

SAGARMALA DEVELOPMENT COMPANY LIMITED
(A GOVT. OF INDIA ENTERPRISE)
1st Floor, Thapar House, Gate No-2, 124 Janpath, New Delhi-110001

Ref. No.SDCL/IA/2020110

Dated: 17 February 2020

Sub: Appointment of Internal Auditor for SDCL for the Financial year 2019-20

- 1.01** Sealed quotations in **two envelopes** are invited for conducting Internal Audit at our Registered Office, from registered firms of Chartered Accountants/Cost Accountants having **minimum three full** time practicing Chartered Accountants/Cost Accountants as partners. The firms of Chartered Accountants/Cost Accountants should have been registered with the ICAI/ICMAI at least **Five years** before the date of submission of quotations. Firms having experience of atleast 5 assignments in **Internal Audit / Statutory Audit in PSU(s) / Listed companies in the last 3 financial years will be considered.**
- 1.02 The offer shall be valid for a period of Sixty days from the date of submission.
- 1.03 Internal Audit for the period (April 2019 to March 2020) will be conducted in the month of March/April 2020. Internal Audit will be conducted as per Audit Scope provided in Annexure 1.**
- 1.04 Fee is to be quoted excluding GST. TDS will be deducted as applicable. GST will be paid extra as applicable.
- 1.05** Payment of Fee will be made by A/c payee cheque/Electronic mode by SDCL after submission of vetted compliance report(s).
- 1.06 Criteria for selection shall be lowest Financial Bid received by SDCL.**
- 1.07 The Audit firm appointed by SDCL shall not sub-contract the work.
- 1.10 Firm selected by SDCL shall give an undertaking (given as Annexure 2) to follow ethics and the information provided by SDCL shall be kept strictly confidential. The Firm shall comply with all the applicable rules and regulations as prescribed under the law.
- 1.11 SDCL has the right to accept or reject any/all of the offers without assigning any reason thereof. No claim on this account shall be entertained by SDCL.
- 1.12 Corrigendum/addendum, if any, shall be displayed on SDCL website only i.e. www.sdclindia.com and same shall be binding on all the agencies.
- 1.13 In case of dispute, the jurisdiction will be at Delhi.
- 1.14 All the bidders are required to submit Two separate demand drafts / Banker's cheques for Rs.10,000/- (Rs. Ten Thousand only) being E.M.D. (refundable) and Rs. 1,000/- (Rs. One thousand only) being Processing Charges (Non-refundable) favoring Sagarmala Development Company Ltd. drawn on any scheduled Bank payable at par at Delhi. These two demand drafts / banker's cheques shall have to be enclosed along with the bid.**
- 1.15 Bids submitted without EMD and Processing Charges shall not be considered and will be summarily rejected.
- 1.16 EMD of unsuccessful bidders will be refunded through cheque within a period of 30 days from the date of award of work to the Successful Bidder. Bidders should submit the particulars of their Bank i.e. Name and address of the Bank/Branch, Bank Account No. IFSC code as per **Annexure-A**. EMD of Successful Bidder will be retained as Initial Security Deposit and shall be refunded with Fee for the year 2019-20.
- 1.17** Quotations, in the under mentioned format, marked **"QUOTATION FOR APPOINTMENT OF INTERNAL AUDITORS FOR SDCL"**, addressed to Managing Director, SDCL, 1st Floor, Thapar House, Gate No-2, 124 Janpath, New Delhi-110001 should reach on or before **28.02.2020 up to 5.00 PM** The **Technical Bid (envelope-1)** will be opened on same day i.e. on **28.02.2020 at 5.30 PM** at our Registered Office. **The Financial Bid of only those bidders will be opened whose Technical Bids are found complete in all**

respects and as per formats provided and who meet all the requirements mentioned in 1.01.

- 1.18 Bidders willing to attend the opening of bids may send their authorized representative with authority letter. Only one representative shall be allowed to attend the opening of bids.
- 1.19 Internal Audit Reports in prescribed format (Enclosed) along with comments of CFO shall be submitted in two sets separately to Managing Director, SDCL, Registered Office, 1st Floor, Thapar House, Gate No-2, 124 Janpath, New Delhi-110001 latest by 28.02.2020.**
- 1.20 **Financial Bid:** Internal Audit Fees for the year 2019-20 should be quoted in the Financial Bid sealed in separate envelope (envelope-2) and attached at Part-II excluding GST. GST will be paid as extra, as applicable.
- 1.21 **Submission of Offer:** The Tender documents complete in all respects shall be submitted in 2 (Two) parts i.e. **Part-I (Technical Bid)** comprising profile, credentials, EMD), Processing Fee and signed copy of tender document as token of acceptance of conditions) and **Part-II (Financial Bid)** sealed in 2 (Two) separate envelopes clearly superscribed "**Technical Bid**" & **Financial Bid**" on the respective envelopes. Both the Bids i.e. Technical Bid and Financial Bid shall be sealed in **a separate envelope** with complete tender details superscribing tender No. & Date, Name & address of the Bidder.

**TECHNICAL BID PART-I
PROFORMA FOR SUBMISSION BY TENDERER**

S.No	Particulars			
1.	Name of the CA Firm/Cost Accountants Firm (Tick whichever is Applicable)			
2.	ICAI/ICMAI Registration Number of Firm (Proof to be Attached)			
3.	Year of establishment			
4.	Complete postal Address with PIN code of the Head Office and Branch Office of the Firm (Branch Office will be treated as per certificate of the institute).			
5.	Contact details: Address of the Firm with the following details (Branch office will be considered. As per details available in the Certificate of practice). i) Phone No(s) ii) Mobile No(s) iii) Fax No(s) iv) E-Mail ID(s)			
6.	Details of Chartered Accountants/Cost Accountant partners: a. Number of partners. b. Name of Partners Please state ICAI/ICMAI Membership number and year of starting practice against each). (Proof to be attached) c. Details of Audit/ Audit experience of the Firm. Name and location of Major clients for Internal Audit / Statutory Audit of PSU(s) / Listed companies of repute (proof to be enclosed).			
7.	Details of Audit undertaken during last three years i.e. 2018-19, 2017-18 and 2016-17. (Details to be attached)			
8.	PAN of the firm			
9.	GST No.			
10.	Bank Account Number with details of Name of the Bank, Branch Address, Bank code, IFSC code			
11.	Details of EMD & processing charges Two DD should be submitted in favour of Sagarmala Development Company Limited payable at Delhi. EMD (INR 10,000 (Ten Thousand only & Rs.1,000 (One Thousand only) for processing charges	Amount	DD No. & Date.	Name of the issuing Bank

12. **Declaration:**

I/We hereby certify that:

- (a) All partners whose names are mentioned at point no.6 above are whole time partners in the firm.
- (b) We do not violate the limits specified under the Companies Act. 2013.
- (c) All information and attachments submitted in this application are correct and true to the best of my/our knowledge.
- (d) I/We are aware that any false information provided herein will result in rejection of the application and suspension of registration.
- (e) I/We hereby accept all terms & conditions of the Tender document.

Signature of the bidder with seal

Place:

Date:

Note:

1. Documentary evidences of all the information as stated above are to be furnished along with the offer.
2. All the pages of the terms & conditions and documents submitted are to be signed and affixed with the seal of the firm.

FINANCIAL BID PART-II
(To be submitted in separate envelope)

Sub: Internal Audit of Registered Office of SDCL for the financial year 2019-20

Name of the Bidder & Address:

I/We have read all terms and conditions of the Tender carefully and hereby offer/quote Internal Audit

Fees for the Financial year 2019-20 as Rs. _____

(Rupees in words _____) exclusive of GST*.

*(GST will be paid extra as applicable).

Signature of the bidder with seal.

Place :

Date :

TENDER FOR APPOINTMENT FOR INTERNAL AUDITORS FOR CORPORATE OFFICE.

Annexure-A

BANK ACCOUNT PARTICULARS FOR REFUND OF EMD THROUGH ELECTRONIC MODE

S. No.	Description	Particulars
1.	Name of the Beneficiary	
2.	Bank Name	
3.	Bank Address	
4.	Bank Branch code	
5.	Account No.	
6.	IFSC Code	
7.	MICR No.	

Date & place signature & seal of the applicant.

INTERNAL AUDIT SCOPE

- 1.** Internal Auditor will ensure that the accounts are maintained in prescribed formats, correctly and that rules, regulations and orders / directions issued by the Competent Authorities from time to time having financial bearings are observed by all wings / sections / departments.
- 2.** Internal Auditor will scrutinize all transactions accounted for in the books with reference to the initial documents like Purchase Orders, Work Orders, Receipt Vouchers, Issue Indents, Cash Vouchers, Bank Vouchers, Pay Rolls, Sales Invoices, Bills of Contractors, Journal Entries etc and check the books of accounts like Cash Book, Bank Book, Journals, Ledgers, and Financial Accounts including the Schedules, Measurement Books, Agreement with the Sub contractor (s) and with the Project Authority (s).
- 3.** Internal Auditors shall ensure that subsidiary books of accounts / prescribed registers viz Register of Work Orders, Register of Sub contractors, Incumbency Register, Imprest Register; Stationery Register etc are properly maintained at the Registered Office.
- 4.** SDCL Manual of Orders shall be the basic guiding factor for above mentioned scope.
- 5.** Internal Auditors shall have to touch all the points of audit scope and will report favorably or unfavorably, as the case may be.
- 6.** The observation(s) made by Internal Auditors should be quantified in terms of number, as far as possible.
- 7.** Internal Auditors will vet the compliance report(s) for the current year for remedial actions taken.

FINANCE & ACCOUNTS

- 8.** Checking of Cash Book, safety of cash viz cash chest arrangement, duplicate key register and Insurance coverage.
- 9.** Physical verification of cash and certificate of actual cash in hand and cash as per cash book on the day of Internal Audit.
- 10.** Internal Auditors will check that Cheques / Demand Drafts received are deposited immediately in bank account of the Corporation.
- 11.** Internal Auditors will also check the calculations of terminal benefits paid/payable to the employees on leaving the services of the Corporation due to superannuation/VRS/expired.
- 12.** Physical verification of FDRs held by the Registered Office in the name of the company, giving full details viz FDR No., Bank / Branch, Amount, Rate of Interest, Period, Maturity Value and Maturity Date etc.
- 13.** Compliance in respect applicability of central, state and local Laws / Acts viz Income Tax, GST, EPF Act, Labour Act, Professional Tax etc.

14. Internal Auditors will ensure that Accounting Standards issued by the ICAI are being complied with.
15. Physical verification of Stock, Fixed Assets shall be done in presence of the Internal Auditor & Physical Verification Report signed by Project Manager / Zonal Manager duly countersigned by the Internal Auditor indicating reasons for excess/shortage, if any, should be submitted along with audit report.
16. Internal Auditor will see that the generally accepted accounting or commercial principles are not infringed in the allocation of expenditure between Capital and Revenue.
17. Ageing / classification of sundry debtors and sundry creditors will be reported.
18. Reconciliation of Bank Accounts; entries outstanding/ un reconciled for the last three months will be reported.
- 19 Reconciliation of balances of Other Parties outstanding for many years in Sundry Debtors, Advances and Other Amounts. Mobilization Advance and interest there on.
20. Reconciliation of Sundry Creditors, Advances and Other Liabilities.
21. Entries in the "Provisions for bad and doubtful debts" Account, reasons thereof and the dates of origination; List of write offs done from provisions, dates of authorizations from Corporate Office.
22. Bank Guarantee(s) issued in the financial year, contracts for which the guarantees were taken; costs incurred by SDCL in issuing such bank guarantees; invocation of such bank guarantees, if any, dates of authorization from Corporate Office.
23. Balance confirmation should be obtained from the Debtors / Creditors at the year end.
24. Compliance by the Registered Office on the observations of Statutory Audit Report(s) / Government Audit Report (s) for previous year(s).
25. Impairment of Fixed Assets.

CONTRACT, MARKETING & WORKS / TENDER DEPARTMENT

- 27 Internal Auditor will ensure that guidelines issued from Registered Office including CVC guidelines are complied with for tendering process as well as issuance of work order.
28. Internal Auditors will check the uniformity in the drafting of various clauses for incorporating them in the agreements i.e. clause for termination of agreements, jurisdiction area etc.

PERSONNEL & ADMINISTRATION

29. Internal Auditor will ensure that guidelines issued for fresh recruitment of employees have been strictly adhered to.
- 31 Proper record of marking daily attendance of employees should be checked;
 - i) Whether attendance marked is being verified by the competent authority daily.
 - ii) Whether monthly absentee statement is being sent to Accounts Section.
32. Record of leave taken by employees should be checked;
 - i) Whether leave has been sanctioned by the competent authority.
 - ii) Proper entry of leave taken by the employee is being made in history sheet.
33. It should be seen that a history sheet is maintained for all the employees, entries of all events in the official career of employees are duly and promptly made in history sheet and attested by Competent Authority.
34. All rate charges reflecting promotions, reversion, grant of increments, etc. will be examined to see that they are processed in accordance with the rules applicable to them, approved by the competent authorities, entered in the prescribed records and that such entries are duly authenticated.

PROCUREMENT

35. It should be ensured that purchases are made in accordance with the rules and procedure laid down in Manual of Orders. The materials / items are purchased at competitive and reasonable rates after call of proper quotations. Purchases of items of Tools, Plant & Machinery, Vehicles, Office Furniture and Office Equipment will also be examined by the Internal Auditors.
36. It should be verified that a log book register in the prescribed form is maintained for each machine and transport vehicle. Entries in the log books in respect of machines should be verified with reference to the "working Hours statement". Consumption of POL's in the running of machines and vehicles should be checked with reference to provisions in the sanctioned job estimates.

FORMAT OF INTERNAL AUDIT REPORT

1. **Name** :
2. **Period of Audit** :
3. **Date of Audit** :

INTERNAL AUDIT REPORT

S.N.	AREA OF AUDIT	OBSERVATION OF INTERNAL AUDITORS	MANAGER'S REPLY
GENERAL			
1	Maintenance of accounts in prescribed formats and observance of rules, regulations and orders / directions issued by the Competent Authorities.		
2	Scrutiny of transactions accounted for in the books with reference to the initial documents.		
3	Maintenance of subsidiary books of accounts / prescribed registers by the Units / Zones / C.O.		
FINANCE & ACCOUNTS			
8	Checking of cash book, safety of cash viz cash chest arrangement, duplicate key register and insurance coverage.		
9	Physical verification of cash and certificate of actual cash in hand.		
10	Cheques / Demand Drafts received are deposited immediately in bank account.		
11	Checking of terminal benefits paid/payable to the employs.		
12	Physical verification of FDRs held by the Units / Zonal Offices / C.O. giving full details of FDRs.		

S.N.	AREA OF AUDIT	OBSERVATION OF INTERNAL AUDITORS	MANAGER'S REPLY
13	Compliance in respect Central, State and Local laws viz Income Tax, GST, EPF Act etc.		
14	Compliance of Accounting Standards issued by ICAI.		
15.	Physical verification of Stock, Fixed Assets & Physical Verification Report.		
16.	Allocation of expenditure between Capital and Revenue.		
17.	Ageing / Classification of Debtors and Creditors.		
18.	Bank Reconciliation Statement(s).		
19	Reconciliation of balances of Project Authorities, Sub-Contractors and Other parties.		
20.	Reconciliation of Inter Unit Accounts, Sundry Creditors, Advance and Other Liabilities.		
21	Entries in Provisions for bad and doubtful debts. List of write offs done from provisions.		
22	Bank Guarantee(s) issued in the financial year, cost incurred by SDCL in issuing such bank guarantees.		
23	Balance confirmation from Project Authorities / Debtors / Creditors.		
24	Verification, identification of unusable scrap.		
25	Compliance of Internal Audit Reports for previous year.		
26.	Impairment of Fixed Assets.		
PERSONNEL & ADMINISTRATION			
30	Adherence to guidelines for fresh recruitment.		
31	Attendance records and monthly absentee statements.		

S.N.	AREA OF AUDIT	OBSERVATION OF INTERNAL AUDITORS	MANAGER'S REPLY
32	Leave records, sanction and proper entries of leave taken by the employees.		
33	Maintenance of History Sheets for employees.		
34	Examination of charges reflecting promotions, reversions, grant of increments etc.		
35	Balance in MAS account of an employee for more than one year.		
PROCUREMENT			
36	Purchases of materials / items in accordance with the rules and procedure.		
37	Maintenance of Log book for machines and vehicles.		

- **Additional Audit areas can be suggested by SDCL / Internal Auditor**

Signature of the Partner & Seal of the Firm

Date:

Place:

Annexure 2

Format of Undertaking
(to be submitted on Letter Head of Selected Bidder)

Date:

To:
Managing Director
Sagarmala Development Company Ltd
124, Thapar House, Gate No 2
Janpath, New Delhi-110001

We, the undersigned, declare that:

- (a) We understand that SDCL requires that the Firm must observe the highest standard of ethics during the procurement and execution of such contracts. We confirm and undertake that we have not been / shall not engage in corrupt, fraudulent, collusive, or coercive practices during the performance of this assignment;
- (b) The Firm and its personnel shall treat all matters in connection with this assignment as strictly confidential and undertakes not to disclose, in any manner whatsoever, information, documents, technical data, experience, etc. provided by SDCL without the prior written consent of SDCL.
- (c) The Firm further undertakes to limit the access of confidential information to those of its employees, who reasonably require the same for the proper performance of this assignment.

Name

In the capacity of

Signed and Sealed

Duly authorized to sign the Bid for and on behalf of

Date