

REQUEST FOR PROPOSAL (RFP)
FOR
APPOINTMENT OF CA FIRM/LLP AS INTERNAL AUDITOR
OF OMNIBUS INDUSTRIAL DEVELOPMENT
CORPORATION OF DAMAN & DIU AND DADRA & NAGAR
HAVELI LTD FOR FINANCIAL YEAR 2018-19



OMNIBUS INDUSTRIAL DEVELOPMENT CORPORATION OF DAMAN & DIU
AND DADRA & NAGAR HAVELI LTD

(A Government Undertaking)

Plot No. 35, OIDC Corporate Office, Somnath, Daman -396210

Tel/Fax: 0260-2241108 Website: www.daman.nic.in

CIN:U65923DD1992SGC001221

REQUEST FOR PROPOSAL (RFP) DOCUMENT FOR APPOINTMENT OF CA FIRM/LLP AS INTERNAL AUDITOR OF THE CORPORATION FOR THE FINANCIAL YEAR 2018-19

1. INTRODUCTION:-

Omnibus Industrial Development Corporation of Daman & Diu and Dadra & Nagar Haveli Limited. (OIDC Ltd.) is a Government Company registered on 27th March 1992 under the Companies Act, 1956. The registered and head office of the Company is situated at Secretariat Moti Daman – 396220 and Corporate Office at Plot No. – 35, Somnath, Nani Daman - 396210.

The main activities of Corporation are as under :

1. Providing Land and Infrastructure for Industrial Estate.
2. Providing limited city Passenger Transport Services through Buses in UT Administration of Daman, Diu and Silvassa.
3. Construction Activities - Undertaking Construction activities on behalf of and as per the requirement of various Government Department.
4. Providing Vehicle Hire Services.
5. Trading in Liquor.

The annual turnover of the Corporation during the last financial year 2017-18 was Rs. 436.87 crore. The authorised share capital of the Corporation is Rs. 50 crore and paid-up share capital is Rs. 26 crore.

OIDC intends to appoint the Internal Auditor for the financial year 2018-19. The role of the Internal Auditor is to conduct the audit in terms of the scope of work and submit the quarterly audit report to the Management of the Corporation.

The appointment will be initially for a period of one year i.e. for 2018-19 which can be extended for further period of one year on mutually agreed terms.

2. AVAILABILITY OF RFP:-

The RFP document is available at OIDC's website www.daman.nic.in

Prospective CA Firm/LLP desirous of participating in this RFP may view and download the RFP document free of cost from the above website.

3. **IMPORTANT DATES:-**

Date of issue of RFP	26.11.2018
Pre Bid meeting date & time	30.11.2018 at 11.30 hrs
Last date for submission of Technical and financial bid	03.12.2018 at 16.00 hrs
Technical Bid opening date	05.12.2018 at 16.00 hrs
Financial Bid opening date	07.12.2018 at 17.00 hrs

4. **ELIGIBILITY CRITERIA:-**

Chartered Accountants Firms/LLP must qualify the following minimum criteria:-

Sr. No	Particulars	Minimum criteria
1	Number of full time partners associated with the firm/LLP for not less than 5 years and shall be member of the Institute of Chartered Accountants of India	2
2	Turnover of the firm/LLP (Average of last three years i.e. 2015-16, 2016-17 & 2017-18)	Rs. 20 Lacs
3	No. of years of Firm/LLP existence	Not less than 5 years
4	No. of assignment of Internal/Statutory Audit of Corporation/PSUs/Limited companies having an average turnover of not less than Rs. 50 crore in last years. The experience of the preceding 3 years shall only be considered.	At least 3 nos
5	The Firm/LLP should have head office at anywhere in India but should have a branch office at Daman/Vapi/Valsad/Silvassa	For at least 2 years

Any firm/LLP not qualifying these minimum criteria need not apply and their proposal shall be summarily rejected.

Supporting documents for eligibility criteria:-

1. For Sr. No. 1, the firm/LLP must submit an attested copy of certificate of Institute of Chartered Accountants of India with respect to its constitution.
2. For Sr. No.2, the firm must submit a copy of the balance sheet and profit and loss account for the last three financial years as mentioned.

3. For Sr. No.3, the firm shall submit a declaration for no of years in existence and certificate from ICAI with respect to its constitution.
4. For Sr. No.4, the firm must submit a copy of the appointment letters from the auditee organisations and annual reports evidencing the turnover of the auditee organisations.
5. For Sr. No.5, a declaration from the firm on it's letterhead stating that the address of head office in India and branch office at Daman/Vapi/Valsad/Silvassa for at least two years.

5. EVALUATION CRITERIA FOR SELECTION OF INTERNAL AUDITORS:-

A. TECHNICAL EVALUATION:-

The evaluation criteria for selecting the auditor are mentioned below:-

Sr. No	Evaluation criteria	Maximum marks
1	Number of partners (Partners should necessarily be a member of Institute of Chartered Accountants of India) (1.5 marks for each partner)	15
2	The firm have adequate staff to undertake audit work. The staff includes Articles, Audit clerks and semi-qualified personnel. The Marking shall be: 1-4 staff (2 marks) 5-10 staff (4 marks) 11-15 staff (6 marks) More than 15 staff (10 marks)	10
3	Number of professionally qualified staff (with associate/fellow membership of ICAI/ICWA) 1-2 staff (2 marks) 3-5 staff (4 marks) 5-10 staff (6 marks) More than 10 staff (10 marks)	10
4	Turnover for last three years of the firm/LLP More than Rs. 20 lacs and upto 50 lacs per annum- 4 marks for each year. More than Rs. 50 Lacs per annum :- 5 marks for each year	15
5	Number of internal/statutory audit undertaken during the last 5 years in Corporation/PSUs/Limited companies (whose average turnover is more than Rs. 50 crore in the last 5 years) (5 marks for each assignment, maximum 10 assignments)	50
	Total marks = ST (Score Technical)	100

The minimum qualifying mark is 75% on technical evaluation.

Minimum Technical score of 75% may be relaxed by the Managing Director if more than 3 firms score 75 or less out of 100.

B. FINANCIAL EVALUATION:-

The formula for determining the financial scores (FS) is as below;-

$FS=100 \times FM/F$ where FS is financial score, FM is the lowest price quoted by any firm/LLP and F is the price quoted by the firm.

The weights given to the Technical and financial proposal are:

T= 0.8 and F=0.2

Total of all the score=ST x 0.8 + FS x 0.2

6. SUBMISSION OF THE PROPOSAL:-

- a) The interested firm shall submit the Technical and Financial Proposal separately duly bound and containing the index/table of content with all the pages numbered
- b) The proposal in the prescribed format should be submitted on or before 25.09.2018, 16.00 hrs.
- c) i) The outer envelope cover shall be super Scribed

“For appointment of Internal Auditor for FY 2018-19”

and addressed to:

The Chief Financial Officer,
OIDC Ltd.
OIDC Corporate Office,
Plot No. - 35
Somnath,
Nani Daman – 396210

This envelope/cover shall contain:

- ii) The Cover 1- Technical Proposal (Super scribed) containing all the relevant formats duly filled in, **Demand Draft of Rs.5000/- in favour of O IDC Ltd and other relevant enclosures- duly sealed.**
- iii) The Cover 2 -Financial Proposal (Super-scribed) containing the relevant formats duly sealed.
- iv) Both these covers-Cover 1 & Cover 2 shall be put in outer envelope/cover as stated above in (ci) and submitted duly sealed.

7. SCOPE OF THE INTERNAL AUDIT:-

The scope of the Internal Audit will be as per Annexure-I enclosed. The Board or the Audit Committee reserves the right to alter the scope of the audit if need arises. The firm / LLP shall depute atleast one qualified staff for the assignment.

8. PERIODICITY OF INTERNAL AUDIT:-

The Internal Auditor shall quarterly conduct audit and submit audit report within 30 days from end of each quarter.

9. REPORTING:-

The Internal Auditor should report to the Audit Committee any serious weakness, significant fraud or major accounting breakdown discovered during the normal course of audit through the Chief Financial Officer.

The manner and intervals in which the internal audit shall be conducted and Reported to the Board shall also be in compliance with the Companies Act 2013 and other applicable statutory norms and provisions.

10. TERMINATION OF CONTRACT:-

O IDC reserves it right to terminate the contract without assigning any reasons by giving 30 days' notice.

11. ARBITRATION

In case of any dispute, it shall be referred to Arbitration. The sole arbitrator will be appointed by the Managing Director. The Arbitration shall be as per Indian Arbitration and Conciliation Act, 1996 as amended up to date. The place of Arbitration shall be Daman and the language will be English.

- 12. The Corporation reserves its right to reject any firm/LLP without assigning any reasons.

On letterhead of CA Firm/LLP

TECHNICAL PROPOSAL

Format for submission of information of the Chartered Accountant firm for selection
as Internal Auditor of OICD

Sr. No	Particulars	Details
1	Name of the CA Firm/LLP	
2	Regi. No. & Date of Registration of CA Firm/LLP	
3	Registered Address of H.O. and Branches.	
4	Name of Partners with membership No. & No. of years for which associated with firm	
5	Details of qualified CA/CWA staff	
6	Details of Articles/Audit Clerk/Semi-qualified staff	
7	Details of assignment of Internal/Statutory Audit of Corporation/PSUs/Limited companies having an average turnover of not less than Rs. 50 crore in last five years. The experience of the preceding 5 years shall only be considered.	
8	Details of PAN, GST No. of the Firm/LLP	

Date :
Place :

Signature of Partner
Name of Partner
Seal of Firm
Firm Reg. No
Membership No. :

Note:

1. Copies of certificates/documents in support of above details shall be attached.
2. EMD of ₹ 5000/- shall be attached with the technical proposal

(On the letter of CA firm/LLP)

PROFORMA OF FINANCIAL BID

Financial bid for engagement as Internal Auditor for financial year 2018-19

Particulars	Amount in Rs
Fees for engagement of Internal Auditor for financial year 2018-19	
GST and any other applicable expenses	
Total	

Note:

1. Taxes and other statutory levies will be paid on actual basis. However, present rates of applicable taxes and levies may be indicated by the tenderer.
2. The tenderer is deemed to have thoroughly studied and examined the technical specification, important instructions and general terms and conditions of the tender documents and fully informed as to nature of the work as per annexure - I and conditions related to its performance.
3. No transport / TA /DA /other incidental expenses will be payable by the Corporation.

Signature of Partner
Name of Partner
Seal of Firm
Firm Reg. No.
Membership No. :

Date:
Place:

ANNEXURE - I

SCOPE OF THE INTERNAL AUDIT

Sr. No.	Scope of Work	Nature & Extent of Audit 100%	Frequency of Audit
1	Audit of all bank /cash receipts & payment vouchers of all types relating to supply, works, Statutory payments and Refundable vouchers of EMD, SD etc.	100%	Quarterly
2	Verification of Cash Book & Bank Book	-do-	-do-
3	Verification of Bank Reconciliation	-do-	-do-
4	Scrutiny of ledgers / sub-ledger accounts and Journal vouchers	-do-	-do-
5	Depreciation accounting / work in progress	-do-	-do-
6	Preparation and filling of Income tax return and tax audit statements, VAT, GST etc.	-do-	-do-
7	Guide and advice on Compliance of TDS requirement & other statutory requirements including Income Tax, VAT, GST etc. as applicable from time to time.	-do-	-do-
8	Guide and advice on implementation / adoption of accounting standards, guidelines and statutory changes and requirements.	-do-	-do-
9	Checking of Debtors outstanding and realization report with ageing analysis	-do-	-do-
10	Determination of bad and doubtful debts and its provision	-do-	-do-
11	Reconciliation of sundry debtors accounts.	-do-	-do-
12	Audit of all purchase orders/work orders and purchase procedure compliance.	-do-	-do-
13	Comment on Revenue and Capital Expenditure accounted for.	-do-	-do-
14	Audit of Purchase order / Work order covering quotation, tender, enquiry with comparative statement for supply and works / limited tender advertisement / single tender (proprietary items) with comparative statement relates with works and supply as per established procedures of the Company.	-do-	-do-
15	Audit of EMD / Security Deposit	-do-	-do-
16	Advice on new provisions and circulars issued by CBDT & CBEC	-do-	-do-
17	Assist & advise in tax planning	-do-	As & when required
18	Review of Board Minutes in support of the agenda papers	100%	Half Yearly
19	Compliance of Company Law and procedures and other applicable enactments statutorily required	-do-	-do-
20	Audit of all records relating to salary and wages accounting system.	100%	Half Yearly

21	Audit of all staff benefit payments, T.A. Bills, medical reimbursement, pay fixation, advance to staff,	-do-	-do-
22	Checking of Service Book retired person right, payment of death & accident cases entries of service books, leave records etc.	-do-	-do-
23	Audit of Income Tax vouchers deducted from salary pay bills.	-do-	-do-
24	Checking of Attendance records and leave records.	-do-	-do-
25	Checking of Casual and contract labour details / records.	-do-	-do-
26	Checking of Payment of minimum wages, bonus etc.	-do-	-do-
27	Audit of compliance of various labour laws.	-do-	-do-
28	Physical Verification of Inventories	100%	Yearly

GENERAL :

The Internal Auditor shall examine and report whether:

1. Proper approvals of Management are obtained for writing off of loss / wastage / shortage / debts.
2. Adherence to rules, procedures and provisions prescribed under the relevant laws, rules, requirements, guidelines and internal delegation of powers.
3. There is a regular reconciliation of accounts of debtors, creditors, contractors etc.
4. Profit & Loss Account and Balance Sheet prepared are in time as per the provisions of the Companies Act, 2013 and any amendments thereof, the accounting standards issued by the Institute of Chartered Accountants of India.
5. The prevailing systems of internal checks and controls are properly followed.
6. Suggestions should be made to strengthen the internal checks and controls if there are inadequacy and identifying any duplication of procedures / work of unnecessary paper work and suggest the steps to eliminate the same without compromising the safe practice.
7. Assist in resolving queries of CAG Audit.
8. Any other activity of audit which may require Internal Auditor's comments at the discretion of the OI DC.