank Reconciliation Statements
- Any other report as may be required.

Management Letter:

In addition to the audit reports, the auditor will prepare a "Management Letter", in which the auditor should summarize the observations on the internal control issues (other than those which materially affect his opinion on the financial statements) as under:

- Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- Identify specific deficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;
- Report any procurement which has not been carried out as per the procurement manual.
- Communicate matters that have come to the attention during the audit which might have significant impact on the implementation; and
- Bring to management attention any other matter that the auditor considers pertinent.
- Conclude the final audit report with suggestions for every discrepancies find out during the concurrent audit and reporting the same to the head office.

The observations in the management letter must be accompanied by the implications, suggested recommendations from the auditors and management comments on the observations / recommendations have to be obtained and reported

Reporting and Timing:

The consolidate audit report and duly certified Audited Statement of Account have to be submitted within 30 days from the date of award of the audit assignment

Additional Instructions to Auditors

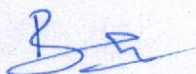
- a) The auditor will specifically mention in the audit report about the coverage of audit.
- b) The auditor appointed shall be required to preparation of unit - wise as well as component - wise opening balance, release during the year and statement of utilization of fund, consolidation of the same and issue Utilization Certificate timely as per requirement of Government of India
- c) Management Letter along with the comments/reply of the Management

General

The auditor should be given access to any information/record relevant for the purpose of conducting the audit. This will normally include regarding procurement guidelines administrative orders issued by the state/central Government, norms etc.

Coordinator for the Assignment

For all administrative purpose Directorate Horticulture Mission, Circuit House, Dehradun shall be the Officer in-charge of the assignment.



Guidelines for Submitting the Proposals:

General Guidelines

CA firms are required to submit the proposal (RFP) (in two separate & sealed cover /envelops) duly writing on Top as proposal for “**Audit of Horticulture Mission for North East and Himalayan States-(HMNEH) and On Farm Water Management (OFWM), Uttarakhand for financial year 2014-2015**”. The RFP shall be available from **25 August, 2015** on <http://shm.uk.gov.in>, last date for depositing the RFP will be **07 September, 2015 by 12:00 PM** at the office of Director, Horticulture Mission, Department of Horticulture and Food Processing, Government of Uttarakhand, Govt. Garden, Circuit House, Dehradun as per the guidelines and formats detailed out in the following paras:

i.	The original Technical Proposal along with all details shall be placed in a sealed envelope clearly marked “ TECHNICAL PROPOSAL FOR AUDIT FY 2014-2015 ”. Similarly, the original Financial Proposal shall be placed in a separate sealed envelope clearly marked “ FINANCIAL PROPOSAL FOR AUDIT FY 2014-2015 ” followed by the name of the assignment, and with a warning “ DO NOT OPEN WITH THE TECHNICAL PROPOSAL. ” The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, title of the assignment and be clearly marked “ DO NOT OPEN, EXCEPT IN PRESENCE OF THE STANDING COMMITTEE FOR AUDIT ”. The mission shall not be responsible for misplacement, losing or premature opening if the outer envelope is not sealed and/or marked as stipulated. These circumstances may be case for Proposal rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this will constitute grounds for declaring the Proposal non-responsive.
ii.	Format for technical and financial proposals are attached.
iii.	The interested firm should submit the proposal form to Director, Horticulture Mission, Uttarakhand , which will evaluate the Technical proposal and finalize the same for opening of financial bids of eligible firms.
iv.	All applicants must comply with the Technical Specification, General conditions and format/Requirements for Technical and Financial proposal.
v.	Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
vi.	Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorized signatory of the firm.
vii.	All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
viii.	The Technical bid will be opened on 07 September, 2015 at 2:00 PM and time for opening of financial bid will be informed separately to the qualified firms.
ix.	Director, Horticulture Mission, Uttarakhand reserves the right to accept or reject any application without giving any explanation and change the evaluation criteria as per its requirements in the interest of the organization.

Minimum Eligibility Criteria:

The Firm must have

- Minimum 10 years of existence as per ICAI Certificate (As per Certificate of ICAI as on 01.01.2015)
- Should have its Office at Uttarakhand.
- Should be empanelled with C&AG of India.

- (d) Should have Minimum two Full Time Qualified Chartered Accountants with the firm (As per Certificate of ICAI as on 01.01.2015) with at least one of whom should be a FCA.
- (e) Average Annual turnover of the firm for the last 5 years (2009-10 to 2013-14) should be minimum Rs. 25 Lacs.
- (f) The firm should have conducted Internal Audit / Statutory audit of Central / State Government / PSUs entities of repute for a minimum period of five years.

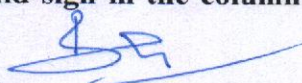
Any firm not qualifying these minimum criteria need not apply as their proposal shall be summarily rejected.

Supporting Documents for Eligibility Criteria: Following supporting documents must be submitted by the firm along with the technical proposal:

- i. For S. No. a, b, c and d above, the firm must submit a self attested copy of registration letter of CAG confirming the empanelment status for the financial year 2014-2015 and self attested constitution certificate issued by ICAI which should not be earlier than 1 January 2015.
- ii. For S. No. e, the firm must submit, a copy of the audited Financial Statements and audit reports or self attested Financial Statements (if audit is not Required) for the last five years.
- iii. For S. No. f, the firm must submit copies of the work order and list as per format provided in the technical annexure.
- iv. The firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other Government organization, external organization in respect of any assignment or behavior. **[Self-attested affidavit on Rs.100/-stamp paper to be given in this regard by the authorized person of the firm].**
- v. Income Tax returns of the Firm duly acknowledged by the IT Department.
- vi. **Security deposit/Tender Cost:** The Applicant firm should enclose the demand draft of any schedule bank of Rs. 1000/- (One Thousand Only) for tender processing fees which is non-refundable and Rs. 10,000/- (Rupees Ten Thousand Only) as Security Deposit. The security deposit of selected firm will be retained till the completion of work. Security deposit of firms which are not selected will be returned. **All the demand drafts shall be drawn in favor of Director, Horticulture Mission, Uttarakhand, Dehradun.**
- vii. Other documents given in the EOI anywhere.

Other information for preparation and submission of expression of interest:

1. The term "Full Time Partner" does not include those partners who are –
- a. Partners in other firms or
- b. Employed as Part –Time or Full time elsewhere, practicing in their own name or engaged in practice otherwise or engaged in any other activity which would be deemed to be in practice under section 2(2) of the CA Act, 1949.
2. The Expression of Interest must be delivered by post in sealed envelope/or by hand at the following address:-
To,
The Director,
Horticulture Mission for North East and Himalayan States,
Department of Horticulture and Food Processing,
Government of Uttarakhand Govt.
Garden, Circuit House, Dehradun
3. All full time partners should invariably sign the undertaking in Section C to the Expression of Interest. Similarly, **all the full time Chartered Accountant employees of the firm should sign in the column provided at Annexure B of the format.**



Non-Eligibility of applicants:

1. Firms submitting application in joint ventures / associations will not be considered.
2. Subletting the work to the other CA Firms / any other person is not allowed. Such cases if brought into notice/found at any point of time before/after election the concerned firms will be deferred from bidding process for next 5 years and contract will be cancelled with penalty.

Selection process of auditor

A two-stage procedure shall be adopted in evaluating the proposals.

First Stage:

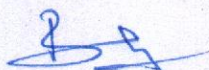
- i. Only Technical Proposals shall be opened first for all the firms.
- ii. Thereafter, a technical evaluation shall be carried as per the eligibility criteria & supporting documents.

Second Stage:

- i. Financial proposals shall be opened only for those firms who have Qualified on Technical Parameters. Financial Proposals of the firms which have not qualified on technical parameters shall be returned unopened after the completion of selection process.

Award of Contract

On completion of selection process, the firm selected shall be appointed to conduct the audit and will be issued formal appointment letter by **Director, Horticulture Mission, Uttarakhand**



Cover letter for submission of Expression of Interest**To****The Director,**

Horticulture Mission for North East and Himalayan States,
 Department of Horticulture and Food Processing,
 Government of Uttarakhand
 Govt. Garden, Circuit House, Dehradun

Date: _____

Sub: Selection of Chartered Accountant Firms for Horticulture Mission for North East & Himalayan States (HMNEH) and On Farm Water Management (OFWM), Uttarakhand.

Sir,

We _____, a CA firm herewith encloses Expression of interest (EOI) as per prescribed format for selection of CA firm/firm(s) for audit of HMNEH and OFWM schemes. We also understand that Management reserves every right for selection of suitable applicants.

Enclosures:

1. Covering letter in the specified format.
2. Expression of Interest (EOI) in specified format.
3. Copy of latest constitution certificates (not earlier than 01 January 2015) of firm issued by ICAI clearly indicating
 - a. Date of Formation of Firms with a full time FCA
 - b. Latest Details of Partners/Sole Proprietors/CA Employees, date of joining of the firm, date of becoming FCA, their own interest, if any.
4. Copy of latest partnership deed in case of partnership firms
5. Copy of Audit report and financial statements of the firm along with schedules for the FY 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-14.
6. Copy of acknowledgement of the IT returns of the firm for the FY 2009-2010, 2010-2011, 2011-2012, 2012-2013 and 2013-14 along with a copy of computation of income.
7. Details of any court cases/arbitration cases/ or any other case pending against the firm.
8. Other documents as per the eligibility criteria / EOI.

Yours faithfully



(Partner / Prop. _____)

Format for submission of Expression of Interest

Section A - General Profile

1. Status of Firm :
2. Name of the Firm (in Capital Letters) :
3. Address of the Head Office (incl. Tel Ph & Email id) :
4. PAN of the firm :
5. ICAI Registration No :
6. Service Tax Registration Number :
7. Date of Constitution of the Firm :
8. Date since when the firm has a full time FCA :
9. Number of Full time Partners as on 01.01.2015 : As per Annexure A
10. Number of Full time CA Employees as on 01.01.15 : As per Annexure B
11. Number of Audit Staff employed full time with Firm
as (Please Attach List)
- a. Article Clerks :
- b. Other Audit Staff :
12. Number of Branches : As per Annexure C
13. Whether the firm has experience in any internal
audit or Concurrent audit or computerization of
accounts or any other services for any Govt. Dept. /
PSU / Companies / Corporations etc. : Yes/No
14. Whether there any court cases/arbitration/any
other legal case against the firm (If yes, please
provide details in separate annexure) : Yes/No



Annexure A: Latest Details of Full time Partners of the firm

S. No	Name of Partner	Membership No.	FCA / ACA	Date of Joining the firm (Full Time)	Date of becoming FCA	Whether ISA/CISA Qualified (Specify the Qualification) *

* If yes please attach a copy of the certificate

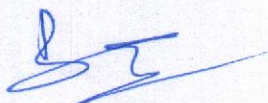
Annexure B: Latest Details of Qualified/ Semi-Qualified CA Staff of the firm

SNo	Name	Membership No/ Student Reg. No.	FCA/ACA	Date of Joining as Employee	Signature of Employee

If yes please attach a copy of the certificate

Annexure C: Particulars of Branches

SNo	Location of Branch	Address of Branch (incl. Phone No)	Name of Partner in Charge	Date of Opening of Branch



Section B - Financial Profile and Work Experience

1. Annual Turnover for the Firm for Last 5 Financial Years

- a. 2013 – 2014 :
- b. 2012 – 2013 :
- c. 2011 – 2012 :
- d. 2010 – 2011 :
- e. 2009 – 2010 :

2. Details of Experience of the firm in Central Government funded /: Please fill Annexure D

State Government Funded Projects

3. Details of assignments in hand with the firm in Central Government funded / State Government Funded / Projects : Please fill Annexure E
4. Details of Other Experiences of the firm excluding above : Please fill Annexure F

Annexure D: Details of Audit Experience in PSU/Central Government Funded / State Government Funded Projects of the firm in the following format

SNo	Name of Organization	Turnover of / Funds handled by the audited organization	Nature of Assignment	Scope and nature of work	Fees Charged	Work order attached in Page No.*
				Total Rs.		

* Only those assignments will be considered for which work order are attached and page number mentioned in the annexure above.

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Annexure E: Details of Audit or Accounting work in hand with the firm in Central Government Funded / State Government Funded / Externally Aided Projects of the firm for in the following format

SNo	Name of Organization	Grant in aid handled of the audited organization	Nature of Assignment	Scope and nature of work	Fees Charged / Chargeable	Work order attached in Page No.
					TOTAL	

Annexure F: Details of Other Experience of the firm for the last 5 years in the following format

Name of the Sector	Name of Company/PSU/Societies	Financial Year	Nature of Work (Type of Audit, Consulting, Computerization)	Total Fees Charged

BA

UNDERTAKING

Section C

I/We the sole proprietor/ following partners of _____ Chartered Accountants do hereby jointly & 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 empanelment/allotment of assignment for 3 years but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed there under ;
2. That the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years (if so, 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. Latest constitution of the firm (not earlier than 1 January 2015) shown in the Expression of Interest is same as that in the ICAI records.

Sr. No.	Name of the full time partner/ sole proprietor	Membership Registration No.	PAN No	Signature of full time partner /proprietor.

(Seal of the Firm)

Place: Date



Letter of transmittal

To

The Director,

Horticulture Mission for North East and Himalayan States,
Department of Horticulture and Food Processing,
Government of Uttarakhand,
Govt. Garden, Circuit House, Dehradun

Dear Sir,

We, the undersigned, offer to provide the audit services for HMNEH & OFWM schemes of the Department of Horticulture & Food Processing, Uttarakhand in accordance with your Expression of Interest. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under separate envelope.

We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

The prices quoted by us in the Financial Proposal are valid till six months from the date of submission of the quotation. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that Horticulture Mission for Uttarakhand is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

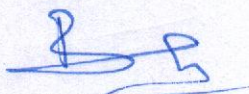
I confirm that I have authority of [Insert Name of the C.A. Firm] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

Name of Partner

Membership number

Name of CA firm



**SELECTION OF FIRM OF CHARTERED ACCOUNTANTS FOR AUDIT OF
HORTICULTURE MISSION FOR NORTH EAST AND HIMALAYAN STATES
(HMNEH) AND ON FARM WATER MANAGEMENT (OFWM) SCHEMES IN
UTTARAKHAND FOR FINANCIAL YEAR 2014-2015**

FORMAT OF FINANCIAL BID

Total remuneration for the audit of both **HMNEH & OFWM schemes assignment** in the below mentioned form:-

S No.	Name of Unit	Amount of audit fees to be charged (including all charges)	
		In numbers	In words
1	District Horticulture Officer, Dehradun		
2	District Horticulture Officer, Haridwar		
3	District Horticulture Officer, Tehri		
4	District Horticulture Officer, Uttarakashi		
5	District Horticulture Officer, Pauri		
6	Horticulture Specialist, Kotdwar		
7	District Horticulture Officer, Chamoli		
8	District Horticulture Officer, Rudarprayag		
9	District Horticulture Officer, Pithoragarh		
10	District Horticulture Officer, Champawat		
11	District Horticulture Officer, Almora		
12	District Horticulture Officer, Bageshwar		
13	District Horticulture Officer, Nainital		
14	District Horticulture Officer, Udham Singh Nagar		
15	State Apiarist, Nainital*		
16	Mission Directorate, Dehradun		
	Total		

* Audit work to be conducted only for HMNEH scheme at State Apiarist, Nainital unit.

Signature of the authorized Signatory along with Seal of the Firm

Date:-

