

Expression of Interest (EOI)
For appointment of Internal Auditor for F.Y 2013-14

Introduction

The Bihar Medical Services and Infrastructure Corporation Limited, (BMSICL) a wholly owned Company of Government of Bihar was incorporated on 26.07.2010 under the Companies Act, 1956 with the following main objectives :-

- i) Procurement and distribution of Quality Drugs in right quantities in a timely manner in the state of Bihar.
- ii) Procurement and distribution of Medical equipments and equipments in a timely manner in the state of Bihar.
- iii) Development of infrastructure in Medical Health Services in the state of Bihar.

Project funds will be budgeted under the Health Department, the BMSICL will utilize the funds to make the payments. Payments for activities relating to components Like Infrastructure, Medical Equipments and Drugs are centralized at BMSICL Head Office.

Purpose

The Govt. of Bihar through Bihar Medical Services and Infrastructure Corporation Ltd (BMSICL) intends to appoint a firm of Chartered Accountants as its Internal Auditor for the financial year 2013-14 which can further be extended .Accordingly, Expression of Interest (EOI) is invited from the firms of Chartered Accountants based at patna and who are empanelled with C&AG and ICAI. The firms should furnish the complete details of experience, competence relevant to the assignment assignments handled alongwith detailed profile of the firm and references. The scope of the assignment is as under:-

TOR FOR INTERNAL AUDITOR.

Internal audit of the BMSICL will be carried out at Head Office at Patna and Drug Ware Houses as located at Fatuha, Purnia and Muzaffarpur. The audit of the DWH will include periodic stock verification works to be carried out at respective DWH. Internal audit shall stress on all areas of financial management and fiduciary arrangement.

The TOR of the Internal Auditor shall be as defined in the Operational Manual under part 1 Financial Management (Introduction of Internal Auditor) which is as under :-

Tasks to be carried out by the Internal Auditor:

Guidelines cum checklist for Internal Audit as per Appendix- II in specific and its overview as follows:

1. Audit of expenditure:- Auditor shall cover 100% of payments related to all the civil works, Drugs and Equipments (Medical etc). Having opinion whether all expenditure has been made for the purposes intended for, have been used with due attention to economy and efficiency and after following all relevant rules and procedures as laid down by the Respective Projects as laid specifically. The Financial Management Framework to be followed shall be taken care off and complied with. Commenting whether adequate procedure related to the payment of civil works, Drugs and Equipments (Medical etc) have been followed and record has been maintained properly.

2. Procurement:- Checking that all procurement of Medical Equipment, Drugs and Civil Works has been done as per Manual and reporting any deviations from the Manual (Bidding procedure laid by Health Department/ BMSICL) or cases of undue favour, mis-procurement etc.

3. Checking of all FMRs:- Checking of the FMRs prepared by Head Office and Drug warehouse and confirming that the same have been made on a realistic basis and based on books of Accounts.

4. Compliance:- Ensuring compliance with laid down procedures in the Financial Management Framework and implementation of computerized books of accounts using accounting software Tally at Head Office.

5. Compliance of Accounting Standards:- Ensuring compliance of Accounting Standards issued by the Institute of Chartered Accountants of India applicable to the SRP.

7. Financial Statements:- Monitoring & Reviewing the Quarterly financial statements so that the annual accounts can be timely and conveniently prepared and assistance thereof.

8. Checking of Reconciliation:- Ensuring reconciliation of funds as per consolidated books of accounts and as per bank account are being done regularly.

Internal Audit Report :

The auditor shall express his opinion in the report and submit the same within one month after completion of audit. The report shall cover any deviation from Framework and general accounting principles, monetary impact of deviation, person responsible and suggestions for improvement. The auditor shall also make a presentation before the Board on the key findings.

Periodicity :-

Internal audit shall be conducted on a quarterly basis. As the project funding increases, the periodicity can be reviewed by the management.

Time Frame for completion of Internal Audit :-

The Auditor has to complete the audit till 7th of the next month for ending Quarter of the financial year. For eg) Apr- June Qtr submission date 7th July and for last Qtr date of submission will 15th April

Terms of Payment

20% payment on receipt of 1st Quarter report

20% payment on receipt of 2nd Quarter report.

20% payment on receipt of 3rd Quarter report.

20% payment on finalization of Statutory Audit.

Please Note:

For any further information, the interested firms may contact the office of Bihar Medical Services and Infrastructure Corporation Ltd (BMSICL), Patna on any working day or our website <http://bmsicl.gov.in>

Last date & time for receipt of EOI Bid 04.04.2013 by 1500 Hours in the 5th Floor, Biscomaun Bhawan, Gandhi Maidan, Patna 800001

Opening of the bids will be on 04.04.2013 at 1600 Hours in the the 5th Floor, Biscomaun Bhawan, Gandhi Maidan, Patna 800001

If the last date of receipt & opening thereof happens to be declared a holiday, the offer will be received and opened on the next working day at the same time.

The Expression of Interest (EOI) be sent at the following address on or before 04.04 .2013 up to 1500 Hrs:-

The Managing Director,

Bihar Medical Services and Infrastructure Corporation Ltd (BMSICL)

5th Biscomaun Bhawan , Gandhi Maidan

Patna, Bihar

Tel-0612-2219634

EVALUATION CRITERIA

Sr. No.	Criteria	Max Marks	Evaluation Criteria
1	Nature of Experience		
	1.Public Sector Undertaking Audit	15	3 Marks Per audit
	2. No. of Internal Audit assignments of Corporate Audit	15	5 Marks per Audit
2	Professional Fees *	70	
	TOTAL	100	
	Name of Member:	Sign/ Designation / Date	

(*) A score of 70 will be awarded to the lowest bidder, other bidders will be given financial score inversely proportional to the lowest cost proposal

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

- _ Self attested copy of Certificate of ICAI as on 1.1.2013.
- _ The firm must submit a copy of the empanelment with the CAG.
- _ Copy of the appointment letters from the auditee organizations.

Professional Fees quotation

Annexure I

Format / Justification of Professional fees:

SNo.	Particulars	No. / Man hrs	Remarks
1	No. of FCA's / ACA's for the assignment		
2	No. of Articled clerk / paid staff for the assignment (man hrs)		

GUIDELINES CUM CHECKLIST FOR AUDIT

Note: If the answer for any of the item below is adverse (i.e. "NO"), please give details on a separate sheet.

Sr. No.	Questionnaire	Remarks
A. REPORTING REQUIREMENTS AS PER GOI GUIDELINES		
1.	Whether FMRs /SOEs are based on the books of accounts?	Yes/No
2.	Whether FMRs/SOEs are being prepared in the format prescribed by GOI?	Yes/No
3.	Whether FMRs/SOE reporting is being done on time every month?	Yes/No
4.	Whether the Statement of Fund position is prepared?	Yes/No
5.	Whether Utilization Certificate for the last financial year has been prepared?	Yes/No
B. CHECKING AND VERIFICATION OF TENDER PROCESS:-		
1.	Whether bidding process is as per the guidelines set up as per manuals?	Yes/No
2.	Whether selected parties have been qualified as per the norms set as per the bidding documents norms?	Yes/No
3.	Whether selected parties had completed the specified work and specifications?	Yes/No
4.	Whether the payments had been made as per the Work/ Purchase Order?	Yes/No
C. MAINTENANCE OF BOOKS OF ACCOUNTS		
1.	Whether cash book is maintained ?	Yes/No
2.	Whether Cash Book is closed daily and is authenticated and duly signed by authorized signatory on daily basis?	Yes/No
3.	Whether the Corporation is carrying heavy cash balances i.e. exceeding Rs. 30,000/-?	Yes/No
4.	If the answer to above is in positive, please give the no. of cases and the Reasons therefore.	Yes/No
5.	Whether appropriate insurance cover is there for excess cash held by the Corporation?	Yes/No
6.	Does the physical cash tallies with that entered in Cash Book? Give dates on which verified and the cash balance with Corporation on that day.	Yes/No
7.	Whether Petty Cash Book is being maintained properly?	Yes/No
8.	Whether Cheques issued register is being maintained properly?	Yes/No
9.	Whether Registers of Bank Drafts received and Bank Drafts Issued are Being maintained?	Yes/No
10.	Whether updated pass book/ bank statement is available?	Yes/No
11.	Whether Bank reconciliation is prepared on a quarterly basis?	Yes/No
12.	Whether proper explanations has been given by the persons responsible Regarding unreconciled entries / Please give detailed list of unreconciled and unexplained entries.	Yes/No
13.	Are Ledgers being maintained properly?	Yes/No
14.	Whether Journal register maintained?	Yes/No
15.	Whether Budget Receipt & Control Register is being maintained?	Yes/No
16.	Whether Register for advances maintained as Advances given <input type="checkbox"/> to Staff? <input type="checkbox"/> To Contractors/suppliers and <input type="checkbox"/> TA/DA advance	Yes/No
17.	Whether Register for Staff Payments maintained?	Yes/No
18.	Whether Stock Registers are being maintained properly for: <input type="checkbox"/> Civil Work	Yes/No

- Machinery & Equipment
- Furniture & Other non-consumable articles
- Register for drugs & medicines
- Register for consumable articles Yes/No
- 19. Is there a separate register for Advances? Yes/No
- 20. Is register of Investments being maintained properly? Yes/No
- 21. Whether Dispatch Register maintained properly? Yes/No
- 22. Whether Office attendance register is there and maintained properly? Yes/No
- 23. Whether all the files of the Corporation are systematically numbered and recorded in the File Register? Yes/No

D. RECEIPTS & INCOME

- 24. Whether DD received register is being maintained properly? Yes/No
- 25. Whether all the receipts have been recorded in DD received register and Bank book with date and sanction nos.? Yes/No
- 26. Whether EMD received and BG's received as per the norms set and performance guarantee received. Yes/No

E. PAYMENTS & EXPENDITURE

- 27. Whether all the vouchers are checked for the payments made? (Check all Vouchers above Rs. 2,000/- and test check remaining vouchers). Yes/No
- 28. Whether vouchers have been filled properly and complete in all respect? Yes/No
- 29. Whether all the Vouchers are scrolled or not and entered into the Cash/Bank Book Properly? Yes/No
- 30. Whether All vouchers are supported with appropriate documentary evidences? Yes/No
- 31. Whether necessary approval from appropriate authority has been taken for expenditures made? Yes/No
- 32. Whether all the approvals are within the sanctioning powers of the Sanctioning authority? Yes/No
- 33. Whether procedure for obtaining the sanctions has been followed? If no, pl specify the no. of cases in which it is not followed? Yes/No
- 34. Whether expenditures are classified into capital and Revenue Properly? Yes/No
- 35. Whether expenses are debited to proper activity for which it was given? Yes/No
- 36. Whether the amount is been actually utilized for purpose for which it was disbursed? If no, pl. give details. Yes/No
- 37. Whether there is any deviation between the amount of expenses shown as per Income & Expenditure and as per SOEs submitted by Corporation? Yes/No
- 38. If yes, quantify the difference activity wise

a) Fixed Assets

- 39. Whether fixed assets register has been maintained in the format? Yes/No
- 40. Is the procedure for purchase of Fixed Assets being followed? Report deviations if any. Yes/No
- 41. Does physical stock tallies with that recorded in register? Yes/No

b) Advances

- 42. Whether Advances are given after following required procedure? Yes/No
- 43. The purpose for which advance was given comply with the bye-laws? Yes/No
- 44. Whether Advance tracking register is maintained properly? Yes/No
- 45. Specify whether an Age analysis of Advances has been maintained? Yes/No
- 46. Whether there are huge unadjusted advances (say more than one month)? Yes/No
- 47. If the answer to above is affirmative please give details of such unadjusted advances and the reason for not adjusting the same. Yes/No

F. LIABILITIES SIDE

a) Capital Fund

48. Whether Capital fund Account has been created to the extent of fixed assets purchased and capitalized? Yes/No

G. OTHER STATUTORY REQUIREMENTS

a) Tax Deducted at Source (T.D.S.)

49. Whether T.D.S. has been deducted appropriately wherever required? Yes/No

50. Whether tax has been deducted at source at the rate prescribed? Give list of cases where tax has not been deducted or has been deducted short. (for rates of deduction of tax) Yes/No

51. Whether quarterly returns of T.D.S. in the form prescribed have been filled in time? If not, state reasons. Yes/No

b) Other requirements (VAT /CST /Service Tax etc)

52. Whether the Corporation is registered with Trade tax (VAT/ CST), Service Tax Authorities or any other authorities under relevant section/s? If any? Yes/No

53. Whether returns had been filed and relevant registers have been updated and prepared as per specified guidelines? Yes/No