

**Tender for Appointment of Internal Auditor for Financial Year
FY 2024-25**

**Tender No.: JKDFC/AC/2024-25
Last date for submission: 20/10/2024**

The details of the tender document are available on GEM portal- <https://gem.gov.in>

Contact Details:-

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Udyog Bhawan, Jammu
Email Id: contactjkdfc@gmail.com**

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SECTION-I

JKDFC Ltd. invites tenders through GeM through two bids system i.e. Part-I (Technical Bid) and Part-II (Financial Bid) on behalf of the MD, JKDFC for Appointment of Internal Auditor for the financial year 2024-25 as per scope of work attached to this bid document.

Interested Firms fulfilling the eligibility criteria shall submit their applications online along with profiles of their firms for technical bid (Experience & Eligibility Criteria) and Financial Bid (Professional Fee) as per Annexure-B. Terms & Conditions are as per the Scope of work as per section IV.

The financial bids of only those bidders shall be opened who fulfill the eligibility criteria as per Section-II. The Managing Director, JKDFC reserves the right to reject any bid without assigning any reason.

Brief Profile of the Company

J&KDFC is Govt of India Enterprises which was incorporated on 30th May 2005 to carry on and transact the business of providing credit facilities and other Infrastructural support for promotion, expansion and modernization of industrial enterprises in order to accelerate industrial development, generation of employment and faster economic growth in the erstwhile State of Jammu & Kashmir in general and in particular by Granting financial assistance in the form of Loans or advances including by way of working capital, refinance, discounting or rediscounting of bills of exchange or promissory notes . JKDFC also acts as the Nodal Agency for routing the subsidies and incentives under various schemes notified under industrial policies and other concessions for the State of Jammu & Kashmir announced by DPIIT, GOI

IMPORTANT POINTS TO NOTE

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| 1 GeM TENDER REFERENCE NO. JKDFC/Internal Audit/2024-25 |
| 2 TENDER INVITED FOR ENGAGEMENT OF AUDITOR FOR CONDUCTING INTERNAL AUDIT FOR F.Y. 2024-25 |
| 3 PUBLISHING OF TENDER DOCUMENTS ON GEM 10.10.2024 at 15:00 Hrs |
| 4 START DATE ON GeM Portal 10.10.2024 at 15:00 Hrs |
| 5 END DATE & TIME ON GeM PORTAL 20.10.2024 upto 15:00 Hrs. |
| 7 TENTATIVE TIME & DATE OF OPENING OF PRICE BID:-After evaluation by the Committee |
| 8 WEBSITE ADDRESS OF JKDFC- www.JKDFC.org |

NOTICE INVITING ONLINE TENDER

1. Online tenders through e-procurement mode are invited by JKDFC for Engagement of Chartered Accountants Firm for Internal Audit Services for the year 2024-25.
2. The tender document is made available through e-procurement mode and open for downloading free of cost from GEM Portal <https://gem.gov.in> during the period as mentioned in NIT.
3. The tender document consists of two parts I: Technical Bid & II: Financial Bid.
4. The complete tender document shall be submitted online as tender offer on or before the due date and time of submission. Tender document through offline mode will not be entertained.
7. Bidding is open to all eligible bidders meeting the eligibility criteria as defined.

Technical Bid and bidders are advised to submit below mention documents to qualify for the award of the contract :

- a) The bidder should upload self-declaration on the letter head as mentioned in Format- stating that the bidder has not been blacklisted /debarred by any Government department/agency /falling under the denied entity list of Reserve Bank of India, Nationalized banks, or any Public Sector Unit or any other body recognized by Government of India.
- b) All the documents required to meet the eligibility criteria, along with relevant documents in the Tender Document- Technical Bid shall be uploaded through e-procurement gem portal after scanning in pdf format. The Tenderer may submit Self attested copies of the documents. The Tenderer has to produce the original documents for verification before issuing the award letter. Failure to produce the original documents will be treated as void/ non-responsive and is liable to get rejected.
- c. The prospective Tenderer shall submit queries, if any, through GeM portal as per the mentioned deadline, so that the queries can be clarified. The bidders' queries will be clarified through GeM portal.
- d. The last date of online submission of offers will be as per the given date & time as provided in NIT unless otherwise notified. In the event of changes in the schedules, the same will be notified through GEM Portal <https://gem.gov.in>.
- e. If the offers are not received according to the instructions detailed herein above, they shall be liable for rejection.

Section-II (Technical Bid)

Eligibility Criteria & Selection Process

For appointment of Internal Auditor, the firms fulfilling the following eligibility criteria shall be eligible for opening of financial bid.-

- 1) Must have either its registered office or branch office in Jammu & Kashmir. (Self-Attested copy of Registration Certificate issued by Institute of Chartered Accountants of India to be furnished.)
- 2) Must be registered with the Institute of Chartered Accountants of India for not less than 10 years as on as on 1st April 2024. (Self-Attested copy of Registration Certificate issued by Institute to be furnished.)
- 3) The firm must be empanelled with Comptroller & Auditor General of India. (Self-Attested copy of Comptroller & Auditor General of India Empanelment Letter)
- 4) Must be having minimum (03) three Fellow partners as on 1st April, 2024.(Self-Attested copy of latest Constitution Certificate from Institute to be furnished.)
- 5) Must have conducted Internal Audit of at least two Central or State Public Sector Undertakings/ NBFC during last three Financial years (Self-Attested copies of Appointment Letters/ Agreements/ Work Orders issued by such PSUs along with proof of claim to be furnished)
- 6) Must be having minimum Average turnover over of Rs. 40.00 Lakh (Rs. forty lakh) during the last 3 Financial Years. (Turnover Certificate certified by the CA)
- 7) Must be registered under Goods & Service Tax Act. (Self- Attested GST Registration Certificate & PAN card to be furnished.)
- 8) Must be having sufficient staff to conduct the audit in all the three offices of the corporation in Jammu, Kashmir & Ladakh.

SECTION III
SELECTION PROCESS & TERMS & CONDITIONS OF CONTRACT

Award of Contract

- a) Contract shall be awarded to the firm whose evaluated bid price will be the lowest in financial bid.
- b) In case two or more technically qualified firms quote the same lowest price, the firm with the higher mark in the technical bid shall be awarded the contract.
- c) Any effort by a firm to influence JKDFC in its decision on bid evaluation or placement of Work Order may result in rejection of the firm's offer.
- e) Any legal dispute arising out of this is subject to Jammu jurisdiction only.

Period of Engagement

- a) The engagement shall be initially for the Internal Audit of the accounts for the financial year 2024-25, subsequently, based on the yearly performance, the contract can be extended for further up to two years on the same terms & conditions after obtaining the approval of the Competent Authority.
- b) The contract can be terminated at any time prior to its completion by either Party with 30 days of notice period.

Process of Audit:

- i. Auditor's field personnel will segregate the audit observations and discuss the same with the concerned department/section head for having an in depth understanding of the issue and prepare the draft audit report accordingly.
- ii. The draft audit report will be discussed by senior level personnel of the audit Firm with the department heads of the Institute. If the auditor is satisfied the para will be dropped or otherwise the para could be considered and incorporated in the Audit Report.
- iii. All the document receipt during the course of audit should be return after completion of the audit and it shall be your responsibility to ensure that all documents and information received from the Corporation will be used exclusively for the internal audit purposes and should be kept confidential and not to be disclosed to third party at any point of time.
- iv. In case any serious financial irregularity and Points relating to grave deficiencies, if found the same may be communicated to the Management immediately without waiting for the time of submission of the report.

Payment & Price Validity:

- i. The Firm shall be paid on yearly basis after submission of quarterly as well as yearly report.
- ii. Minimum quote of audit fees per year for the assignment is Rs. 30000/- including TA/DA plus GST
- iii. The price as quoted shall remain unchanged during the contract period. The fees should be quoted is inclusive of TA/DA/Boarding/Lodging etc

- iv. Goods & Service Tax, if any, shall be paid at the applicable rate.

Penalty Clauses.

- i. In case the Firm fails to commence/ execute the work as stipulated in the agreement or there is a breach of any terms and conditions of the tender and reserves the right to impose the penalty as detailed below:
 - a) 2% of cost of order/ agreement per week, up to 2 weeks delays.
 - b) After 2 weeks delay, JKDFC reserves the right to cancel the contract and withhold the agreement and get this job be carried out from other firm (s) from open market at the competitive rates. The defaulting firm will be blacklisted for a period of 3 years.
- ii. For any breach of contract, JKDFC shall impose a penalty to the extent of Rs. 10,000/- only on the first occasion upon the firm in the event of breach, violation or contravention of any of the terms and conditions contained herein brought to the notice of JKDFC.
- iii. If the lapse is repeated, the extent of penalty will be doubled on each such occasion.

Scope of Work:

The Firm shall be responsible for the following works –

Review of Internal Control and Risk Management System:

- i. Independently review and appraise the systems of control throughout the year (not just the financial controls);
- ii. Recommend improvements to internal controls;
- iii. Ascertain the extent of compliance with procedures, policies, regulations, statutory obligations and other legislations;
- iv. Provide reassurance to management that their policies are being carried out with adequate control of the associated risks;
- v. Facilitate good practice in managing risks effectively;
- vi. Ensure that assets and interests are safeguarded from fraud, deter fraudsters and possibly identify fraud.

Detailed Scope of Work:

| Sl.No. | Area | Detailed Scope |
|--------|--|--|
| 01 | Revenue | <ol style="list-style-type: none"> i. Checking of Interest Calculation ii. Income from other sources (From Loan account) iii. Interest on Investments, Bank Interest iv. Grants for Govt. v. Any other Income vi. Treatment in accounts for all Income and recommendations. |
| 02 | Expenditures | <ol style="list-style-type: none"> i. Procedures followed ii. Treatment in Accounts iii. 100% vouching of the transactions iv. Reporting for any Rectification or improvement |
| 03 | Procurement of Goods & Services | <ol style="list-style-type: none"> i. Tendering Processes & selection of the vendor/contractor ii. Accounting Treatments for Fixed Assets. |
| 04 | Investments | <ol style="list-style-type: none"> i. Procedures followed for Investments ii. Treatment of Income arising out of Investments iii. Recommendations. |
| 05 | Physical Verifications of Inventory & Fixed Assets | <ol style="list-style-type: none"> i. Fixed Assets verification on yearly basis. |
| 06 | Statutory Compliances | <ol style="list-style-type: none"> i. Compliances to Income Tax Act ii. Compliance to GST and other Indirect Taxes iii. Compliance to FEMA laws iv. Any other statutes |
| 07 | Finance & Accounts | <ol style="list-style-type: none"> i. Review of Account Payable and Receivable ii. Verification and checking of financial transactions from bank book and other ancillary record maintained by the Institute. |

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| | | <ul style="list-style-type: none"> iii. Review the record/system of bill payment to various contractors and also to review the compliance on them with term of contract. iv. Bank Management including investment details v. Checking of Bank Reconciliation Statement on monthly basis. vi. Review the expenses incurred with the approved Budget vii. Vouching/Ledger Scrutiny viii. Review the last statutory/Internal audit comments and compliances and action taken report ix. Review of Quarterly, Half Yearly and Annual Accounts of the Institute x. Review of expenses on Sponsored Projects and Its Accounts xi. Review of Subsidiary Accounts at a quarterly Intervals x. Checking of various schedules and annexure |
| 08 | Payroll, Retirement Benefits & Pension | <ul style="list-style-type: none"> i. Rules and Guidelines applicable ii. Review audit of Employee related claims like TA/DA, Medical Reimbursements, LTC, Children Education, etc. iii. Review/ audit for Payment of Salary, superannuation benefits, Pensions etc. iv. Treatment in accounts |
| 09 | Others | <ul style="list-style-type: none"> i. As and when required comments/ observation of the Internal Audit will be taken on financial transaction of special value or special nature ii. As and when required comments/ observation of the Internal Audit will be taken on statutory requirement for financial transactions. iii. Report on risk management issue and internal control deficiencies identified and provide recommendation for improving Institute's operation. iv. Suggestion for improvement of the existing System of Accounting, internal control and Management Information System (MIS) from time to time v. Periodically reconciling Physical Assets with Books of Accounts so as to submit Annual Physical Verification Report latest by 30th April. vi. Issue certificate in form no 15 CA/CB relating to remittance in foreign currency as per Income Tax Act, 1961. The certificate must be issued within two days of receipt of documents. vii. Issue of Utilization Certificates for Grant Based projects as and when required viii. Any Other Internal Audit related matters |

FINANCIAL BID (Price Schedule)

| S.No | Description of items | Internal Audit fee inclusive of all expenses (Rs) |
|-------------|---|--|
| 01 | Audit Fees for the financial year 2024-25 | <p style="text-align: center;">In figures Rs ----- In Words Rs _____</p> |

(Signature of the Bidder along with seal)

Date:

Place:

Notes:

1. The Financial Part shall be inclusive of all charges and out of pocket expenses towards travel, documentation and communication etc. except GST as applicable
2. Minimum quote of audit fees per year for the assignment is Rs. 30000/- (Rupees thirty thousand only) plus taxes including TA/DA.
3. If there is a discrepancy between words and figures, the amount in words shall prevail.

Submission of Tender

Format-I (To be uploaded online)

LETTER OF SUBMISSION COVERING LETTER TO BE SUBMITTED/UPLOADED IN COVER 1

(ON THE LETTER HEAD OF THE BIDDER)

Dated:

To

Sir

Sub: E-TENDER FOR ENGAGEMENT OF CHARTERED ACCOUNTANT/ COST AND MANAGEMENT ACCOUNTANT FIRM FOR INTERNAL AUDIT

Being duly authorized to represent and act on behalf of (Hereinafter referred to as "the Bidder") and having reviewed and fully understood all of the requirements of the bid document and information provided, the undersigned hereby apply for the project referred above.

We are submitting our Bid enclosing the following, with the details as per the requirements of the Bid Document, for your evaluation.

| S. No. | Particulars | Page no. of scanned documents |
|--------|--|-------------------------------|
| A | <u>Technical Bid documents-volume I (As per eligibility criteria - section II)</u> | |
| (i) | Scanned copy of Age of Firm and documents as per Eligibility Criteria No.1 & 2 of Section II (Technical Bid) | |
| (ii) | Empanelment with CAG (Scanned copy of CAG letter as per Eligibility Criteria No.3 of Section II (Technical Bid) | |
| (iii) | Scanned copy of No. of Partners and documents regarding latest constitution certificate as per Eligibility Criteria No.4 of Section II (Technical Bid) | |

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|------|---|--|
| iv) | Must have conducted Internal Audit of at least two Central or State Public Sector Undertakings/ NBFC during last three Financial years (Self-Attested copies of Appointment Letters/ Agreements/ Work Orders issued by such PSUs as per Eligibility Criteria No 5) | |
| (v) | Must be having minimum Average turnover over of Rs. 40.00 Lakh (Rs. forty lakh) during the last 3 Financial Years. (Turnover Certificate certified by the CA as per eligibility criteria No 6) | |
| (vi) | Detail includes name and address of the Firm with PAN, GST and ICAI registration no. with scanned copy of proof & number of full time employees, Also name of all partners with DOJ | |

Financial Bid documents Volume II (As per annexure I)

May also upload on letter head in separate folder

We hereby agree to fully comply with, abide by and accept without variation, deviation or reservation all technical, commercial and other conditions whatsoever of the Bidding Documents and Amendment/Addendum to the Bidding Documents, if any, for subject Tender.

We understand that any deviation/exception in any form may result in rejection of Bid. We, therefore, certify that we have not taken any exceptions/deviations any wherein the Bid and we agree that if any deviation/exception is mentioned or noticed, our Bid may be rejected.

We hereby further confirm that any deviation/exception with reference to instructions and terms and conditions if mentioned in our Bid, shall not be recognized and shall be treated as null and void.

We hereby declare that we have not been black listed/ debarred by any Government department/agency/falling under the denied entity list of DGFT/Reserve Bank of India, Nationalized banks, or any Public Sector Unit or any other body recognized by Government of India.

Signature of the bidder or Authorized Signatory

Name of the bidder:

Seal: _