

OFFICE OF THE CMD (WEST ZONE)

M. P. Paschim Kshetra Vidyut Vitaran Co. Ltd.,

G.P.H. Compound, Pologround, Indore



Tender Specification No. CMD/WZ/02/Audit/01

Due for opening on: - 20.12.2011

Request for Proposal Document (Tender)

December-2011

(This Document contains 01 to 74 Pages)

Outsourcing of Internal Audit of L.T. Consumer Accounts of DC's for the FY 2008-09, 09-10, 10-11 Under S.E. (O&M) Circle, Indore

Issued by:

The Director (F&A)

O/o CMD (West Zone),

M. P. Paschim Kshetra Vidyut Vitaran Co. Ltd,

G.P.H. Compound, Pologround,

Indore (M.P.)

EPABX No.: 0731-2423577, 2422544, 2423263, 2422045 Extn. 247 & 203

Fax No. 0731-2423300.



M. P. PASCHIM KSHETRA VIDYUT VITRAN CO. LTD.
G.P.H. COMPOUND, POLOGROUND, INDORE – 452003
Phone No. (0731) 2421414, Fax No. (0731) 2423300

CMD/WZ/02/Audit/31124

Date: 2.12.11

NOTICE INVITING TENDER

Sealed tenders are invited in three parts- (Earnest Money, Technical & Commercial Bid and Price Bid), in duplicate, from reputed Chartered Accountant Firms :-

TS. No.	Name of Work	Tender fee (in Rs.)	Amount of EMD (in Rs.)	Due date for Opening
CMD/ WZ/02/ Audit/ 01	Outsourcing of Internal Audit of L. T. Consumer Accounts of 36 Distribution centers for the Financial year 2008-09, 2009-10 & 2010-11 under jurisdiction of S.E. (O&M) Circle Indore	1000/-	5000/-	20-12-11 at 3.30 p.m.

Note:- Full details of qualifying criteria, earnest money and terms & conditions of tender are available on our website – www.mppkvvcl.org. The tender documents must be purchased from the Director (F&A) of O/o CMD (WZ), MPPKVVCL, Indore, from dtd. 05-12-2011 on payment of non refundable tender fees as specified above (extra Rs. 100/- each by post), between 11.00 Hrs. to 17.00 Hrs. on all working days. Tender documents down loaded from web site will not be accepted. In case of any ambiguity, the terms and conditions mentioned in the tender document will be final. The payment of EMD/Cost of Bidding Document shall be made by crossed Demand Draft in favour of MPPKVVCL, Indore payable at Indore. Cheque/Cash/Postal orders will not be accepted. The last date of selling of tender document shall be 12:00 Noon on due date of opening of tender.

Further details could be obtained from No: 0731-2422045, 2423263, 2422544, 2423577

Extn. 247.

www.mppkvvcl.org

//Save Electricity//

Director (F&A)

BASIC TENDER INFORMATION

Particulars	Details
Name of Work	Outsourcing of Internal Audit of L.T. Consumer Accounts of DC's for the FY 2008-09,09-10,10-11 Under S.E. (O&M) Circle, Indore
Tender Specification number	CMD/WZ/02/Audit/01
Date of Sale of Tender documents	From 05.12.2011 to 20.12.2011 upto 12.00 Noon
Last Date of Bid Submission (Date & Time)	20.12.2011 at 3.00 PM.
Due Date of Opening of Technical bids	20.12.2011 at 3.30 PM.
Cost of Tender Documents	Rs. 1,000/- plus Rs. 100/- extra if desired by post.

LETTER OF INVITATION

M.P. Paschim Kshetra Vidyut Vitran Company ("MPPKVVCL"), one of the successor Companies of MP State Electricity Board having its Head Office at Indore, Madhya Pradesh, is engaged in business of power distribution.

MPPKVVCL (hereinafter referred to as the company) intends to outsource Internal Audit of its Low Tension Consumer Accounts (Hereinafter referred to as L T revenue audit) of 36 No distribution centres under the jurisdiction of S.E. (O&M) Indore (refer Annexure -A).

1. OBJECTIVES OF THE EXERCISE

The broad objectives of the above said audit are as follows: -

- 1.1. Compliance to the applicable Provisions, Orders and Rules Framed under the Companies Act, 1956 that require effective Internal Control Procedures in a Company.
- 1.2. To ensure that requirements under Company's Auditor Report regarding Internal Control and Internal audit are complied with, in a manner that also assists management's objective of ensuring, as far as practicable, orderly and efficient conduct of its business. This shall also include adherence to management policies, safeguarding of assets, Prevention and detection of fraud and error, accuracy and completeness of the accounting records and timely preparation of reliable financial information.
- 1.3. To make management aware, as soon as practical and at an appropriate level of responsibility, of material weaknesses in the design or operation of accounting and internal control systems, that may have come to the notice of auditor in course of audit.
- 1.4. For the above said purpose, the company hereby intends to initiate the process of selection of Chartered Accountant Firms as "Firms for LT revenue audit" (hereinafter referred to as the 'firm' or the 'auditor'). Accordingly the company is issuing this Request for Proposal ("RFP") for inviting proposals from eligible firms of Chartered Accountants.

2. QUALIFYING CRITERIA REGARDING APPOINTMENT OF FIRMS FOR LT REVENUE AUDIT.

The qualifying criteria mentioned below would be the basis on which any further evaluation (Technical and Financial) shall be carried out. If the firm does not satisfy any of the below mentioned conditions or fails to give the proof for the details mentioned below, such firm would stand to be disqualified and no further correspondence would be entertained:

- 2.1. The bidding is open only to reputed firms of Chartered Accountants/Cost Accountants. The eligible firm must have been incorporated under The Partnership Act, 1932. It must have at least **three partners**, in which at least **one partner** must be **Fellow Member of the Institute of Chartered Accountants India/Institute of C. W. A.** as the case may be. Changes in the constitution of the firm should be intimated to MPPKVVCL within seven days of such change having been occurred;
- 2.2. The firm should have its Registered Head office or Branch Office at Indore and lead partner of the firm for this project should sit regularly at such office;
- 2.3. The participating firm should have minimum **five years** of experience related to carrying **internal audit** of large organisations and should have proven expertise in such assignments. Further, firms having minimum number of partners specified above as partners in the firm during the period of last five years as aforesaid shall be preferred.
- 2.4. The audit firm should have average annual Professional receipts over last three years from undertaking similar services of a minimum of Indian **Rupees 5,00,000/-** (Rs. Five lacks only).
- 2.5. Date for applicability of the qualifying criteria and other parameters, unless otherwise expressly stated, shall be 31st March 2011

- 2.6. Information related to the aforementioned criteria along with covering letter to be provided in Annexure 1 to 8 (both inclusive) must be submitted along with Technical Proposals.
- 2.7. The audit firm should not have been blacklisted by MPPKVVCL or any other department of Government of Madhya Pradesh.

Note:

MPPKVVCL reserves the right to verify / scrutinize any of above said information to check for accuracy. In case of credible evidence obtained for any false declaration, MPPKVVCL reserves the right to take appropriate action as it deems fit in addition to cancel / terminate the contract or disqualify such firm or firms.

3. DISQUALIFICATION

- 3.1. MPPKVVCL may, in its own sole discretion, and at any time during the evaluation process, disqualify any Applicant, if the Applicant has:
 - 3.1.1. Submitted the Proposal which is not accompanied by required Earnest Money.
 - 3.1.2. Submitted the Proposal after the response deadline.
 - 3.1.3. Made misleading or false representations in the forms, statements and attachments submitted as proof of the eligibility requirements;
 - 3.1.4. Exhibited a record of poor performance such as abandoning works, not properly completing the contract, inordinately delaying completion, being involved in litigation, or financial failures, etc.;
 - 3.1.5. Submitted a Proposal which is not accompanied by required documentation or is non-responsive;
 - 3.1.6. Failed to provide clarifications related thereto, when sought;
 - 3.1.7. Submitted more than one Proposal. This will cause disqualification of all the Proposals submitted by such Applicant.
- 3.2. If information which would have entitled MPPKVVCL to reject or disqualify the Applicant becomes known after the Applicant has been qualified, MPPKVVCL reserves the right to reject the Applicant at that time or at any time after such information becomes known.
- 3.3. Applicants who are found to canvass, influence or attempt to influence in any manner the qualification or selection process, including without limitation, by offering bribes or other illegal gratification, shall be disqualified from the process at any stage.
- 3.4. Applicants who are facing any enquiry/ investigation under Prevention of Corruption Act or similar acts may be disqualified.

4. EXTENT AND SCOPE OF LT REVENUE AUDIT

Note: Unless otherwise expressly stated, audit to be carried at DC for dally cash collection shall be for any one month in a financial year preferably from November to March on random basis as per discussion with Executive Engineer (Audit)/ Assistant Engineer (Audit) under Director (F&A) O/o CMD(WZ) MPPKVVCL, Indore. The checking of dally cash collection includes checking of counter foil/stub of energy bill/MR (Money Receipt), CCB Register, Dishonoured cheques with the records of CAC/CRA/Cash Book. The period to be covered for performing the audit shall be for Three Financial Year 2008-09, 2009-10 &2010-11.

4.1. Checking of Classified Abstract of Collection (CAC)/Cash Remittance Advice (CRA).

This shall include checking of following: -

- i. Records of CAC shall be checked thoroughly with counter foil/stub of energy bill available in distribution centre;
- ii. Postings from MR (Money Receipt) to CAC (in cases as applicable) and whether the receipts as stated in the CAC are continuous;
- iii. Legitimate utilisation of MR and control on stock of unused MR.
- iv. Any over writing and corrections made in CAC from counter foil of that particular bill are duly authorised;

- v. Payments received by cheques/drafts etc. are properly entered in the prescribed register. Further entries in register are attested by officer in-charge of the Distribution centre and have been duly entered in CAC;
- vi. Sum totals of each CAC are correct and CRA are prepared as per CAC;
- vii. CAC, being regularly checked by the clerk concerned is initialled by the Assistant Engineer, is closed every evening and the total receipts of the day are transferred to the Main Cash Book, the same evening. In case of defaults indicate the date from when to when it has not been checked and the names of the defaulting clerks.
- viii. Reconciliation of CAC with consumers' ledgers;
- ix. That the realizations required to be deposited in bank have been routed through the CRA and that CRA has duly been signed by the depositor;
- x. Reconciliation of amount remitted into Bank during the particular month with the bank statements;
- xi. Time taken by distribution centre in submitting CRA to RAO. Reasons for delay, explanations of the staff, etc shall be analysed and included in the report.

4.2. Adjustment made through CCB/CC4/CC7

All cases of adjustment made to the consumers accounts are required to be checked thoroughly from CCB/CC4/CC7, including Interest on consumer deposits. Cases of discrepancies found shall be included in the report.

4.3. Meter Reading Diary

- i. Checking whether Meter Reading books are kept in a bound form for all the categories and progress reports are received from Meter Readers monthly showing the number of meters actually read by them;
- ii. Meter reading diaries have to be checked thoroughly, particularly for finding out the position of stopped/defective meter. Further, action taken by the officers on observations of meter readers and compliance to procedural requirements including Sample checking by AE/EE is also required to be verified and commented upon;
- iii. Assessment of units and its reasonability shall also be checked on sample basis. This shall include verifying whether the units consumed during a particular billing period are showing substantial difference against the units consumed in the earlier period and the connect load;
- iv. For new connections check whether the first bill is issued in compliance to the procedure as prescribed thereof.

4.4. Audit of billing operation

Assess regularity in Billing process including Meter reading and Billing programme;

- i. Assess adherence to Billing Programme and report the deviations;
- ii. Report cases of delay in issue of bills and the details thereof including:
 - Category of consumer or ledger number;
 - Months in which bills were required to be issued;
 - Months in which bills were actually issued;
 - Name of the defaulting ledger keeper and checking clerk.

4.5. Domestic consumers

At least records of 10% consumers from consumer ledgers and meter diaries are to be checked thoroughly for analysing the following:

- Consumption pattern;
- Working condition of meters;
- Sanctioned load etc.

4.6. Commercial consumers

Records of 100% consumers are to be checked thoroughly as similar to work done in case of Domestic consumers.

4.7. LT industries

Records of 100% consumers are to be checked thoroughly as similar to work done in case of Domestic consumers.

4.8. New Connection Register

Records of 50% new connections provided during the period shall be checked on random basis for the following:

- i. Whether all charges such as SCC, ESD, Infrastructure charges, Capacitor surcharge, Welding surcharge etc. as per applicable rules have been recovered from the consumers. In case of IP & CP new connections these details are to be checked from the individual files of the consumers.
- ii. Analyse the average time taken for providing new connections;
- iii. Whether all connections released are put on billing cycle timely.

4.9. Temporary Connection Register

Records of 100% temporary connections shall be checked for the following:

- i. Check temporary connection register regarding compliance to rules prescribed for the same.
- ii. Check accuracy of tariff rates and the billing done for temporary connections.
- iii. Report on trend for number of temporary connections and collection of amount billed. Also compare with their number during previous period and comment on deviation against expected number for the current period.

4.10. Street lighting installations

Records of 25% street lighting installations shall be checked for the following:

- i. To check whether the correct load and energy consumption are considered correctly for the billing purpose.
- ii. To check whether the maintenance charges have been correctly calculated and billed.
- iii. To check that additional loads/installations serviced from time to time are correctly brought on to the consumers ledgers and accordingly monthly demand is raised thereof.
- iv. To check whether the audit short claims, if any, are correctly demanded and collected.

4.11. Dishonoured Cheque Register

- i. To check whether the Dishonoured cheques register is properly maintained.
- ii. To check whether timely action has been taken for recovery of revenue including disconnection, penalty and legal action besides ensuring that the consumer records/books of account are updated immediately and intimated to the consumer for fresh payment along with surcharge and bank charges.
- iii. To check whether necessary entries in RED INK are made in the receipt and payment sides of the cash book as well as in the CAC and CRA of the day.

4.12. Cash & Bank

- i. Verify actual cash in hand with cash book, bank balances and cash in transit.
- ii. Reconciliation of book balances with General Ledger & balance as per Bank Statement.
- iii. Verify accuracy and cut-off for cash transactions regarding recording of receipts in the same accounting period in which they have been received.

4.13. Analysis of receivables

- i. To check that defaulters list is being regularly received at the DC;
- ii. To check that status is being updated at the DC regarding defaulters and efforts made for recovery, including service of notice for outstanding dues;

- iii. To check whether dates are indicated on which:
 - Temporary disconnection orders are given effect to;
 - Permanent disconnection orders are given effect to;
 In case no such orders were implemented, ask reasons for the same;
- iv. Check whether list of defaulters is showing an increasing trend.
- v. Check whether list for cases of permanent disconnections is prepared in compliance to Electricity Supply code 2004 for submission to Commission.
- vi. To check whether outstanding charges/dues/amount of instalment fixed along with disconnection and reconnection charges as may be applicable, are received in case where temporary disconnections been restored.
- vii. In case of temporary disconnections made at request received from the consumer check whether all the monthly charges that are fixed in nature e.g. demand charge, minimum charge, meter rent etc have been received from the consumer in advance. Also check whether disconnection / reconnections charges have been received from the consumer.
- viii. In case of disputed / erroneous bills check that adequate records are being maintained for status of the dispute & its resolution. Also check on sample basis that in case the bill is found to be erroneous and accordingly a revised bill has been issued, whether adjustment has duly been made in the subsequent bill.

4.14. Others

- i. In case of seasonal consumers check whether the seasonal credit has been given correctly;
- ii. Check whether regularization has been done of anomalies pointed out by vigilance, periodic inspection reports and other audits conducted;
- iii. Report on maintenance of records at DCs;
- iv. Checking compliance to tariff orders;
- v. Study the abnormal/sub-normal consumption in respect of high revenue yielding installations & report on the reasons for such variations;
- vi. Compare the consumption pattern of similar industries/installations to highlight possible loss of revenue;
- vii. Compare the average billing rate of revenue of the DC as a whole with average billing rate for each category of consumers. In case of average realization being significantly lesser than the overall average realization rate of the sub-division (of that category), investigate the reasons for the same and suggest remedial action, if any;
- viii. Compare the average consumption per installation of the DC as a whole with average consumption for each category of consumers. In case of average consumption being significantly lesser than the overall average consumption of the DC (of that category), investigate the reasons for the same and suggest remedial action, if any;
- ix. Compare the average revenue billed per installation of the DC as a whole with average revenue billed for each category of consumers. In case of average revenue billed being significantly lesser than the overall average demand of the sub-division (of that category), investigate the reasons for the same and suggest remedial action, if any;
- x. Analyze the balances of receivables (arrears in terms of number of days of demand) for each category of consumers and compare it individual with ledger balances. In case of large variations in the level of receivables in respect of a particular ledger, investigate the reasons, and suggest remedial action;
- xi. Verify the meter reading and billing efficiency. In case the percentage of meter reading and billing is significantly lower, auditor should take immediate action to report the matter to the administrative authorities for taking immediate appropriate action. While reporting the matter auditor should quantify the loss of revenue on account of the above reason;

xii. Verify the collection efficiency. In case the percentage of collection efficiency is significantly lower as compared to the previous year, the auditor should report the matter to the administrative authorities for taking immediate appropriate action.

xiii. The scope of auditor will also include:-

(a) Preparation of half margins in prescribed format for obtaining various information / records & issuing the same to JE/AE officer incharge of D.C and after receipt of the same, carrying out the audit of the record and if any mistake is pointed out the half margin of audit observation shall be issued for obtaining reply of JE/AE officer incharge of the D.C. If the officer in charge of the D.C. agreed with the observation pointed out, then this will be treated as audit para. If the Officer in charge of the D.C. dose not agree with the observation pointed out, then such Half Margins should be included under separate audit para giving remarks by the audit team.

(b) A Test Audit Report (TAR) & Test Audit Note (TAN) shall be prepared including all the audit Paras in the prescribed Proforma as per **Annexure-11**. If individual audit recovery of Rs. 1000/- or more is pointed out it should be covered under TAR and If individual audit recovery is less than Rs. 1000/- it should be covered under TAN.

It is however emphasized that the coverage in the scope of services as mentioned above is indicative and not exhaustive. Apart from the audit observations, auditor will be required to indicate discrepancies / inadequacies in the system or procedures so as to initiate steps for improving the system and making it more efficient. The audit team will also be required to educate the dealing staff so as to avoid repetition of routine procedural / technical errors.

Further all other incidental / necessary activities for the completion of audit & resolution of matters arising during the audit shall deemed to be included in the scope of services. In case of judicial proceeding(s) initiated by Discom pursuant to the audit for the period, the auditor shall reasonably assist the Discom office by acting as a witness and providing evidences required as related thereto.

5. KEY DELIVERABLES

Without prejudice to the extent and scope of services as mentioned in para at Sl. No. 4 above, following shall be key deliverables:

5.1. Test Audit Report, Test audit Note & Half Margin:-

As soon as the audit of the D.C. is completed the Test Audit Report, Test audit Note shall be prepared as per details given in point No. 4.14 (Xiii)(a)(b). The TAR & TAN along with Annexure, Half Margins and all other related details shall be submitted to the Director (F&A) O/o CMD (WZ) MPPKVVCL, Indore.

5.2. Each deliverable shall be provided as per mutually agreed terms and conditions and timelines both in soft copy and hard copy to MPPKVVCL.

5.3. Distribution of Internal Audit reports and recovery statement:

One Copy – To AE/JE Incharge of the Distribution centre for recovery purpose.

One Copy – To E.E (O&M) Incharge of Division.

One Copy – To Director (F&A) O/o CMD (WZ) MPPKVVCLTD., Indore.

6. FREQUENCY OF COVERAGE

The proposed Internal Audit system shall target to audit all the 36 D.C. of the Indore (O&M) circle for three financial year audit 2008-09 to 2010-11 as per list given in **Annexure-A**

7. REPORTING AND PERFORMANCE REVIEW

Reporting and Performance Review shall form an important part of this outsourcing assignment. The bidder firm shall be required to adhere to the following reporting requirements during the tenure of the contract:

7.1. The bidder Firm shall depute one audit team for each D.C., Consisting of one Full time Chartered Accountants/Cost Accountant and two assistants (having

qualifications of M.Com with at least 5 years of audit experience), for a minimum duration of **18 working days** during office hours (**from 10.30 P. M. till 5.30 P.M.**) for conducting L.T. audit as per clause 4 of the bid document. Minimum 4 No. audit teams shall be deployed by the auditor firm individually at the same time to complete the audit of 36 No. D.C. well within the time limit.

- 7.2. The bidder firm during the tenure and execution of this contract shall be required to **present before the management on need basis.**
- 7.3. During the course of the contract there shall be regular meetings once in a month between the management of the Company and the senior partners of the firm to discuss and review upon the issues.
- 7.4. The bidder firm shall be required to report the outcome of their activities to the Director (F&A).
- 7.5. The bidder firm shall maintain a record of the activities being undertaken by them during the course of the L.T. audit of the D.C. office. A summary of the work undertaken, completed and items pending shall be submitted to the Director (F&A) at the end of audit of each D.C. office. This shall also form basis for the performance review of the bidder firm. Such record should be readily available for inspection at all times

8. TERMS & CONDITIONS

- 8.1. Each Applicant shall submit only one proposal.
- 8.2. Whether an applicant will qualify or not will be based on the Applicant's experience, technical capabilities and financial standing as demonstrated by the Applicant's response to the requirements of the RFP document.
- 8.3. Proposals must be delivered at the address given below, before **3.00 P.M.** on **20/12/2011 ("Submission Deadline")** and will be opened on the same day at **3.30** hours at the address given below, in the presence of the Applicants' representatives who wish to attend. If a public holiday is declared on the date specified for receipt of the RFP, the same will be received and opened on the next working day at the same time and venue.

<p style="text-align: center;">Director (F&A) O/o CMD (WZ) GPH, Compound Pologround MPPKVVCL, Indore MP-452003 Tel: 0731-2422045 Ext 108 Fax: 0731-2423300</p>

- 8.4. Nothing in this RFP or in any communication issued by MPPKVVCL or any of its employees shall be taken as constituting an agreement, offer, acceptance, warranty, covenant, confirmation or representation to the recipient of this document or to any other party.
- 8.5. It may be ensured that this assignment is carried out only through employees of participating firm. If it comes to our notice that the assignment has been carried out by any other firm/persons, the appointment is liable to be cancelled
- 8.6. Once the technical evaluation has been done the company shall intimate date for opening of financial bids of the firms who have qualified in the technical evaluation.
- 8.7. Notwithstanding anything to the contrary, vendor's maximum aggregate liability under this agreement (regardless of the nature of any claim asserted, including contract, statute, any form of negligence whether of MPPKVVCL, vendor's firm or others, strict liability or otherwise) shall be limited to the amount of total fees payable to the firm. In no event shall either party be liable for consequential, incidental, special or punitive loss, damage or expense (including, without limitation, lost profits, opportunity costs, etc.), even if it has been advised of their

possible existence. This provision shall survive the termination of this agreement for any reason.

- 8.8. The Applicant is not permitted to modify, substitute, or withdraw their Proposal after submission.
- 8.9. **The successful bidder firm up on appointment shall be required to sign an agreement with MPPKVVCL, Indore containing overall terms and conditions which shall be binding on the firms.** (Draft of the Agreement is given as **Annexure-B**)
- 8.10. The Audit team shall be directly headed by a Chartered Accountant/Cost Accountant as the team Incharge.
- 8.11. The appointment shall be made on the basis of the credentials, experience and capability furnished by participating firm for the purpose of empanelment and is liable to cancellation in the event of any professional or other misconduct, which has been taken cognizance by The Institute of Chartered Accountants of India /Institute of C.W.A./ any other authority, coming to light at a later date;
- 8.12. Reports/outputs of the firm would need to summarize the areas covered and findings and recommendations wherever required. Firm would need to promptly discuss any matters that come to its attention with Head of Finance section of Corporate Office/ officer in-charge of MPPKVVCL during its work.
- 8.13. Firm's outputs / reports would be issued solely for the internal use of MPPKVVCL's management and employees. Any other distribution of the same must be approved by MPPKVVCL in advance in writing. Distribution of any information pertaining to MPPKVVCL without prior written consent of Director (F&A) O/o CMD (WZ) MPPKVVCL, Indore shall be treated as major misconduct and shall be dealt accordingly.
- 8.14. MPPKVVCL will provide reasonable workspace and furniture for the audit team. Other resources, viz. computers, telephone etc. would have to be arranged by firm.
- 8.15. With respect to this agreement and any information supplied in connection with this agreement and designated by the disclosing party as confidential, the recipient agrees to: (i) protect the confidential information in a reasonable and appropriate manner and in accordance with any applicable professional standards; and (ii) use and reproduce confidential information only to perform its obligations under this agreement.
- 8.16. MPPKVVCL's management reserves the right for applying independent business judgment with respect to the services and work / output provided by the firm, to make implementation decisions, if any, and to determine further courses of action with respect to any of the matter addressed in any advice, recommendation, service, report or deliverable to MPPKVVCL.
- 8.17. In case MPPKVVCL suffers, or is likely to suffer, any loss or damage, or if liability of any kind is imposed or likely to be imposed on MPPKVVCL because of ignorance or negligence or any other reason attributable to the audit firm, an amount equal to such loss or damage or liability shall be recoverable from the firm.
- 8.18. All the audit reports shall be signed by a partner of the appointed firm. The partner signing the audit report shall be responsible for all the work done by the audit team irrespective of the composition of visiting team at the DC.

9. PRE BID CLARIFICATION

- 9.1. A pre bid clarification meeting shall be organized on **15/12/2012 at 3.00 p.m.** at the Conference hall, O/o CMD, MPPKVVCL, GPH Compound, Pologround, Indore for clarification of any doubts of prospective applicants regarding the RFP documents. The prospective applicants may attend such meeting through their authorised representatives. Those prospective applicants who may find themselves unable to attend the pre bid clarification meeting in person may send their queries either by post or facsimile or by courier at the address given above so as to reach MPPKVVCL on or before **15.12.2012 by 3.00 p.m.**
- 9.2. MPPKVVCL would duly acknowledge the queries received by post, courier or by facsimile and provide response to the clarifications sought by the prospective applicant at its discretion.

- 9.3. MPPKVVCL, at its sole discretion, reserves the right to respond to questions raised by Applicants or provide written clarifications. No oral response to a clarification request shall be construed as amending this RFP document. Nothing in this section shall be taken or read as compelling or requiring MPPKVVCL to respond to any questions or to provide any clarifications. No extension of any deadline will be granted on the basis or grounds that MPPKVVCL has not responded to any question or provided any clarification.

10. DETAILS OF BID AND EVALUATION PROCESS

10.1. Bidding Process

- i. **'Single stage – Three Envelope'** bidding process shall be followed for selection of the firm
- ii. First Envelope shall contain EMD, Second Envelope shall contain 'Technical Proposal' (in two copies) and Third Envelope shall contain 'Financial Proposal' (in two copies)
- iii. All the three envelopes containing EMD/ Technical Proposal/ Financial Proposal shall be placed inside one Outer Envelope
- iv. Method of bid-submission is detailed hereunder.

10.2. Earnest Money

- i. EMD (Earnest Money Deposit) for participation in the bid is **Rs 5,000/-** (Rs Five Thousand Only).
- ii. The Applicant shall deposit EMD through a Demand Draft drawn on any scheduled bank, in favour of **Senior Accounts Officer, MPPKVVCL, Indore, payable at Indore**
- iii. The Demand Draft in original shall be placed in the EMD envelope and the same shall be duly sealed by the Applicant. The envelope containing **EMD** must be clearly super scribed as **EARNEST MONEY**, and must contain Name and Address of the Applicant.
- iv. Offers submitted without EMD shall be summarily rejected.
- v. EMD deposited in any other manner except as mentioned above, shall not be accepted and such offers shall be rejected.
- vi. The deposit towards EMD as above shall not carry any interest.
- vii. ***Earnest Money of unsuccessful Bidders***

Earnest money deposited by unsuccessful Bidders will be returned as soon as possible after the tender has been finalized and upon the Bidder returning the original receipt for the Earnest Money duly discharged in favour of the Company along with the refund voucher in duplicate duly signed.

- viii. ***Earnest Money of successful Bidders***

Earnest Money Deposit paid by successful Bidder shall be released after one year of the submission of the final audit report, provided that no irregularities resulting in loss of revenue or any penalties to the company are found subsequently out of the work done by the firm. The date of completion shall be reckoned from the date of submission of final audit report to Director (F&A) MPPKVVCL, Indore.

- 10.3. The Applicant shall submit two copies (original + one) of their Proposals (Technical as well as Financial), in the format prescribed in the RFP documents, clearly marking each one as: "TECHNICAL PROPOSAL - ORIGINAL," "TECHNICAL PROPOSAL - COPY" and "FINANCIAL PROPOSAL – ORIGINAL", "FINANCIAL PROPOSAL – COPY". In the event of any discrepancy between the original and any copy, the original shall govern.
- 10.4. The original and one copy of the Technical as well as Financial Proposals (PROPOSALS) shall be typed and shall be signed by the Applicant or a person or persons duly authorized to bind the Applicant to the contract. The person or persons signing the PROPOSAL shall initial all pages of the PROPOSAL.

- 10.5. Any interlineations, erasures or overwriting shall only be valid if the person or persons signing the PROPOSAL initial them.
- 10.6. The applicants shall place the original and one copy of the TECHNICAL PROPOSAL, along-with all required documents, in an envelope and seal and mark the envelope as "TECHNICAL PROPOSAL". Similarly, the applicants shall place the original and one copy of the FINANCIAL PROPOSAL, along-with all required documents, in a separate envelope and seal and mark the envelope as "FINANCIAL PROPOSAL".
- 10.7. The envelopes containing the "EMD", the "TECHNICAL PROPOSAL" and the "FINANCIAL PROPOSAL" shall be placed together in an outer envelope, and duly sealed by the applicant.
- 10.8. **All the** inner and outer envelopes shall;
 - i. be addressed to MPPKVCL at the address provided above and;
 - ii. Bear the contract name, the title ***"OUTSOURCING OF INTERNAL AUDIT OF L.T. ACCOUNTS OF 36No. D.C,S for THE FY 2008-09, 2009-10 AND 2010-11 UNDER INDORE (O&M) CIRCLE, MPPKVCL"*** and the words ***"DO NOT OPEN BEFORE 20/12/2011 at 03.30 pm"***.
 - iii. Bear the name and address of the Applicant.
- 10.9. If the outer envelope is not properly sealed and marked as required, MPPKVCL will assume no responsibility for misplacement or premature opening the PROPOSAL.
- 10.10. Submission of PROPOSAL by fax, e-mail or other electronic means will not be accepted. It is the responsibility of Applicant alone to ensure that its PROPOSAL is delivered at the prescribed address by the stated deadline.

11. LIST OF DOCUMENTS TO BE SUBMITTED WITH PROPOSAL

- 11.1. TECHNICAL PROPOSAL
- 11.2. Covering letter as in **Annexure-1**.
- 11.3. Support information related to technical competence of the Applicant as specified in **Annexure 2 to 9**.
- 11.4. Certified copies of audited Financial Statements of preceding 3 years.
- 11.5. Any other supporting information and documents that is relevant to the bid proposal
- 11.6. **FINANCIAL PROPOSAL (Price Bid)**
Final proposal in the format provided in **Annexure-10**

12. BID OPENING

- 12.1. As the bid evaluation will be in two parts (EMD/ technical, and financial) as indicated in the RFP, there will be two bid-opening events – (i) for the EMD/ Technical Bids and (ii) for the Financial Bids
- 12.2. Bid opening shall be in the presence of applicant's representatives who choose to attend. The Applicant's representatives, who are present, shall sign a register evidencing their attendance.
- 12.3. The main envelopes of the bids that have been received within due date and time of submission would be opened at **03.30 pm on 20/12/2011**. The Applicants' names will be announced at the opening.
- 12.4. No bid shall be rejected at bid opening, except for late bids, which shall be summarily rejected and not considered.
- 12.5. First of all, the outer envelopes of the received bids shall be opened. Thereafter, EMD envelopes shall be opened.
- 12.6. Technical Bids of only those Applicants will be opened, who have deposited DD in original towards required amount of EMD, in the EMD envelope. Bids of those

Applicants who have not deposited proper EMD shall not be considered for further Evaluation.

- 12.7. The Financial Bids of only those Applicants, who are technically qualified during the technical evaluation, would be opened.
- 12.8. The venue, date and time of opening of the financial bids of technically qualified Applicants will be intimated to them at the appropriate time, with adequate notice.
- 12.9. The guidelines in this sub-section will generally be followed by MPPKVVCL officers at each such event. However MPPKVVCL may deviate from these in specific circumstances if it feels that such deviations are unavoidable, or will improve speed of processing and consequent execution of works.

13. EVALUATION OF TECHNICAL BIDS

13.1. Preliminary Scrutiny:

Preliminary scrutiny of the technical bid will be made to determine whether they are complete, whether the documents have been properly signed, and whether the bids are generally in order. Bids not conforming to such preliminary requirements will be prima facie rejected.

13.2. Fulfilment of Minimum Eligibility Criterion:

The bids will be examined to ascertain whether they fulfil the minimum eligibility criterion as prescribed in *clause-2*. The bids of those applicants who do not fulfil minimum eligibility criterion shall not be taken into further consideration/ detailed evaluation.

13.3. Substantial Responsiveness:

Prior to the detailed evaluation, MPPKVVCL will determine the substantial responsiveness of each bid to the bidding documents. For purposes of these clauses, a substantially responsive bid is one, which conforms to all the terms and conditions of the bidding documents without material deviations MPPKVVCL will not allow any corrections in case of nonconformities.

- 13.4. **Waivers:** MPPKVVCL shall waive minor infirmity; nonconformity or irregularity in a bid, which does not constitute a material deviation, provided such waiver does not prejudice or affect the relative ranking of any Applicant.

- 13.5. **Detailed Evaluation of Technical Proposals:** Bids found to be substantially responsive, will be taken up for detailed evaluation. Criteria for evaluation of technical bids have been specified in *Annexure-9* of this document.

- 13.6. **Scoring:** Parameters used for evaluation of technical bids will be based on the relevance and nature of activities in past similar engagements, approach proposed, experience in domain area, experience and skill of core team proposed and conformance to time schedule. The technical score of each firm (denoted as Ts) shall be utilised for overall ranking of the bidder.

- 13.7. **Technically qualified Applicants:** All the Applicants who fulfil minimum eligibility criteria and secure a *Technical Score of 70%* or more will be declared as technically qualified. The Financial Bids of only the technically qualified Applicants will be opened for further processing.

14. EVALUATION OF FINANCIAL BIDS

- 14.1. The Financial Bids of the technically qualified Applicants will be opened.

14.2. Fixed Price Bids:

Only fixed price financial bids indicating total price for the deliverables will be considered.

14.3. Arithmetical errors will be rectified as follows:

If there is a discrepancy between the unit price and the total price that is obtained by multiplying the unit price and quantity, the unit price shall prevail and the total price shall be corrected. If there is a discrepancy between words and figures, the amount in words will prevail. However, if the amount quoted in

words is not legible or not clear in meaning, the MPPKVVCL may consider the amount quoted in figures as final. Such offers may also be rejected.

- 14.4. The bidder firm, whose financial proposal will be the lowest, shall be awarded maximum number of marks. All other price proposals will receive marks in inverse proportion. The formula that shall be followed is as follows:

$$F_s = 100 \times (L/P)$$

Where:

F_s = marks for the financial proposal being evaluated

L = price of the lowest priced proposal

P = price of the proposal being evaluated

The proposal obtaining the overall highest score after adding the score of the technical proposal and the financial proposal shall be the proposal which shall get selected, subject to fulfilment of contractual formalities.

Note: - The F_s shall be rounded to the nearest full digit.

15. SELECTION OF THE FIRM(S) FOR AWARD OF CONTRACT

- 15.1. The technical score (T_s) and financial score (F_s) of each firm to arrive at overall score (O_s) as per the following formula.

$$O_s = T_s + F_s$$

- 15.2. The bidders shall be ranked on the basis of overall score (O_s) obtained by each firm. The firm achieving maximum overall score shall be ranked R1 the second firm shall be ranked as R2 and ranking of all firm shall be done in similar manner.
- 15.3. The firm which has stood at rank R1 shall be offered the contract award, subject to completion of contractual formalities.
- 15.4. In case the R1 firm does not complete the contractual formalities within stipulated time period the MPPKVVCL reserves the right to cancel the offer made to such firm and forfeit its EMD. In such case the MPPKVVCL may at its discretion offer the contract award to R2 firm at the rates quoted by R1 firm or R2 firm, whichever is lowest.
- 15.5. In the event R-2 firm also not accepting the contract offer, MPPKVVCL, at its discretion, offer the contract to R3 firm at the rates quoted by R1 firm or R3 firm, whichever is lowest.

16. BID CLARIFICATIONS

During evaluation of the bids, MPPKVVCL may, at its discretion, ask the Applicant for clarification on their bid.

17. COST OF PROPOSAL

The Applicant shall bear all costs associated with the preparation and submission of its PROPOSAL and MPPKVVCL will not be responsible or liable for these costs, regardless of the conduct or outcome of the selection process.

18. LANGUAGE OF PROPOSAL

The PROPOSAL prepared by the Applicant and all correspondence and documents related to the RFP and PROPOSAL exchanged by the Applicant and MPPKVVCL shall be written in English. Any printed literature furnished by the Applicant may be written in another language as long as such literature is accompanied by its translation in English, in which case, for purposes of interpretation of the RFP, the English translation shall govern.

19. DISCLAIMER

MPPKVVCL and/or its officers, employees disclaim all liability from any loss or damage, whether foreseeable or not, suffered by any person acting on or refraining from acting because of any information including statements, information, forecasts, estimates or projections contained in this document or conduct ancillary to it whether or not the loss or damage arises in connection with any omission, negligence, default, lack of care or misrepresentation on the part of MPPKVVCL and/or any of its officers, employees.

20. MISCELLANEOUS

This document and the appendices constitute no form of commitment on the part of MPPKVVCL whether in respect of the selection or otherwise. Furthermore, this RFP document confers neither the right nor expectation on any party to participate in the selection process. MPPKVVCL reserves the right to reject any or all of the PROPOSALS, if it considers necessary to do so, and/or to withdraw from the selection process or any part of the selection process or to vary any of its terms at any time without giving any reason or incurring any liability thereto.

If any approval is necessarily required to be obtained from Institute of Chartered Accountants/Institute of Cost Accountants for taking up aforesaid assignment, it shall be obtained by the Applicant itself.

The firm will be responsible for irregularities not found out by them resulting in loss of revenue or penalty to the company, which may be found subsequently, up to not later than one year of completion of audit. The date of completion shall be reckoned from the date of submission of audit report to the Director (F&A) O/o CMD (WZ) MPPKVVCL, Indore.

21. SIGNING OF CONTRACT

Successful applicant will be required to sign Contract within 7 days of receipt of intimation with MPPKVVCL, Indore on non judicial stamp paper of Rs 250/- (Draft of the contract is given as **Annexure-B**). Cost of stamp paper and revenue stamp to be affixed on agreement shall be borne by the applicant. MPPKVVCL shall not reimburse these costs.

Failure of the successful Applicant to sign the contract within seven days of intimation shall constitute sufficient grounds for the annulment of the award as well as for forfeit of Earnest Money, in which event the MPPKVVCL may blacklist the bidder and make the award to another Applicant or call for fresh bids.

22. CO-ORDINATION AND FOLLOW UP OF AUDIT WORK

Joint Director (F&A)/Executive Engineer (Audit) /Assistant Engineer (Audit) O/o CMD(WZ) MPPKVVCL, Indore will be in charge of co-ordination of audit work. The successful applicant, after award of work is required to approach the officer concerned on all matters for smooth and effective conduct of audit. The term co-ordination covers the entire gamut of activities viz., finalization of audit programme, discussions and acceptance of deliverables, settlement of payment, dispute resolution as per the contract terms etc.

23. PAYMENT SCHEDULE/ PROCEDURE: PAYMENT SHALL BE RELEASED IN FOLLOWING MANNER.

23.1. Payment Schedule for the audit fees:-

- i. 70% of payment of fees shall be released on submission of Test Audit Report (TAR) & Test Audit Note (TAN) of the D.C. audited in Hard & Soft copy along with Annexure, Half Margins and all other related details and satisfactory replies to any clarification sought on the same.

- ii. 30% of payment of fees shall be released after six months of the submission of the final audit report, provided that no irregularities resulting in loss of revenue or any penalties to the company are found subsequently out of the work done by the firm and ensuring that all the assistance required from the auditor firm in resolving matters relating to the period under audit have been received whether or not same were dealt with in the audit report by the auditor. The date of completion shall be reckoned from the date of submission of final audit report to Director (F&A) MPPKVCL, Indore.
- iii. No interest, claim or penalty etc. would be payable by MPPKVCL in case of any delay in payment beyond stipulated time.
- iv. No. advance payment should be made against audit fee.

The bill will be passed and forwarded to the Sr. A.O. MPPKV CO. LTD. INDORE who shall release the payment within reasonable time as per queue.

23.2. Incentive Scheme for Audit recovery & Payment Schedule for the Incentive:-

- i. In addition to the audit fees payable to the firm, the audit firm shall also be entitled to receive incentive on the basis of realised audit recoveries. The incentive amount shall be calculated as described in following para:-
- ii. As soon as the Audit of the D.C is completed the auditor firm shall make efforts to raise the demands of the audit recovery of the concerned consumers in his Account in the bills of the next month through CCB register. When the amount is recovered, the para wise recovery statement, giving complete details such as name of consumers, SC No., amount raised, amount recovered, MR / cash stub No.& Dt. and details of adjustment if any, duly verified by J.E/A.E. Officer Incharge of the D.C and countersigned by the Executive Engineer (O&M) incharge of the Division along with amount of incentive bill to be claimed @ 5% of amount recovered shall be submitted to the Director (F&A) O/o CMD (WZ) MPPKVCL, Indore for further necessary action regarding payment of the same.
- iii. The incentive bill should be submitted by the auditor firm to the Director (F&A) O/o CMD (WZ) MPPKVCL, Indore giving complete details as mentioned above, at an interval of 3 months of previous incentive bill submitted for that particular D.C. office. The details of audit recovery shall be collected by the auditor firm by deputing their own staff to visit the concerned D.C. Office.
- iv. No incentive amount shall be paid to the auditor firm in the following cases:-
 - a. If total audit recovery amount pointed out by the auditor firm for that particular D.C office is less than Rs.50,000/-.(Total for FY 2008-09,09-10 &10-11)
 - b. If the audit recovery amount pointed out by the auditor firm was recovered earlier before conducting the audit, but details of recovery could not be shown by the office staff of D.C to auditor firm during the audit period due to any reason.
 - c. No incentive amount shall be paid till the audit recovery amount in full is deposited by the consumer in company's account within period of one year from the date of completion of audit of that particular D.C. office. The date of completion shall be reckoned from the date of submission of audit report to the Director (F&A) O/o CMD (WZ) MPPKVCL, Indore.
 - d. If the recovery is disputed or challenged before any court of law/adjudicating authority.
- v. The maximum incentive amount shall be Rs. 25000/- per distribution centre.

23.3. Performance Standard

- i. The auditor is expected to apply reasonable degree of care and diligence while performing the audit.
- ii. In case of any negligence found on the part of auditor , or the work is not carried out in accordance with the terms & conditions of the contract or

scope of work is not adhered to by the auditor, the MPPKVCL reserves the rights to deduct a suitable amount from audit fees/incentives payable to auditor. The MPPKVCL's decision shall be final in this regard. However such deduction shall not exceed the amount of audit fees plus incentive payable to the auditor firm.

23.4. Commencement & Completion Period

The work of internal Audit of Distribution centres for the FY 2008-09, 2009-10 & 2010-11 under SE (O&M) circle Indore shall start within 7 days from the date of execution of agreement of the work and shall be completed within 8 months (240 days) of starting of the work.

MPPKVCO.LTD.INDORE reserves the right to appoint another firm to get the work done in the event of failure of the bidders firm to commence the work as per schedule or if the progress of the work is not commensurate with the time completion mentioned in the work order In such a case the Earnest money deposited by the firm will be forfeited by the MPPKVCL, Indore.

23.5. Submission of Bills

The payment as per payment term given above shall be released by the **Senior Accounts Officer, MPPKVCL, Indore** within reasonable time from the date of receipt of the bill or as per queue whichever is later. The bill should be submitted in triplicate to Director (F&A) O/o CMD MPPKVCL., Indore, with the TAR/TAN in enclosed format in Soft & Hard copy. After satisfactory completion of the work, the bill shall be passed and forwarded to the **Senior Accounts Officer, MPPKVCL, Indore** for pre-auditing the bill and arranging payments within reasonable time as per queue.

23.6. Penalty for Delay in Completion of Work

If work is not completed by bidder firm in stipulated time period, then penalty @0.5% per month subject to maximum 10% of the total contract value of the work shall be imposed. However in the event of non completion of the work in the stipulated time period due to unforeseen conditions, the auditor firm will be required to apply for grant of additional time period. Request of extension of time period desired by the auditor firm shall be considered only if reasonable and justified ground exists at the sole discretion of Director (F&A) MPPKVCL, Indore.

LIST OF DISTRIBUTION CENTRES (DCS) TO BE OUTSOURCED FOR LT REVENUE AUDIT

A. MADHYA PRADESH PASHCHIM KSHETRA VIDYUT VITRAN COMPANY LIMITED, INDORE REGION/SE(O&M) Indore

Sl. No.	Name of Division	Name of Distribution Centre
	Indore (O & M) Division	
1		Rangwasa
2		Kasturbagram
3		Kanadiya
4		Dudhiya
5		Tillore
6		Kampel
7		Sanwer
8		Dharampuri
9		Chandrawatiganj
10		Mangliya
11		Budi barlai
	Mhow (O&M) Division	
12		Mhow [Town]
13		Mhowgaon
14		Harsola
15		Simrol
16		Gujarkheda
17		Gawlipalasiya
18		Hasalpur
19		Badgonda
20		Manpur
21		Dhamnod [U]
22		Dhamnod [R]
23		Dharampuri
24		Sundrel
	Depalpur (O&M) Division	
25		Hatod
26		Paliya
27		Gandhinagar
28		Navda panth
29		Depalpur
30		Gautampura
31		Chambal
32		Ataheda
	Pithampur (O&M) Division	
33		Pithampur
34		Sagore
35		Ghata billod
36		Betma

(DRAFT)

OVERALL AGREEMENT TERMS AND CONDITIONS

THIS AGREEMENT is made on _____

BETWEEN:

- (1) **MP Paschim Kshetra Vidyut Vitaran Company Limited** (referred as “**MPPLVCL**” or “**Company**” hereinafter) having its Head Office at Indore; and
- (2) **M/s _____, Chartered Accountants/Cost Accountants** (referred as the “**Vendor**” or “**Firm**” hereinafter) having its Head Office at Indore.

INTRODUCTION:

- A. Whereas the MPPKVCL wants the Vendor to provide certain internal audit of L.T. Consumer Accounts of distribution centres for the FY 2008-09,2009-10, and 2010-11 under jurisdiction of S.E.(O&M) MPPKVCL, Indore Circle related services (as outlined under the heading ‘**Scope and Extent of Services**’ in the RFP / Work Order, or mentioned herein under) and the Vendor is willing to provide such services all on the terms and conditions set out in this Agreement.
- B. And, whereas the Vendor has knowledge and experience in the provision of services in the area of Internal audit of L.T. Consumer Accounts of distribution centres to companies of the size and type of MPPKVCL. The Vendor acknowledges that MPPKVCL has relied on such knowledge and experience in selecting the Vendor to provide such services.

And therefore, **IT IS AGREED** as follows:**1. DEFINITIONS AND INTERPRETATION**

- 1.1. In this agreement unless otherwise specified or the context otherwise requires:
- 1.1.1. where reference is made to a statutory provision this includes all subsequent enactments, amendments and modifications relating to that provision and any subordinate legislation made from time to time under it;
- 1.1.2. a “law” includes common or customary law and any bye-law, regulation, legislation, decree, judgment, order, ordinance, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request, requirement or guideline (the compliance with which is in accordance with the general practice of persons to whom the directive, regulation, request, requirement or guideline is addressed);
- 1.1.3. a document in an “agreed form” is a reference to a document in a form approved by both parties and for the purposes of identification signed by the relevant Authorised Representatives on behalf of each party; and
- 1.1.4. reference to “the parties” or to “a party” will be to MPPKVCL and/or the Vendor unless otherwise expressly provided and shall include that party’s assignees;

2. TERM

- 2.1. This Agreement will come into force on the Signature Date and will, subject to the terms of this Agreement, continue for a period till satisfactory completion of work of Internal audit of L.T. Consumer Accounts of distribution centres for the FY 2008-09, 2009-10, and 2010-11 under jurisdiction of S.E.(O&M) MPPKVCL, Indore Circle from the Signature Date.
- 2.2. MPPKVCL reserves the right to extend the term of agreement for a further period of one year, at the same terms & conditions.
- 2.3. At any time during the Term, the parties may (in their absolute discretion) by mutual agreement, extend the Term by such additional period as they see fit and on terms and conditions substantially similar to those included herein.

3. SERVICES

- 3.1. From the Service Start Date the Vendor shall provide the Services in accordance with the terms of this Agreement and Work Order and will ensure that with effect from the Service Start Date, teams of persons are available to provide the Services. These teams will as of the Service Start Date include the employees of the Vendor.
- 3.2. The Vendor agrees that it will follow and comply with any reasonable instructions, directions or requests given or issued which are consistent with the terms of this Agreement by MPPKVCL’s relevant Authorised Representative in writing or, where it was reasonably impracticable to do so in writing, given orally and subsequently confirmed in writing by such Authorised Representative in connection with the performance of the Services.

- 3.3. The Vendor shall as soon as reasonably practicable notify MPPKVCL whenever the vendor becomes aware of and has reasonable grounds to believe that any failure on the part of MPPKVCL to carry out its obligations and responsibilities under this Agreement will have a detrimental effect on the performance or quality of the Services or cost (to MPPKVCL). The same shall apply to the vendor also.

4. MPPKVCL RESPONSIBILITIES

4.1. MPPKVCL shall:

- 4.1.1. Use all reasonable endeavours to make available such staff of MPPKVCL as are reasonably required on a timely basis to liaise with the Vendor in relation to the provision of the Services;
- 4.1.2. Provide to the Vendor on a timely basis such information and documentation as the Vendor may reasonably require to provide the Services;
- 4.1.3. Provide the Vendor on a timely basis, taking into account MPPKVCL 's standard policies and procedures, with such access to the information as is reasonably required to provide the Services;
- 4.1.4. Provide answers on a timely basis to queries, consents and approvals requested by the Vendor to enable the Vendor to provide the Services.

5. SERVICE LEVELS

- 5.1. The Vendor shall perform the Services in accordance with the Service Levels listed as part of the scope of services in the Work Order.
- 5.2. If the Vendor fails to meet the Service Levels as per the scope of services, the Vendor shall as soon as reasonably practicable:
 - 5.2.1. identify the cause of such failure;
 - 5.2.2. take such action as is reasonably required to minimise the impact of the failure and to prevent it from recurring;
 - 5.2.3. where possible, correct the failure; and
 - 5.2.4. Advise MPPKVCL, of the status of the remedial efforts being undertaken for meeting the service levels as per scope of work.

6. CHARGES

In consideration for the provision of the Services, MPPKVCL shall pay to the Vendor the Charges as detailed in the Work Order.

7. INVOICING AND PAYMENT

- 7.1. The Vendor shall invoice MPPKVCL for the Charges as laid out in the work order which shall be issued to the successful bidder firm.
- 7.2. The total fees payable for the assignment over a period of one year shall be as follows:
 - 7.2.1. 70% of payment of fees for "scope of work as defined in clause 4 of the RFP document" shall be released on submission of Test Audit Report (TAR) & Test Audit Note (TAN) of the D.C. audited in Hard & Soft copy along with Annexure, Half Margins and all other related details and satisfactory replies to any clarification sought on the same.
 - 7.2.2. 30% of payment of fees for "scope of work as defined in clause 4 of the RFP document" shall be released after six months of the submission of the final audit report, provided that no irregularities resulting in loss of revenue or any penalties to the company are found subsequently out of the work done by the firm and ensuring that all the assistance required from the auditor firm in resolving matters relating to the period under audit have been received whether or not same were dealt with in the audit report by the auditor. The date of completion shall be reckoned from the date of submission of final audit report to Director (F&A) MPPKVCL, Indore.
- 7.3. If MPPKVCL receives an invoice which, acting in good faith, it reasonably believes is not correct, valid and/or properly due or where MPPKVCL, acting in good faith, otherwise disputes the appropriateness of such invoice, MPPKVCL shall pay that part of the invoice which is not in dispute in accordance and shall be entitled to withhold the balance pending resolution of the dispute and shall notify the Vendor in writing.
- 7.4. Notwithstanding anything contained in clause 7.1 to 7.3 above, whenever MPPKVCL acting in good faith, reasonably believes that the services provided by the vendor were not satisfactory, the MPPKVCL shall have the right to wholly or partly withhold the payment or make appropriate deductions from the invoice of the vendor.
- 7.5. In case of dispute on any invoice, the dispute resolution procedure, as outlined below, shall apply
- 7.6. For avoidance of any doubt, it is herein specifically agreed that the Vendor's obligations to provide the Services shall in no way be affected by any dispute in relation to the Charges or payment thereof.
- 7.7. Whenever under this Agreement any sum of money shall be recoverable from or payable by the Vendor to MPPKVCL, this may be deducted from any sum then due, or which at any time may become due, to the Vendor under this Agreement.

8. REGULATORY REQUESTS

- 8.1. If the Vendor receives requests for information from Regulatory Authorities which relate to the Services or any other obligation of the Vendor under this Agreement, it shall inform MPPKVCL's Authorised Representative promptly in writing and shall provide reasonable assistance to MPPKVCL in dealing with the requests.
- 8.2. The Vendor will only release such information to the Regulatory Authority after:
 - 8.2.1. providing a copy of the information to MPPKVCL; and
 - 8.2.2. receiving MPPKVCL's written consent to the release,
- 8.3. Except that the Vendor shall not be obliged to obtain MPPKVCL's prior consent or provide a copy of the information in advance where it is prevented from doing so by law or the relevant Regulatory Authority.

9. FORCE MAJEURE

- 9.1. **Force Majeure Event** means any event beyond the reasonable control of the affected party. Force Majeure Event includes, but is not limited to, acts of God, expropriation or confiscation of facilities, any form of government intervention, war, hostilities, rebellion, terrorist activity, local or national emergency (including an emergency service to a hospital), sabotage or riots, and floods, fires, explosions or other catastrophes. Force Majeure does not include:
 - 9.1.1. Strikes or other industrial action by employees of MPPKVCL or the Vendor; or
 - 9.1.2. Any act or omission of either party's employees, agents, or subcontractors (except to the extent that person is affected by a Force Majeure Event).
- 9.2. Neither party shall be responsible for failure to, or delay in, carrying out any of its duties under this Agreement to the extent to which this is caused by a Force Majeure Event (as defined in Clause 9.1).
- 9.3. Should a Force Majeure Event occur, the affected party shall:
 - 9.3.1. Take all reasonable steps to overcome and mitigate the effects of the Force Majeure Event as soon as reasonably practicable, including actively managing any problems caused or contributed to by third parties and liaising with them;
 - 9.3.2. On becoming aware of the Force Majeure event promptly inform the other in writing of the details and provides information of the Force Majeure Event and information about which Services have been affected to the extent that such information is known, together with, if practicable, an estimate of the period during which the Force Majeure Event will continue; and
 - 9.3.3. Notify the other as soon as it becomes aware that the Force Majeure Event has stopped.
- 9.4. If the Force Majeure Event continues for more than 15 calendar days, the unaffected party may terminate this Agreement by giving 15 calendar days written notice without cost or liability to the other party (except in respect of antecedent breaches).
- 9.5. Nothing in this Clause-9 shall suspend MPPKVCL's obligation to pay the Charges in accordance with this Agreement in respect of any portion of the Services provided by the Vendor to MPPKVCL not affected by a Force Majeure Event.

10. EMPLOYEES of the VENDOR

- 10.1. The vendor would deploy persons for provision of the Services to MPPKVCL ensuring that they are suitably qualified, skilled and experienced in the work which they are to perform;
- 10.2. The Vendor will obtain the written approval of MPPKVCL prior to appointing any replacement for any Employee of the Vendor (such approval not to be unreasonably withheld or unduly delayed by MPPKVCL), except that the Vendor shall be able to replace any Employee without MPPKVCL's prior written approval where a Employee leaves the employment of the Vendor, is prevented from fulfilling his duties due to sickness or will no longer be involved in the Services due to natural career progression. Save as otherwise agreed with the MPPKVCL in writing, the Vendor will, at its own cost and expense, use all reasonable endeavours to ensure that, where possible, the Employee who is being replaced imparts appropriate knowledge and experience concerning the Services to the replacement for the Employee.
- 10.3. Without prejudice to the provisions of Clause 10.2, before appointing a replacement for any Employee, the Vendor shall:
 - 10.3.1. notify MPPKVCL of the proposed appointment;
 - 10.3.2. introduce the individual to appropriate representatives of MPPKVCL (and, if reasonably requested provide an opportunity for MPPKVCL's Authorised Representative for Services to interview the individual); and
 - 10.3.3. provide MPPKVCL 's Authorised Representative for Services with a resume and other information about the individual reasonably requested by MPPKVCL (including, without limitation, a summary of such person's expertise and previous experience);

AND the Vendor shall provide such replacement for any Employee as soon as reasonably practicable.

10.4. The Vendor shall:

- 10.4.1. ensure that its persons engaged in the provision of the Services to MPPKVCL are suitably qualified, skilled and experienced in the work which they are to perform;
 - 10.4.2. ensure that while any of its Employees are on MPPKVCL's premises they will conform to MPPKVCL's standard codes of conduct (including policies regarding occupational health and safety requirements, building access, physical security and dress codes) or procedures as have been communicated in advance to the Vendor in writing but only to the extent that such compliance does not place the Vendor in breach of any other provision of this Agreement.
- 10.5. MPPKVCL may, for reasons of incompetence, poor performance or misbehaviour or any such reason (MPPKVCL at all times acting reasonably), request the replacement of any Employee of the vendor. MPPKVCL shall notify the Vendor giving written reasons as why it is requesting a replacement to be made. MPPKVCL and the Vendor shall promptly discuss any such request and, if the Vendor is unable to satisfy MPPKVCL's concerns within a time period of three days, the Vendor shall replace that Employee as soon as reasonably practicable, but not later than seven calendar days in any case. The Vendor shall use reasonable endeavours to ensure that the Employee who is being replaced imparts appropriate knowledge and experience concerning the Services to the replacement Employee. The Vendor shall not be excused from performance of its obligations under this Agreement as a result of the replacement of any Employee.
 - 10.6. The vendor is expected to provide services of the employees as mentioned in the para 7.1 of the RFP documents (Tender) on continuous basis on all working days. However, if any employee remains on leave the vendor must inform of such leaves in advance to the Director (F&A) or any officer nominated by him, and alternate arrangement shall be made by the vendor.

11. CONFIDENTIALITY

- 11.1. Each party undertakes to treat all Confidential Information as confidential and to use such Confidential Information solely for the purposes of this Agreement. Each party shall not, without the prior written consent of the other, divulge such Confidential Information to any person.
- 11.2. Each party undertakes to effect and maintain the same adequate security measures to safeguard the Confidential Information from unauthorised access, use and misappropriation as it maintains with its own similar information that it does not wish publicly to disclose, publish or disseminate.
- 11.3. Each party undertakes to notify the other promptly of any unauthorised use, copying or disclosure of Confidential Information and to provide all reasonable assistance required to terminate such unauthorised use or disclosure (or both).
- 11.4. Neither party shall make any announcement about nor disclose the existence or any terms of this Agreement without the prior written consent of the other. Notwithstanding the foregoing, either party may advertise or otherwise make known that the Vendor provides services to MPPKVCL pursuant to this Agreement without the prior written consent of the other party.
- 11.5. The foregoing obligations as to confidentiality shall remain in full force and effect notwithstanding any termination or expiry of this Agreement.

12. DISPUTES

- 12.1. This Clause does not prevent either party commencing or pursuing court proceedings to protect the rights of confidentiality and in respect of the Confidential Information of that party and is without prejudice to either party's right to terminate this Agreement.
- 12.2. The Dispute will be dealt with by the parties pursuant to the following escalation procedures (the "Escalation Procedures"):
 - 12.2.1. In the first instance, the Dispute will be referred to the Director (Finance & Accounts) for resolution;
 - 12.2.2. if the Director (Finance & Accounts) cannot resolve the Dispute within 15 Business Days (or such other period as may be agreed between the parties), the Dispute will then be escalated to the CMD (MPPKVCL);
- 12.3. The parties acknowledge and agree that all disputes arising out of or in connection with this Agreement (the "Dispute") shall be dealt with in accordance with the procedure set out in the [Clause 12.2](#). For the avoidance of doubt, any communications between the parties arising out of or in connection with [Clause 12.2](#) will be without prejudice and will be treated as confidential.

13. TERMINATION

- 13.1. MPPKVCL may terminate this Agreement in its entirety or as it relates to one or more discrete parts of the Services on written notice with effect from the date specified in the notice if the Vendor commits any material breach of this Agreement which in the case of a breach capable of remedy has not been remedied within seven calendar days of service upon the Vendor of a written notice specifying the breach and requiring it to be remedied. For the purposes of this Clause, breach shall be capable of remedy if the Vendor can or will be able within the prescribed period of time to comply with the provisions in question in all material respects other than as to the time of performance.
- 13.2. In addition to any other rights it has under this Agreement, MPPKVCL may terminate this Agreement in its entirety, or as it relates to one or more discrete parts of the Services, at will, at any time after the expiry of the one month from the Signature Date, on giving the Vendor not less than one month's written notice.

14. CONSEQUENCES OF TERMINATION

14.1. The Vendor acknowledges that it is critical for MPPKVCL to have continuity of the Services. To ensure the orderly transfer of the Services either back in house to MPPKVCL or to a Replacement Service Provider, MPPKVCL relies significantly on the Vendor fulfilling its obligations under this Agreement.

14.2. The Vendor is an independent contractor and nothing in this Agreement shall be deemed to constitute a partnership or any employment relationship between the parties nor shall anything in this Agreement be deemed to constitute one party the agent of the other for any purpose.

15. Other Terms & conditions as stipulated in RFP documents(Tender) of Tender Specification CMD/WZ/02/Audit/01/31124 dated 02-12-2011 shall prevail.

IN WITNESS WHEREOF each of the parties has duly executed this Agreement as of the date first written above.

Witness

SIGNED by [] 1.) _____

duly authorised for and 2.) _____

on behalf of **MPPKVCL**

SIGNED by [] 1.) _____

duly authorised for and 2.) _____

on behalf of the **Vendor**

Date:

Annexure-1: Format for Covering Letter

(On Applicant's Letterhead)

To
Director (F&A)
MPPKVVCL,
GPH Compound,
Polo Ground
Indore

Sub:- Outsourcing Of LT Revenue Audit of Distribution Centres.

Sir,

In response to the Notice Inviting Offers, dated 02.12.2011 issued by MPPKVVCL, we offer PROPOSAL to participate in the bidding process for selection of the 'Consultant for the above-referred Works.

In the capacity of the Applicant for the Works, we declare that we are interested in the Works, should the MPPKVVCL select us for this purpose.

We are submitting this PROPOSAL on our own. If selected, we understand that it would be on the basis of the organisational, technical, financial capabilities and experience as specified in the Request for Proposal (RFP) document. We understand that the basis for our qualification will be our PROPOSAL, and that any circumstance affecting our continued eligibility under the RFP, or any circumstance which would lead or have led to our disqualification under the RFP, shall result in our disqualification under this process.

We understand that you are not bound to accept any or all our PROPOSALS you receive.

We declare that we have neither entered into nor are party to (whether by conduct or by acquiescence) any restrictive trade practice or sub-contracting arrangement or collective arrangement with any other person or entity including the other Applicants for the Project, in connection with the preparation and/or submission of our PROPOSAL for the Works, or preparation of the bidding documents.

We declare that we are not facing any enquiry or investigation under Prevention of Corruption Act in India or similar acts in any other country.

We undertake that, in competing for (and, if we are selected, in executing) the Works, we will strictly observe the laws against fraud and corruption in force in India namely "Prevention of Corruption Act 1988".

We submit herewith, authenticated copies of the firm's Partnership Deed (as applicable).

We declare that we have disclosed all material information, facts and circumstances to the MPPKVVCL, which would be relevant to and have a bearing on the evaluation of our PROPOSAL and selection.

We acknowledge and understand that in the event that MPPKVVCL discovers anything contrary to our above declarations; it is empowered to forthwith disqualify us and our PROPOSAL from further participation in the process.

Yours faithfully,
Authorised Signatory

Name & Title of Signatory
Name of Applicant:
Address:

Annexure -2: General Information

(Format for submission with Technical-Proposal)

S.No	Particulars	Details to be Furnished	
1.	Details of the Prime Applicant (Firm)		
	Name		
	Address of Indore office		
	Telephone	Fax	
	Email	Website	
	Date of Registration of Firm		
	Registration Certificate No		
	No of Years of experience		
	Total No of Partners of Firm		
	Number of CA Partners		
	Number of FCA Partners		
2.	Details of the Authorized Person/ Partner		
	Name		
	Address		
	Telephone	Email	
3.	Details of the Partners		
	Name of Lead Partner for the project		
	Experience in Years		
	Address		
	Telephone Email		
	Lead partner sits regularly at Indore office	Yes / No (Please confirm)	
	Name of Other Partners for the Project		
	Name		
	Experience in Years		
	Address		
	Telephone	Email	
	Name		
	Experience in Years		
	Address		
	Telephone	Email	
	Name		
	Experience in Years		
	Address		
	Telephone	Email	
	Name		
	Experience in Years		
	Address		
Telephone	Email		
Name			
Experience in Years			
Address			
Telephone	Email		

Note 1: Please add more fields if number of partners is more than six.

Note 2: Please enclose copy of firm's registration certificate, partnership deed, detailed profile of the firm, brief history, valid certificates of practice of the partners, membership/ fellowship certificate of partners from ICAI, certificates regarding additional qualifications if any and other relevant details.

Note 3: It may please be noted that, in order to qualify for this work, firm should have its office at Indore and lead partner for this project should sit regularly at its Indore office.

Annexure -3: Financial Details (as per audited Balance Sheets):

(Format for submission with Technical-Proposal)

Rs in Lac

S.	Particulars	Turnover	Net Profit
1	FY 2008-9		
2	FY 2009-10		
3	FY 2010-11		
4	Total for Past Three Years		
	Average of Last 3 Years		

Please enclose copies of Audited balance sheet & P&L Account of past three years.

Annexure -4: Summary of Relevant Experience

(Format for submission with Technical-Proposal)

Company Name: _____

S.No.	Item	Particulars
1.	Customer Name	
2.	Current status of the assignment – works in progress or completed.	
3.	Start date of assignment, contract tenure & value	
4.	Brief description of scope of consulting	
5.	Designing & implementation time	
6.	Relevance to the Project of Madhya Pradesh Paschim Kshetra Vidyut Vitaran Co. Ltd.	

(Use separate tables for each reference engagement specified in the order)

Note 1: The above details should be accompanied with letter of award for each customer/ client of the bidder firm

Note 2: The contract is completed on the date of submission of this RFP letter of successful completion from the bidder firm client/ customer should also be enclosed

Note 3: The Letter of award of contract should not be more than 3 years old from the date of the RFP

Annexure-5: LEGAL INFORMATION

(Format for submission with Technical-Proposal)

1. Provide the following details for last three years for the Applicant.
 - a. Details of any occurrences of default on a contract, or disqualification or being barred from bidding:
 - b. Details of any Project/ work that the Applicant has failed to complete or has been terminated because of legal problems:
 - c. Details of any lawsuit or legal actions arising from projects/ any other assignment undertaken by the Applicant or the subsidiary company/firm and the decision or outcome of the case, if any:
 - d. Details of any conviction of or investigations on the Applicant or subsidiary company/ firm for a violation of the criminal law or any other regulation:
 - e. Details of any environmental offences, charges or penalties imposed on the Applicant or its subsidiary (ies) company/firm:
 - f. Details of any strikes or labour relation issues, violation of wage or other unfair labour practices and standards that the Applicant has been found guilty of.
2. Litigation History

Applicants and their subsidiaries (if any) shall provide information on any history of litigation or arbitration of value above Indian Rs. One lac (or equivalent) resulting from contracts executed in the last three years or currently under execution.

Annexure-6: Declaration

(Format for submission with Technical-Proposal)

[Shall be detailed out as indicated in the format on the Company's/ Firm's Letter Head]

I, the undersigned, being the duly authorized representative, do hereby certify that all the statements made in the required attachments are true and correct and no material information has been concealed thereof.

The undersigned also hereby certifies that during the last three years prior to the date of this PROPOSAL, our company / firm has neither abandoned any work, nor any contract awarded to us for such works rescinded for reasons of non-performance of our company/firm.

The undersigned hereby authorize(s) and request(s) any bank, person, firm or corporation to furnish pertinent information deemed necessary and requested by MPPKVCL to verify this statement or regarding our competence and general reputation.

The undersigned understands and agrees that further qualifying information may be requested and agrees to furnish any such information at the request of the MPPKVCL.

(Signed by an authorized Officer of the Firm, along-with seal of firm)

Title of Officer -

Name of Firm-

Date –

Place-

Annexure-7: Details to be furnished with Technical Proposal

Instructions:

Applicant shall furnish the information in English as prescribed in the forms.

PART A: EXECUTIVE SUMMARY

The Executive Summary of the Technical Proposal shall provide a brief description of the firm, containing details like ownership structure, write up on business history and growth, business areas, activities, revenue details, etc. This section shall also include a brief commentary on the capability of the Company/ firm, as demonstrated in its past record.

PART B: STRATEGY NOTE

As would be evident from the objectives set for 'The Assignment', please provide a brief note, clearly highlighting the challenges you see in the implementation, rollout and sustained support and what mechanisms and strategy you will put in place to make this a success.

Annexure-8: Deviation/ Deficiency Statement

(Format for submission with Technical-Proposal)

The Applicant shall provide the particulars of deviations and/or deficiencies from the RFP requirements:

RFP document reference	Exact description of deviation/ deficiency	Remarks, if any

Further, it is certified that apart from the above, there are no other deviations and/or deficiencies in its response to the RFP document. No cognizance be taken of any deviations and/or deficiencies found elsewhere in the bid documents.

(Signed by an authorized Officer of the Firm, along-with seal of firm)

Title of Officer -

Name of Firm-

Date –

Place-

Annexure-9: Methodology for evaluation of Technical Proposals.

(For information only, and not to be filled/ submitted by applicants)

Stage 1: Evaluation of Applicant regarding minimum eligibility criterion

Sr No.	Particulars	Evaluation
1.	Whether the applicant is a registered firm of Chartered Accountants/ Cost Accountants, having minimum three Chartered accountant/ Cost Accountants partners.	Yes / No
2.	Whether the applicant firm has at-least one Partner who is fellow member of the Institute of Chartered Accountants/Institute of C.W.A.	Yes / No
3.	Whether applicant fulfils minimum experience criterion as per clause 2	Yes / No
4.	Whether applicant fulfills minimum Turnover Criterion as per clause 2	Yes/ No
5.	Whether the applicant firm has office at Indore	Yes / No
6.	Whether lead partner of the firm for this project sits regularly at Indore	Yes / No

Stage 2: Evaluation of Applicant regarding Technical Competence

TECHNICAL EVALUATION CRITERIA/ ASSOCIATED SCORE		
Attribute(s)	Maximum Score	
<p><u>Company and Organizational Criteria</u></p> <ul style="list-style-type: none"> ❖ No. of years of experience ❖ Turnover achieved ❖ Client Portfolio (Those serving government clients shall be given due weight age) ❖ No. of Chartered Accountant Partners ❖ No. of FCA Partners ❖ Experience in related services/ projects (Experience in power sector in relevant areas shall be given due weight age) 	50	
<p><u>Approach & Methodology proposed for Project</u></p> <ul style="list-style-type: none"> ❖ Strategy Note (Understanding the project requirement) ❖ Project Quality Assurance Measures and Planning & Appropriateness of implementation schedule 	30	
<p><u>Firms Credential</u></p> <ul style="list-style-type: none"> ❖ Documentary Proof of bidders having successfully completed audit of large organisation. 	20	
Total Score	100	

Note 1: Stage 2 evaluation regarding Technical Competence will be done in respect of only those Applicants who fulfill minimum eligibility criterion as shown in Stage 1. Bids of those applicants who do not fulfill minimum eligibility criterion as per stage 1 shall not be considered for further evaluation.

Note 2: Minimum qualifying score in technical evaluation shall be 70%

Note 3: Documentary proofs (in the form of letter of award on the client's letter heads) wherever applicable shall be required. Proofs of only public limited companies and government or other statutory bodies shall be accepted.

Note 4: Documentary proofs as mentioned above shall be accepted for only 3 years before from the date of the RFP

Annexure-10: Format of Price Bid

(To be submitted in a sealed envelope along with the ' financial Offer ')

Price Bid (Cost Sheet)

S. No.	Particulars	Amount of Fee in Rs	
		In Figures	In words
1.	Basic Rates/Fees for L.T. audit of one Distribution Centre (D/C) for the three financial year 2008-09,2009-10 and 2010-11 including all T.A./D.A., Lodging, Boarding etc complete as per all terms and conditions mentioned in the Request for Proposal Document (RFP)		
2.	Taxes and Duties (Please give item wise details of each applicable tax separately)		
	Sub-Total		

Note 1: The proposal shall be submitted as a 'fixed price' quote for the deliverables specified in this document along with the detailed cost break-up as specified below.

Note 2: All prices should be in INR and shall be specified in both figures and words.

Note 3: It may please be noted that payment shall be released, as specified above in the Work Order, subject to satisfactory progress of the work.

(To be signed by an authorized signatory of the Firm, along-with seal of firm)

Title of Authorised Signatory -

Name of Firm-

Date and Place –

SAMPLE FORMATS

FOR

TEST AUDIT REPORT (TAR)/TEST AUDIT NOTE (TAN)

INCLUDING

HALF MARGINS

(These formats are supplied only for a clear understanding of the scope of work for participating firms. This portion is not related with bidding process hence not required to be submitted with bid proposals)

No.____/I.A.P./LT/_____

Dated_____

To,

The Director (F&A),
M.P.P.K.V.V.Co.Ltd.,
Polo ground,
INDOREp

Sub.: Submission of TAR/TAN of L.T. Revenue accounts audit of M.P.P.K.V.V.Co.Ltd.,
_____ D/c for the period from _____ to _____.

Please find enclosed herewith the following documents pertaining to Test Audit of L.T. Revenue
Accounts of _____ D/c in (O&M) Division M.P.P.K.V.V.Co.Ltd., _____ for the
block year _____ for kind perusal and further necessary action.

1. Title Sheet : 1 No. page
2. Index of H.M. issued : Page No. 1 to _____
3. R-46 Statement for the month of _____ (Photo copy enclosed)
4. Cash Certificate: 1 No. page
5. Physical Verification : ____ Nos. page
6. Test Audit Report : Page No. 1 to ____ (alongwith ____Nos. enclosures)
7. Test Audit Note : Page No. 1 to ____ (alongwith ____Nos. enclosures)
8. Original Half margin : No. 1 to _____
9. _____
10. _____

Date –
firm)
Place-

(Signed by an authorized Officer of the Firm, along-with seal of
Title of Officer –
Name of Firm-

TITLE SHEET

1. Centre of Audit : _____
Dist. _____ : Pin code no. _____
STD Code No. _____ : Telephone No. _____

2. Name of D/c in charge : Shri _____

3. Audit conducted by Shri : _____

4. Date of commencement : _____

5. Date of completion of audit : _____

6. No. of working days : _____

7. _____

8. Cash Stub checked for the month : _____

9. _____

10. Special attention required for the para no. : _____

11. _____

12. No. of H.M. issued : _____

13. _____

At present total No. of consumers
category wise in the D/c

I.P. _____

C.P. _____

DL&F _____

CL&F _____

IRR _____

SLP _____

BPL _____

W/W _____

St. Light _____

Total : _____

11. Summary of TAR/TAN

	Para Nos.	Annexure Nos.	Amount of Recovery raised
TAR	01 to	01 to	`
TAN	01 to	01 to	`
	TOTAL :-		`

Certified that all the records which were maintained have been checked and TAR / TAN have been drafted as per model report.

Date –
of firm)
Place-

(Signed by an authorized Officer of the Firm, along-with seal

Title of Officer –
Name of Firm-

TEST AUDIT REPORT ON L.T.REVENUE ACCOUNTS OF _____
DISTRIBUTION CENTRE UNDER O&M DIVISION _____
FOR THE BLOCK YEAR _____

INTRODUCTORY

(A) Test audit on L.T. revenue accounts of _____ **Distribution Center** under **(O&M)** Division _____ for the block year _____ was conducted by Audit Party M.P.P.K.V.V.Co.Ltd., _____ headed by Shri _____ **Section Officer** during the period _____ to _____ audit conducted vide order no. _____ dt. _____.

(B) Certified that the Cash Book balance physically verified by audit party and chest fitted in the wall and verification of Cash was conducted by Shri _____ on dated _____ and certificate to this effect was recorded in Cash Book with the Cash book balance on dated _____ which is found _____. Physical verification of cash book certificate is enclosed separately shown in

Annexure No._11-A_____.

PHYSICAL VERIFICATION OF CASH BOOK (Annx. No. 11-A)

(1) Wall coffer has grounded is wall of room. Duplicate key register is maintained and is to confirm that two key having number G-1 _____ and G-2 _____.

(2) Physical verification of Cash was conducted by Shri _____ on dated _____ and certificate to this effect was recorded in Cash Book with the Cash book balance on dated _____ which is found _____ detailed as under.

Details of Cash

Sr. No.	Details of Note	Amount
01	1000 x =	~
02	500 x =	~
03	100 x =	~
04	50 x =	~
05	20 x =	~
06	10 x =	~
07	5 x =	~
08	Coin =	~
	TOTAL :-	~

(Rs. _____)

Seal & Signature AE/JE

Seal & Signature I.A.P.

CONCLUDING PARA

The total recovery pointed out in this Test audit report is _____ vide para No. 1 to _____ and T.A.N. para No. 1 to _____ is _____ the compliance of audit Report / Note may be furnished within one month from the date of its receipt as per board's circular No. SII/1711 dt.14-06-1961 compliance reported through next higher authority.

No.IAP_____ /Rev.LT /_____

Dated_____

Copy Forwarded to :

01.The Director(F&A), O/o The CMD(WZ), MPPKVCo.Ltd., **Indore.**

Seal & Signature of I.A.P.

**TEST AUDIT NOTE ON L.T.REVENUE ACCOUNTS OF _____
DISTRIBUTION CENTRE UNDER O&M DIVISION _____
FOR THE BLOCK YEAR _____**

INTRODUCTORY

- (A) Test audit on L.T. revenue accounts of _____ **Distribution Center** under **(O&M)** Division _____ for the block year _____ was conducted by Audit Party M.P.P.K.V.V.Co.Ltd., _____ headed by Shri _____ **Section Officer** during the period _____ to _____ audit conducted vide order no. _____ dt. _____.
- (B) The details of officers/officials who held charges of post as indicated against each during the period covered by audit are shown in enclosed **Annexure No. ___11-B___**.
- (C) The revenue progress of the D/c as on _____ is found satisfactory as per enclosed **Annexure No. ___11-C___** with comments of AE/JE and Audit party in charge.
- (D) The arrear position of the D/c as on _____ is found satisfactory as per enclosed **Annexure No. ___11-D___** with comments of AE/JE and Audit party in charge.
- (E) The year wise progress report towards settlement of the old audit paras (TAR & TAN) in the following table is enclosed **Annexure No. ___11-E___** with comments of AE/JE and Audit party in charge.

S. No.	Year	TAR or TAN	No. of Para raised	Amount raised	No. of Para settled	Amount Settled	No. of para pending	Balance Amount

- (F) The statement of Stop / Defective metes for replacement as on _____ dated _____ is as per enclosed **Annexure No. ___11-F___** with comments of AE/JE and Audit party in charge.
- (G) During the checking of cash book for the **period _____ to _____**, it was observed that cutting and overwriting _____ have been found in cash book as per commercial accounting procedure all figures must be written and cutting should be strictly avoided wrong figure should be struck off and initialed and correct figure attested by the concerned officer-in-charge of cash book as per details given in enclosed **Annexure No. ___11-G___** with comments of AE/JE and Audit party in charge.
- In the reply of H.M. :** The A.E./J.E. has stated that "Instruction shall be issued to avoid cutting/over writing in cash book in future".
- (H) The checking of revenue collection from Cash Stub / MR Book / CAC / CRA with Cash listing, DCB and R-46 statement for the month _____ of the D/c as on dated _____ is found correct as per enclosed R-46 Statement **Annexure No. ___11-H___** with comments of AE/JE and Audit party in charge.

DETAILS OF OFFICERS / OFFICIALS STAFF DURING THE AUDIT PERIOD

ANNX. NO. 11- B

H.M. NO. _____

- (1) Name of A.E. / J.E. (OIC) :
- (2) Name of Revenue Accountant :
- (3) Name Revenue Cleark :
(O.A.Gr. II / III)
- (4) Name of Cashier :

Seal & Signature of OIC

REVENUE PROGRESS DURING THE AUDIT PERIOD

ANNX. NO. 11-C

H.M. NO. _____

Sr. No	Revenue Category	Period					
		Nos.	Amt.	Nos.	Amt.	Nos.	Amt.
01	DL&F						
02	Non DL&F						
03	Industrial Power						
04	Water Works						
05	Street Light						
06	Irrigation (All Category)						
07	Temporary Category (All Category)						
08	Others						
	TOTAL :-						

Seal & Signature of OIC

ARREAR POSITION DURING THE AUDIT PERIOD

ANNX. NO. - D
H.M. NO. _____

Sr. No.	Revenue Category	Period		
01	DL&F			
02	Non DL&F			
03	Industrial Power			
04	Water Works			
05	Street Light			
06	Irrigation (All Category)			
07	Temporary (All Category)			
08	Others			
	As per R-15 TOTAL :-			

Seal & Signature of OIC

PARA No. 01
H.M.No.

D.C.B. RECONCILIATION

(GROUP-X)

OBSERVATION

Please intimate to Audit the position of DCB reconciliation for the audit period _____. If certificate obtained from R.A.O. _____ a copy of the same may please be produced to audit. Also latest position of the D.C.B. reconciliation may please be intimated and a copy of the same may be produced to audit party.

REPLY OF H.M.

The A.E./J.E. has stated that "D.C.B. reconciliation completed up to _____ and balance work is under progress copy of D.C.B. produced."

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) Explanation of officer/officials for not completing the D.C.B. work as per Board's guide line should be called and submitted to audit.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

CONCLUDING PARA

The total recovery pointed out in this Test Audit Note vide para No. 1 to _____ is _____ the compliance of Audit Note may be furnished within one month from the date of its receipt as per board's circular No. SII/1711 dt.14-06-1961 compliance reported through next higher authority.

No.IAP _____ /Rev.LT / _____

Dated _____

Copy Forwarded to :

- 01. The Director(F&A), O/o The CMD(WZ), MPPKVCo.Ltd., **Indore.**
- 02. The Executive Engineer(O&M), MPPKVCo.Ltd., _____.
- 03. The Assistant/Junior Engineer, D/c MPPKVCo.Ltd., _____.

For information and necessary action please.

Seal & Signature of I.A.P.

PARA No. _____
H.M.No. _____

LESS BILLING OF L.T. SHUNT CAPACITOR SURCHARGE

(GROUP-H)

OBSERVATION

According to board's circular No.05/GA/155/11761-910 Dt.21-08-1979 and circular issued by Board from time to time, the surcharge on account of non installation of appropriate capacity of L.T. Shunt Capacitor was not found billed in respect of power consumer as detailed in **Annexure No.____** resulting short billing of ` _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LESS BILLING OF W.L.T.Cs. (WELDING SURCHARGE)

(GROUP-H)

OBSERVATION

According to board's circular No.05/GA/165/A Dt.28-03-1983 and 05/01/GA/A/110 dated 30.06.95 and 05/01/GA/191/A/119 dated 29.06.96. The special surcharge as prescribed in the above tariff has to be charged in respect to L.T. installation with Welding X-mer where connected load of Welding X-mer exceeds 25% of total connected load and where No. adequate steps were taken to improve power factor with the satisfaction of the Executive Engineer of the board. Due to non levy of aforesaid power factor surcharge in respect of consumers detailed in **Annexure No. _____** resulted in short billing to the extent of _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____

LESS BILLING OF METER HIRE CHARGES

H.M.No. _____

(GROUP-O)

OBSERVATION

During the checking of meter reading books with demand ledger, it was observed that special type meter (SEMS) were installed in the premises of consumer mentioned in enclosed **Annexure No.____**. But meter hire charge was found billed according to old rates Prescribed by the Board's vide 264/2 dt. 30/11/2002 w.e.f. 19/12/2002 and amounted at time to time billing of meter hire charges for _____ as detailed in **Annexure No.____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

ARA No. _____

PARA No. _____ LESS BILLING DUE TO NON LEVY OF LOW P.F. SURCHARGE

H.M.No. _____

(GROUP-)

OBSERVATION

While gone through the record it was observed that ` _____ were found less billed from consumer as detailed in **Annexure No.____** on A/c of less billing due to non levy of L.P.F. Surcharge.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____

LESS BILLING DUE TO LATE ISSUE OF FIRST ENERGY BILLS

H.M.No. _____

(GROUP-A)

OBSERVATION

As per standing instructions of the Boards if a connection is served on or before 15th of as month the billing to that consumer must be started from the same month and if it is served after 15th of the month, the billing should be served from next month. But during the verification of R-1, R-2 and other records it had been observed that these instruction was not followed in respect of the consumers enlisted in **Annexure No.____** due to this on amount of ` _____ found short billed as detailed there in.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ SHORT BILLING DUE TO NON CHARGING UP TO FINAL READING
H.M.No. _____ (GROUP-A)

OBSERVATION

During checking Meter reading diaries, Meter history register with change slip and other relevant records, it was observed that the meters of the consumers mentioned in **Annexure No. _____** replaced but the final reading of the removed meter not found billed to these consume` This had resulted short billing of ` _____ as detailed in **Annexure No. ____**.

REPLY OF H.M.

The A.E./J.E. has stated that, "Recovery pointed out by audit is accepted on realization of M.R. No. & Date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING OF CESS CHARGES
H.M.No. _____ (GROUP-A)

OBSERVATION

While checking the manual billing of Street light (Govt. & Private) connections, it was observed that Cess charges required to be billed @ 0.10 per unit according to circular No.05-01/GG/819/46/5882 Dt.21.12.01. The same has not found resulted revenue loss of _____ as detailed in **Annexure No. ____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ INACCURATE BILLING TO TEMPORARY CONNECTION
H.M. No. _____ (GROUP-T)

OBSERVATION

On scrutiny of temporary connection register with meter history register revealed that charges have not been correctly billed as per tariff for temporary connections stipulated in Board's notification No.05/GA/164/A dated 31-01-02 as amended from time to time it was found that in listed consumer has been recovered less an amounting ` _____ detailed in **Annexure No.____**.

REPLY OF HALF MARGIN

The A.E. stated that "Recovery pointed out by audit is accepted on realization M.R. number and date will be intimated to audit."

ACTION TO BE TAKEN

Now internal audit department requires that:

- (A) The aforesaid amount may please be recovered from respective consumer on priority,
- (B) Compliance be reported to audit with in one month time positively other wise responsibility may be fixed on officer in charge.

PARA No. _____ **WRONG APPLICATION OF TARIFF i.e. I. P. TO C. P.**

H.M.No. _____ **(GROUP-E)**

OBSERVATION

While checking of meter reading book with consumer ledger for the period _____, it was observed that the billing of these consumer are not IP / CPC done in the appropriate tariff hence short billing amounting to ` _____ as detailed in **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____ **SHORT BILLING DUE TO NON CHARGING UP TO
FINAL READING AFTER PERMANENT DIS.CONNT.**

H.M.No. _____ **(GROUP-A)**

OBSERVATION

During checking Meter reading diaries, Meter history register with change slip and other relevant records, it was observed that the meters of the consumers mentioned in **Annexure No. _____** replaced but the final reading of the removed meter not found billed to these consume` This had resulted short billing of ` _____ as detailed in **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that, "Recovery pointed out by audit is accepted on realization of M.R. No. & Date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____ NON BILLING OF FINAL READING AFTER METER REPLACEMENT

H.M.No. _____ (GROUP-A)

OBSERVATION

During checking of M.R. Books , it has been observed that the non billing of final reading due to the after meter replacement as details in **Annexure No. ____** for recoverable amount of ` _____ only.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____ LESS BILLING OF SERVICE CONNECTION CHARGES

H.M.NO. _____ (GROUP-O)

OBSERVATION

While gone through the record it was observed that ` _____ were less recovered from following consumers as detailed given in **Annexure No. ____** on A/c of less billing of service connection charges.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LEES RECOVERY OF SHIFTING CHARGES

(GROUP -)

OBSERVATION

According to board's circular No.S-1/2110 Dt.10-08-1962 lead with No.S/INB/1/22564/5034 Dt.26-07-75 consumer can shift his/her service connection in new premises provided that the connected load remains unchanged and consumer agree to pay full cost of service line at the new premises. In the cases explained in **Annexure No.**_____ it was noticed that although shifting of service line to new premises shifted but the shifting charges were not recovered partially recovered from the consume` This was resulted in short recovery to the extent of ` _____ . This amount may please be received and compliance report to audit.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LESS BILLING OF WRONG APPLICATION OF TARIFF

(GROUP-E)

OBSERVATION

The consumer are classified as commercial L&F and Commercial Power indicated in Board's circular No.5/2/S-/39A/ Dated 21-07-1190 and circular no. S/2/6/49-A/4505 dt.8-07-1995. Further Board has introduced a separate tariff for commercial L&F consumers which is higher than the one applicable for Domestic L&F consume` The Boards in its circular no. 5/GA/144-B/147 dt. 29-01-1977 has clarified the charging of whole consumption at higher tariff is in order, when the lower tariff is used for higher one till separate connection for commercial purpose is availed by consume` It was however, observed in respect of cases enlisted **Annexure No.** _____ that although supply was availed for residential conn. Office/shop through a common meter, higher tariff i.e. commercial L&F tariff was not charged. This has resulted in short billing to ` _____ as detailed in enclosed Annexure.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- a) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LESS RECOVERY OF METER GLASS BROKEN

(GROUP-O)

OBSERVATION

During the checking of meter reading books for the period _____ it was observed that the remarks was found recorded in the MR books for broken of meter glass. As per board's Notification no.5/BA/119/16 dated 27-03-1992 recovery for replacement of broken glass of meters should be effected from the consume` But this has not been found done resulted in recovery of ` _____ as detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____
H.M.No. _____

RECOVERY OF BODY SEAL BROKEN CHARGES

(GROUP-O)

OBSERVATION

During the checking of meter reading books for the period _____ it was observed that the remarks recorded in meter replacement register that the body seal found broken of the removed meter. As per board's Notification no.5/GA/315/7/4983-933 dated 08-03-82 recovery for replacement of body seal charges of meters should be effected from the consume` But this has not been found done resulted short billing of ` _____ as detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

RECOVERY AGAINST DIS-HONORED CHEQUES

(GROUP-L)

OBSERVATION

The dishonored cheques register produced to audit had been verified and observed that the instant cheques found balance against dis-honored cheques in the register as per the details given in **Annexure No.**_____ for ` _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted and intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____
H.M.No. _____

LESS BILLING OF M.D. CHARGES

(GROUP-A)

OBSERVATION

During the checking of manual billing of two part tariff with meter reading books, it is observed that the calculation of M.D. charges were not work out correctly. This resulted less billing to consumer an amount ` _____ as details in enclosed **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted and intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

ARREARS ON TEMPORARY CONNECTIONS

(GROUP-T)

OBSERVATION

On scrutiny of manual billing of temporary connection ledger, it was observed that the arrears found outstanding against temporary connection after adjustment of their paid amount and security deposit to _____ as shown in enclosed **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Efforts are being made recovery the out standing from consumer. However it is got realized the receipt number and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Please clarify to audit that why sufficient amount was not got deposited from the temporary consumer, it was very serious lapse on part of O.C. concerned.
 - (C) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____
BILLING THERE OF

UNAUTHORISED ENHANCEMENT OF LOAD AND PENAL

H.M.No. _____

(GROUP-A)

OBSERVATION

During checking of vigilance recovery file it was observed that the EE (Vig) detected the enhancement of load of the consumers mentioned in enclosed **Annexure No.**_____ during checking of their premises. But the verification of billing and the other relevant records showed that neither this enhanced load was regularized nor the penal billing over and above the enhanced load continued as advised by EE (Vig). This has resulted short billing to the extent of _____ as detailed in enclosed **Annexure No.**_____ which was asked by audit to bill on these consume`

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. _____ and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
- (C) This enhanced load is required to be regularized or the penal billing over and above the enhanced load be continued till regularization of unauthorized load.

PARA No. _____

NON RECOVERY OF RC/DC CHARGES

H.M.No. _____

(GROUP-O)

OBSERVATION

While checking the disconnection register / list, it was observed that the RC / DC charges have not been recovered from consumers due to non payment of energy bill as details in **Annexure No._____** and recoverable amount of ` _____.

REPLY OF H.M.

The A.E./J.E. has stated that recovery pointed out by audit is accepted amount will be recovered and intimated to audit.

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____

RECOVERY FOR FUSE OF CALL CHARGES

H.M.No. _____

(GROUP-O)

OBSERVATION

During the checking of F.O.C. register, it was seen that the Fuse of call charges have not been found recovered from consumers as detailed in **Annexure No._____** for recoverable amount of ` _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LESS RECOVERY OF LINE LAYING CHARGES

(GROUP-O)

OBSERVATION

According to Board's circular no.08-01/Rev/9135 dated 11.01.01 every three phase consumer is required to pay charges for laying of line for supply of LT Line @ ` _____ per KW or part thereof connected load or contract demand up to 25 HP. This amount less billed for this account worked out to ` _____ as detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____
H.M.No. _____

PHYSICAL VERIFICATION

(GROUP-H)

OBSERVATION

Few L.T. consumers for connected load of consumers premises along with company of AE/JE have been checked and verified. The descriptions are noted shown in enclosed **annexure No.** _____ .

In this connections the amount was less billed work out the audit of ` _____ only. Which may now be recovered from the consumers and intimate to audit.

REPLY OF H.M.

The A.E./J.E. has stated that, "Recovery pointed out by audit is accepted on realization of M.R. No. & Date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____
H.M.No. _____

LESS CHARGING FIRST ENERGY BILL

(GROUP-H)

OBSERVATION

During the course of Audit period connected load of the few consumers was physically verified in company of the Junior Engineer and their acknowledgement has also been obtained on prescribed format. During the physical verification of the premises of the consumers it was observed that enlisted consumers were found using energy supplied for specific purpose under a particular tariff is using energy without knowledge of the Board for a different purpose not contemplated in the agreement for contract supply of electrical energy and for which a higher tariff is applicable. Thus the electricity consumption bills already rendered for preview shall be inward charging the appropriate higher tariff for a period of previous six months from the date of detection of miss-use including the month in which misuse was decorated .

Imposition of higher tariff will not relieve the consumer from any proceeding and penalty which may be imposed. This requirement was not observed which resulted in short billing of _____ in as detailed in **Annexure No.** _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ **RECOVERY OF ENERGY CHARGES**
H.M.No. _____

(GROUP-A)

OBSERVATION

On verification of M.R. Books with the billing ledger, it has been observed that the were found left of billing purpose as per records of actually billing. But same was not found in billing ledger, which has resulted recovery arrived an amount of _____ as per detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING OF T.M.M. CHARGES TO TEMPORARY CONSUMERS

H.M.No. _____

(GROUP-D)

OBSERVATION

During the checking of meter reading books with billing demand ledger, it was observed that according to tariff Notification no.05-01/GA/193/Vol-I/4820 dated 28-09-2001, every three phase Temporary connection is required to billed ` _____ per month. But the consumers enlisted in enclosed **Annexure No. _____** were not billed in accordance with the above provision, hence less billing of ` _____ done in this regard.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. _____ and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING DEMAND CHARGES ON WATER WORKS CONNECTION

H.M.No. _____

(GROUP -)

OBSERVATION

During checking of Temp. Connection ledger and Temp. Register and meter reading book , it was observed that demand charges have been less billed against Water Works connection. Resulted short billed. Extent to ` _____ as detailed in **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that, "Recovery pointed out by audit is accepted on realization of M.R. No. _____ & Date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING DUE TO NON-APPLICATION OF M.F.

H.M.No. _____

(GROUP-A)

OBSERVATION

During the checking of meter reading books with demand ledger, it was observed that the installed metering equipment required M.F., but the same was not found applied. This resulted short billing to the amount of ` _____ in consumer accounts as detailed in **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

(A) The aforesaid amount may please be recovered from respective consumer on priority.

(B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ NON BILLING OF FIXED CHARGES TO THREE PHASE NON DOMESTIC CONSUMERS

H.M.No. _____

(GROUP-A)

OBSERVATION

The tariff for low tension consumer ordered vide M.P.E.R.C. order dated 31-11-2002 against petition number 264/2 dated 19-12-2002, the three phase non domestic consumers are required to be billed fixed charges @ ` _____ per Kw per month. On verification of records, it was observed that had not been done due to incorrect maintenance of records and resulted in short billing of ` _____ as detailed in **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

(A) The aforesaid amount may please be recovered from respective consumer on priority.

(B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____

NON BILLING OF DEMAND CHARGES TO STREET LIGHT H.M.No.
CONSUMERS

(GROUP-A)

OBSERVATION

According to tariff schedule for low tension consumer ordered by Hon'ble M.P.E..R.C. vide order dated 31-11-2002 against petition number 264/2 effective from 19-12-02, the street light consumers are required to be billed demand charges for Municipal Corporation / Nagar Palika / Nagar Panchayat / Gram Panchayat @ ₹ _____ per KW per month As amended time to time. On verification of records, it was noticed that same was not found done, resulted in short billing to ₹ _____ as detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____
H.M.No. _____

LESS BILLING DUE TO 1 PHASE STOPPED
(GROUP-A)

OBSERVATION

While gone through the record it was observed that ₹ _____ were found less billed from the following consumer as detailed given in **Annexure No.**_____ on A/c of less billing due to 1 Phase stopped.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING OF ELECTRICITY DUTY (E.D.)

H.M.No. _____

(GROUP-A)

OBSERVATION

While checking the L.T. billing, it was observed that the Telephone department was required to be billed electricity duty w.e.f. 01-10-2000 since it has been converted into Nigam named "BHART SANCHAR NIGAM LIMITED". The electricity duty was not found done, this had resulted less billing of _____ in this account as details in enclosed **Annexure No. _____**.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted and intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ CUTTING AND OVER WRITING IN CASH BOOK

H.M.No. _____

(GROUP-X)

OBSERVATION

During the checking of cash book for the **period _____ to _____**, it was observed that cutting and overwriting have been found in cash book details given in **Annexure No. _____** as per commercial accounting procedure all figures must be written and cutting should be strictly avoided wrong figure should be struck off and initialed and correct figure attested by the concerned officer-in-charge of cash book.

REPLY OF H.M.

The A.E./J.E. has stated that "Instruction shall be issued for avoid cutting/over writing in cash book in future".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The officer/officials concerned may be advised to avoid this type mistake in future.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____

LESS BILLED DUE TO SUBTRACTION MISTAKE

H.M.No. _____

(GROUP-A)

OBSERVATION

On verification of manual billing ledger with the MR books for the period covered by the audit, it is observed that the less bill due to subtraction mistake. Proceeding reading subtract from current reading which is shown in the **Annexure No.**_____ resulted recovery arrived an amount of ` _____ as said **Annexure No.** ____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) The necessary action may be taken for correct bill as per tariff.
 - (C) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____

LESS BILLING DUE TO IN CORRECT APPLICATION OF RATE

H.M.No. _____

(GROUP-A)

OBSERVATION

During checking of Street light with demand ledger, it was observed that according to Board's L.T. Tariff Notification No.05-01/GA/193/Vol-1/4820 Dated 28-09-2001. The energy charges were required to be charged @ ` 1.99 per unit the same was not found done this had resulted in less billing to ` _____ as detailed in **Annexure No.**_____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____

NON BILLING OF T. M. M. TO INDUSTRIAL POWER CONNECTION

H.M.No. _____

(GROUP-)

OBSERVATION

As per tariff petition 14-02-05 dated 13-03-2006 I.P. Consumers are require to be billed 20 Unit per H.P. per month. On actual consumer which ever is higher during the scrutiny. In respect of as detailed **Annexure No.** _____. It was observed that were instruction were not followed, resulted short billing to ` _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____

LESS BILLING TO X-RAY PLANT

H.M.No. _____

(GROUP-A)

OBSERVATION

The M.P.E.R.C. L. T. Tariff petition No.21264 date 30/11/02 w.e.f. 19/12/02 and amended time to time separate rate for X-Rey Plant has been prescribed accordingly all unit consumer are be remind to be billed there in subject to tariff minimum. The billings was however not found done related short billing of ` _____ as detailed in **Annexure No.** _____.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
 - (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.
-

PARA No. _____ LESS BILLING OF FIXED CHARGES TO 3 PHASE DL&F CONSUMERS

H.M.No. _____

(GROUP-D)

OBSERVATION

During the checking of meter reading books with demand ledger, it was observed that according to tariff petition No. 264/2 dt. 30/11/2002 w.e.f. 19/12/2002. The 3 phase domestic connection is required to billed ` _____ per month. But the consumers enlisted in enclosed **Annexure No. _____** were not billed in accordance with the above provision, hence less billing of ` _____ done in this regard.

REPLY OF H.M.

The A.E./J.E. has stated that "Recovery pointed out by audit is accepted. On realization of M.R. No. _____ and date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

PARA No. _____ LESS BILLING DUE TO NON LEVYING T.O.D. SURCHARGE

H.M.No. _____

(GROUP-A)

OBSERVATION

While gone through the record it was observed that ` _____ were found non billed on A/c of T.L.D. surcharge on 10 KW nil, above 10 KW CL&F and CPC connection as detailed in **Annexure No. _____**.

Previously the T.L.D. surcharge on CL&F and CPC connection were not applicable as per tariff but as per presently as per revise M.P.E.R.C. tariff petition No.142/05 dt.31-03-06. w.e.f. 16/04/06 and onwards.

REPLY OF H.M.

The A.E./J.E. has stated that, "Recovery pointed out by audit is accepted on realization of M.R. No. _____ & Date will be intimated to audit".

ACTION TO BE TAKEN

Now internal audit department required that :

- (A) The aforesaid amount may please be recovered from respective consumer on priority.
- (B) Compliance reported to audit within one month positively otherwise responsibility may be fixed on officer-in-charge.

FORMAT OF HALF MARGINS

CAMP

To be replied within 24 hours

HM No. / Dt.

To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Production of Records

The Records as per list receive, this Tour programme No. C M D / W Z/ 02/ Audit/ Prog / No. dt. sued by the Director (F&A) M P P K V V Co. Ltd., Indore. May please be produced to audit for verification along with the following records for the selected month i.e.

- 1 Money receipt book and stubs.
- 2 C A C
- 3 C R A
- 4 Cash Book From to
- 5 Demond ledger
- 6 Meter reading books along with meter replacement register, disposal slip burnt meter register, etc
- 7 R-2 Register
- 8 Temp. Ledger, Reading books and Street light ledger.
- 9 Fort nightly statement (R-46) certified copy received from R A O.
- 10 Vigilance checking file / register
- 11 T & P register
- 12 Case of load enhanced / reduction the with register
- 13 M A S register

CAMP

To be replied within 24 hours

HM No. / Dt.

To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Introductory Information

Please intimate the names of the officers/ officiate who held the charges of the following post during the periods covered by the audit

- a. Assistant Engineer/ Junior
- b. Revenue Accountant / O.A. Gr-I
- c. Revenue Auditor / O.A. Gr-II
- d. Cahear / O.A. Gr- III
- e. Please intimate if any case of defalcation /miss opretion of boards money was occurred during the period from

CAMP

To be replied within 24 hours

HM No. / Dt.
To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Revenue Progress

Please furnish the revenue progress For the year ending 31/03/06;31/3/08 and current Month of in triplicate as Per Performa enclosed.

CAMP

To be replied within 24 hours

HM No. / Dt.
To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Arrear Position

Please intimate the names of the Arrear position as on 31/03/06; 31/3/08 and current Month in triplicate as Per Performa enclosed.

CAMP

To be replied within 24 hours

HM No. / Dt.
To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Review of old audit Paras

Please intimate to Position of outstanding audit paras Details is Follows.
2001-02 to 2007-08

CAMP

To be replied within 24 hours

HM No. / Dt.
To,
The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Inordinate delay in Replacement of Stopped / Defective meter

According to the Instructions contained in Item No. of the Rev. circular No. CE/W/115/1207 Dt. 30-08-74 read with circular No. CE/WJC/1-I II C-I-9133/4123Dt. 26-02-77 defective meter should be replaced within fortnight at D.E.(H.Q.)/A.E. and within one month of other. Places and their billing should be revised as per clause 19(c) (iii) of Gen. Conditions of supply these instructions were not tallied of defective propped meters were not replaced average billing was also not found billed. The meters were replaced after award replaced after a period ofmonth/ not replaced up month listed in

Annex. No.

After doing needful i.e. replacement of meters and average billing compliance reported to audit

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Overwriting/cutting of cash Book.

During the cheeking of cash Book for the Periodto It observed that cutting and over writing have been found in cash book as per commercial amounting Procedure all figures must be written and cutting should best idly avoided wrong figure should be streak off and initialled and correct figure attested by the concerned officer in charge of cash book as per defies given in enclosed. Annex. No. with comments of AE/JE and Audit Party in change.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - D. C. B. Reconciliation

Please intimate to audit the position of D.C.B reconciliation for the audit period If certificate obtained from R A O concerned and copy of the same may please be produced to audit. Also latest position of the D.C.B reconciliation may please intimated to audit and a copy of the same if available may be produced to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Details of Temp. irrigation

Please furnish the progress of Temp. irrigation connection in Triplicate as Performa enclosed

Encl. :- As above

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Supplementary bills issued on
checking (Vig) cases

The register maintained for supplementary bills on checking cases of different agency of MPSEB has been verified and it is noticed that bill amounting of Rs. have been issued but no effort is appear to have taken for realization of the same as per attached Annexure. If is advised to please recover the amount front consumer concerned under information to audit

Encl. :- As above

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Dis-honoured cheques Register

The Dishonoured cheque register produced to audit has been verified and observed that the instant cheques balance against Dishonoured cheques in cheque register an amount Rs. detail in Annex. No.

It is therefore advised to please recover the aforesaid amount from consumer concerned and also stop the payment facility through cheque under intimation to audit.

Encl. :- As above

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Defalcation of Boards of Money. Theft of board Property

The case of Defalcation of board Money and . Theft of Board material during 2003 -2006. The Details cases may please be submitted to Audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Arrangement of Vehicle for the Physical Verification of Connected Load of few Power Consumer

As per para -3 of Tour Programme No CMD/WZ/02/AUD./ F&A /2362 dt. 4-2-11 Issued by the Director (F&A) M P P K V V Co. Ltd., Indore. Please arrange the Boards Vehicles for Physical Verification of load of consumer premises of few power consumer on date as shown belows.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Arrear against Temp. Connection other than checking

During checking of Temporary Connection ledger with register it has been observed that the non recovered arrears against temp connection as per list enclosed for arrear amount of Rs. Only which may now recovered & intimated to audit.

Encl. :- As above

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less billing of meter hire charges.

During the checking of meter reading Books with demand ledger, it was observed that Special type meter (SEMS) were installed in the Premises of consumer mentioned in enclosed Annexure No. but meter hire charge was found billed according to old rates prescribed by the boards vide 264/2 dt. 30/11/2002 w.e.f. 19/12/2002 and amounted at time billing of meter hire charges Rs.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Non recovery of cost of burnt meter

According to clause 9(c) of Gen. condition of supply every consumer is liable to compensate the Board for damages caused to its properties like mains apparatus instruments ingressions for burning of the meters as shown in Annex. no. could not be ascertained No. Ceases for their burning Indicated on the meter readines books reasons for their burning may please Rs. be recovered from meters amounting to circular No. 5/GG/315/64 dt. 24-08-77 and amended from time to time reported to audit.

Encl. :- As above

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Less billing of wrong application of tariff.

The consumer of classified as commercial L & F and commercial power indicated in boards circular no. 5/2/S-/39A dt. 21/07/1990 and circular no. S/2/6/49-A/4505 dt. 08/07/1995 further board has introduced a separate tariff for commercial L& F consumer which is higher than the one applicable for domestic L&F consumers. The boards in its circular no. 5/GA/144-B/147 dt. 29/01/1977 has clarified the charging of whole consumption at higher tariff is in order, when the lower tariff is used for higher one till separate connection for commercial purpose is availed by consumers. It was however, observed in respect of cases in listed Annexure No. this has resulted in short billing to Rs. This amount may be please recover and Compliance intimate to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Less billing of W.L.T.Cs. (Welding surcharge).

According to Boards circular no. 05/GA/165/A dt. 28/03/1983 and 05/01/GA/A/110 Dt. 0/06/1965 and 05/GA/191/A/119 dt. 29/06/1996 the special surcharge as prescribed in the above tariff has to be charged in respect to L.T. installation with welding X-mer where connected load of welding X-mer exceeds 25% of total connected load. Due to non levy of aforesaid power factor surcharge in respect of consumers detailed in Annex. no. resulted in short billing To the extent of Rs.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less billing of L.T. shunt capacitor surcharge.

According to Boards circular no. 05/GA/155/10761-910 dt. 31/08/1979 and circular issue by board from time to time, the Surcharge on account of non installation of appropriate capacity of L.T. shunt capacitor was not found billed in respect of power consumer as detailed in Annex. no. Resuming short billing of Rs. the amount may be recovered from consumers and compliance report to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The ----- Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less billing to consumer. (service connection charges)

During checking of ledger with meter reading books it was observed that the cases listed Annex. no. were load Amount billed to consumers amounting to Rs. As detailed is enclosed the above amount may be recovered from consumers and compliance report to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less recovery of shifting charges.

According to board's circular no. S-1/ 2110 dt. 10/08/1962 lead with no. S/INB/122564/5034 dt. 26/07/75 consumer can shift his/her service connection in new premises provided that the connected load remains uncharged and consumer agree to pay full cost of service line at the new premises. In the cases explained in Annex. no. it was noticed that although shifting of service line to new premises d/shifted but the shifting charges were not recovered from the consumers. This was resulted in short recovery to the extent of Rs. this amount may please be received and compliance report to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less recovery of meter glass broken.

During the checking of meter reading book for the period It was observed date the remark was found recorded in the M.R. book for broken of meter glass As per boards notification no. 5/BA/119/16 dt. 27/03/1992 recovery for replacement of broken glass of meters should be effected from the consumers. But this has not been found done resulted in recovery of Rs. As detailed in Annex. no.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Short billing of wrong application tariff. (IP to CP)

Which checking the M.R. Books and consumer ledgers for the period, it is observed date the billing of these consumers is not being done in appropriate resulted Short billing amounting to Rs. as detailed in the Annex. no. which may please be recovered and compliance report to the audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,

.....

Sub: - Less recovery of RC/DC charges.

Which checking the disconnection Register/ list It was observed that the RC/DC charges have not been recovered from consumers Due to non payment of Energy bill as details in Annex. no. and recoverable amount of Rs.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Short billing of Rs. due to not non charging up to final reading after replacement of meters.

While checking of M R Books with demand ledger, meter replacement register and disposal slips for It is observed that the consumers were not billed up to the consumers were not billed up to the final reading of removed meters and not billed form actual S R of a new meter. Due to above an amount of Rs. as detailed in Ann. No. found short billed. Which may now be please recovered from consumer and intimate to audit.

CAMP

To be replied within 24 hours

HM No. /

Dt.

To,

The Engineer,
M P P K V V CO. Ltd.,
.....

Sub: - Less billing due to stopped/defective Meter and average billing thereof.

During the checking M.R. Books and consumer ledger, it was noticed that energy meters installed at the premises of the consumer listed in Annex. no. were reported as stopped or burnt meter from the months mentioned against each. In accordance with clause no 19 (c) (III) of general condition of supply of electrical energy and scale of miscellaneous charges those consumer were required to be billed on the basis of average consumption of preceding or succeeding three month consumption as the case may be but the above instruction were not followed which resulted in short billing of Rs.