



ODISHA FORESTRY SECTOR DEVELOPMENT SOCIETY
SFTRI Campus, At/Po-Ghatikia, Bhubaneswar-751 029
Ph: 0674-2386016, email:webmail@ofsdp.org

Request for Expression of Interest Annual Project Audit

The Project Director, OFSDS invites Chartered Accountant Firms who will fulfill all the criteria (for details visit official website: ofsdps.in) to indicate their interest in providing the services for annual project audit. Expression of Interest as per the Term of Reference placed in the above website should be reached and addressed to The Deputy Project Director, OFSDS, SFTRI Campus, At/Po: Ghatikia, Bhubaneswar-751029 by hand or post, on or before dt. 25.05.2018 by 5.00 P.M.

Deputy Project Director (A&F)

**Office of the Project Director,
Odisha Forestry Sector Development Society (OFSDS)**

**Request for Expression of Interest
Annual Project Audit**

1. Odisha Forestry Sector Development Society :

In order to implement the project in forestry sector, the Government in the Forest and Environment Department constituted a Society “Odisha Forestry Sector Development Society” (OFSDS) under the Societies Registration Act of 1860 bearing No. 22321/49 of 2006-07. The High Power Committee of the OFSDS is headed by the Chief Secretary, Odisha and the Governing body is chaired by the Additional Chief secretary to Government, Forest & Environment Department, Government of Odisha.

At present the Society is implementing the following projects/ programmes.

- (1) Odisha Forest Sector Development Project Phase-II. (OFSDP-II)
- (2) Ama Jangala Yojana. (AJY) (State Plan Component only. CAMPA not included)
- (3) Continuing / Maintenance activities of OFSDP – I.
- (4) Income Generation Activities Resource Agency (IGARA)
- (5) GIS/MIS (Funded by Director of Horticulture)
- (6) Catchment Area Treatment Plan (CATP)

2. The OFSDP-Phase-II:

Odisha Forestry Sector Development Project is being implemented in 12 Forest and 2 Wildlife Divisions under assistance from Japan International Cooperation Agency (JICA). The objective of the project is to restore degraded forests and improve the income levels of villagers by promoting sustainable forest management including Joint Forest Management (JFM) plantation and community/tribal development, with larger goals of improving environment and alleviating poverty.

3. Scope and objectives of the project (OFSDP-II):

The Project covers 14 Forests and Wildlife Divisions of the State, namely, Baripada, Rairangpur, Karanjia, Subarnapur, Athamallik, Boudh, Dhenkanal, Ghumsur (N), Ghumsur (S), Sambalpur, Jharsuguda, Sundargarh, Bamra (WL) and Rajnagar (WL) . The project implements activities like restoration of degraded forests under Joint Forest Management (JFM) mode and non-JFM mode, farm forestry, biodiversity management, Capacity Building at community level institution and livelihood improvement activities etc. Project undertakes community and tribal development activities including various supporting activities like infrastructure development, publicity, communication, monitoring and evaluation etc.

4. Ama Jangala Yojana (AJY):

Ama Jangala Yojana is a flagship scheme in the forestry sector of the Forest & Environment Department, Government of Odisha. The scheme is intended to promote sustainable forest management in the state in Joint Forest Management mode with emphasis on livelihood support for the communities living in the forest fringe villages.

5. Scope and objectives of the Ama Jangala Yojana. (AJY)

The Project covers 24 Forests and Wildlife Divisions of the State, namely, Baripada, Jeypore, Bonai, Deogarh, Keonjhar, Rourkela, Parlakhemundi, Angul, Balasore (WL), Phulbani, Baliguda, Koraput, Rayagada, Keonjhar (WL), Khariar, Bolangir Kalahandi (N), Bamra (WL), Bargarh, Satkosia (WL), Kalahandi (S), Malkangiri, Rairangpur and Sambalpur. The project implements forest regeneration activities under CAMPA funding. The administration and other support activities expenditure is met out of State Funding.

6. The Project Director of OFSDS now invites Chartered Accountant Firms who will fulfil the following criteria to indicate their interest in providing the service for Annual Project Audit. Interested Firms must provide information indicating that they are qualified to perform the services (brochures, description of similar assignments, qualification and experience in similar assignment, empanelment with CAG, India, availability of appropriate qualified and skilled Audit staff etc.)
- The Firm having 10 years of existence.
 - The Firm should be a partnership Firm having at least 5 partners.
 - Minimum 1 partners should be ISA (Information System Audit) qualified.
 - The Firm should have expertise in the Audit of External Aided Project.
 - The Firm should have expertise in the Audit of Societies registered under Society Registration Act 1860.
 - Preference may be given to Firms having Branch Offices in the OFSDS districts or the neighbouring districts.
 - The Firm should be well equipped with qualified/ semi qualified Article/ Audit Staff to complete the Audit within the stipulated period.
7. The Audit Firm will be selected accordance with the project procedures and decision of the Project Director shall be final and binding.
8. Interested Firm of Chartered Accountants may obtain further information at the address given below in any working hour or visit official website: ofsds.in.
9. Expression of interest as per the Term of Reference placed in the above website must be delivered to the address given below by hand or post on or before 5.00 PM of 25th May, 2018.

Address/ Contact person : Deputy Project Director (A&F)
Odisha Forestry Sector Development Society (OFSDS)
SFTRI Campus, At/Po- Ghatikia, Bhubaneswar – 751029.

Telephone : 0674-2386016

*TERMS OF REFERENCE FOR CHARTERED ACCOUNTANT FIRMS FOR
STATUTORY FINANCIAL AUDIT OF THE ACCOUNTS OF ODISHA
FOREST SECTOR DEVELOPMENT SOCIETY (OFSDS) FOR THE
FINANCIAL YEAR 2017-18.*

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2. *The OFSDP-Phase-II:*

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3. Scope and objectives of the project (OFSDP-II)

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6. Audit

According to Society Registration Act, a Society is required to have a statutory annual audit conducted by Chartered Accountants. Also as per the loan agreement with JICA, the eligible expenditure, which are claimed for reimbursement needs to be audited. Accordingly, the scope of work of the audit will be as follows:

Scope of the Work for Audit

The auditor shall review the existence and effectiveness of control system(s) and report on the adequacy of those controls, as well as, deficiencies, if any. The primary focus shall be on propriety aspect in addition to authorization, internal control, reconciliation, recording and safeguarding.

1. The Statutory Audit of account shall cover all the finance, accounts and related transactions of the Project Management Unit and 14 Divisional Management Units including their FMUs of OFSDP-II and 24 Divisional Management Units of AJY. To verify Annual Financial Statements (AFS), this includes (i) Receipt and Payment Account, (ii) Income & Expenditure Account and (iii) Balance Sheet of DMUs and PMU. The consolidated accounts of the Society at Project Management Level, which includes OPFDP-Phase-I & Phase II and State funding of Ama Jangala Yojana also to be verified within three months from the date of closure of the year. A separate Audit Report is also to be submitted for CAMPA funded Annual Financial Statements.
2. To facilitate proper audit and ensure correctness of the Audit Report, records and reports by verification at 12 nos. Of Divisional Management Unit(s) (DMU) headed by Divisional Forest Officer of the division concerned, and 50 Field Management Units (FMU) at level of forest ranges, under the DMUs in respect of OFSDP-II and 24 nos. of Divisional Management Unit(s) (DMU) headed by Divisional Forest Officer of the division concerned, and 120 Field Management Units (FMU) at level of forest ranges under the DMUs in respect of AJY.

3. The Auditor shall be entrusted with the following works.
 - (i) Checking of Bank/ Cash & journal transactions to ensure –
 - (a) Transactions are recorded in principles of double entry commercial system of accounting and are booked to proper accounting heads,
 - (b) Transactions are undertaken on proper authority,
 - (c) Transactions are duly supported by proper supporting documents,
 - (d) Propriety of the transactions,
 - (e) Adherence to financial rules and procedures of “Japanese International Cooperation Agency” (JICA)/ “Gov’t (GoI/ GoO) along with guidelines & financial procedures formulated by the OFSDS.
 - (ii) Checking the maintenance of book of accounts and records
 - (iii) Checking the Bank reconciliation statements,
 - (iv) Checking of Statement of Expenditure (SoE), with reference to the eligible and ineligible expenditures of PMU and DMUs including FMUs and VSSs.
 - (v) Reconciliation of reimbursement claims filed with JICA,
 - (vi) Checking of investment, short term deposits etc., made by the authority from time to time,
 - (vii) Checking of component-wise, category-wise and account head-wise expenditures,
 - (viii) Checking of various MIS reports generated along with statements and information submitted to various authorities,
 - (ix) Checking of Cost data with physical achievement data to monitor project progress,
 - (x) Checking of various statutory compliance like Income Tax, GST etc.,
 - (xi) Checking of the budget prepared and funds management of the Society,
 - (xii) Checking of the Trial Balance,
 - (xiii) Suggesting revision in forms and formats as may be necessary and guiding proper maintenance of accounts and records in case of deviations, if any noticed.
4. The Auditor shall submit Audit Report to the Project Director (PD) of the Society. However main findings, suggestions including compliance to accounting standards issued by ICAI from time to time may be discussed with the management both at DMU and PMU level before drafting final audit report.
5. Checking of all financial transactions with reference to delegation of power and adherence to the Operational Manual.
6. Timely compliance with all statutory provisions and returns under relevant Acts, & Rules
7. Any other matter incidental to the preparation of accounts.

The firm should deploy adequate number of qualified/ semi qualified personnel for timely completion of audit.
