



Kerala Co-operative Milk Marketing Federation Limited

Cattle Feed Plant, Malampuzha P.O., Palakkad-678 651

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No.CFM/AUDIT/2020/

Date:21/03/2020

Expression of Interest

KCMMF Ltd, Cattle Feed Plant, Malampuzha popularly known as MILMA is inviting expression of interest from reputed Chartered Accountants/Chartered Accountants firms having minimum 5 year experience in conducting internal audits of similar institutions for engagement as Internal Auditor of KCMMF Ltd, Cattle Feed Plant, Malampuzha for one year time period,i.e Financial Year 2020-21 with the option to extend for two additional years.

Interested parties shall submit their expression of interest within the deadline stated below and in compliance with all the terms stated herein. Any proposal received after the prescribed deadline will be summarily rejected.

The engagement will be for one year, subject to review on an annual basis from the date of engagement. Renewal of engagement which may be extended by a period of two (2) years will depend on the performance & delivery of the services.

Requirements:

The firm should provide the service of a qualified Chartered Accountant nearly about 2 hours in a day for the day to day audit at the plant including that of the pre-audit of vouchers before effecting payment and the assignment should be supervised by him and who will be available for discussion with the Management as and when deemed necessary. Preference will be given to local firms/ auditors for the smooth and uninterrupted service of internal audit system.

Audit Fees: The audit fee is to be inclusive of GST. Travelling and other out pocket expenses may not claimed separately.

The proposals shall be sent by post/by hand in an envelope titled "**Expression of interest for Empanelment of Internal Auditors 2020-2021**" to KCMMF Ltd to the address indicated below on or before 3.00 pm on 28.03.2020.

**The Manager,
Cattle Feed Plant,
Kerala Co-operative Milk Marketing Federation Ltd.
Malampuzha P.O, Palakkad-678651.**

KCMMF Ltd reserves the right to accept or reject, in full or in part, any or all the proposal offered by applicants without assigning any reason whatsoever. KCMMF Ltd does not bind itself to accept the lowest or any proposal and reserves the

right to reject all or any Proposal or cancel the Proposal without assigning any reason whatsoever.

KCMMF Ltd will conduct a comprehensive, fair and impartial evaluation of all proposals received in response to this notification submitted by the submission due date and time specified in this document. After evaluation of the proposal only those who shortlisted will be called for a final round of discussion at KCMMF Cattle Feed Plant, Malampuzha.

The shortlisted parties will be asked to give a brief presentation on their methodology, planning and way of approach to carry out the internal audit before completing the selection process.

The responsibilities of the Internal Auditors shall include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, the level of compliance with financial norms and procedures for the operational guidelines. The internal auditors so appointed for the purpose shall carry out the audit in terms of provisions laid down in the engagement letter issued by KCMMF Ltd and shall ensure strict adherence thereto.

1. General guidelines for audit:-

- a. Internal audit shall be conducted keeping in view the delegation of powers, the purchase & production policy, the investment policy of the Federation and the guidelines issued by Federation from time to time.
- b. The audit of the finance & accounts department shall be an ongoing one throughout the year. However, for other departments, the internal auditor shall be based on the final plan of audit for the year, identify areas.
- c. On the date of commencement of the audit, the auditor shall meet the head of the department and discuss the audit schedule.
- d. At the end of the audit period, the draft observations shall be discussed with the head of the department.
- e. Flash reports shall be submitted on a monthly basis to the unit head and HOD (Finance) at Head office highlighting important aspects post review of transactions and records.
- f. However if the auditor come across any matter which requires the immediate attention of the management, it shall be reported to the Manager instantly.
- g. The auditor shall submit a detailed quarterly report highlighting any deviations from the systems and process as laid down by the Federation, any revenue loss or income leakage. The report shall also suggest improvement in processes, which will strengthen the overall system. The reports on systems & processes shall be submitted along with the quarterly report.
- h. The Internal Auditor shall make a presentation before the top management at Head Office on a half yearly basis summarizing the observations, action taken and highlights of the review period.
- i. **Monthly Review:**

Vouching of all cash and bank transactions **on daily basis** - Receipts & Expenses - this would cover all bank accounts with specific emphasis on the following:

- Verify the adequacy and accuracy of accounting, financial controls including application of accounting standards and the General Financial rules and compliance with prudent accounting principles.

- Verification of authorization of payments vis-à-vis delegation of powers, standard processing requirements such as invoice, approvals, budgetary limits etc.
- Verification to assert compliance with TDS, GST and other statutes relevant to the nature of transaction within the overall regulatory framework governing the organisation.
- All transactions pertaining to fixed assets accounting. This includes:
Scrutiny of all fixed assets capitalized keeping in view whether the asset is delivered, installed and put to use and also whether the documentation pertaining to the asset is proper in terms of approval, purchase order and final invoice. Profit or loss on sale of assets is recognized correctly or not.
- Surprise verification of cash and inventory at periodical intervals.
- Review of Bank Reconciliation Statements
- Review of statutory compliances.
- Review of monthly Profit and Loss account

For details visit our web site www.milma.com

Place : Palakkad

Date : 21/03/2020

MANAGER