

NOTICE INVITING TENDER

Sealed and superscribed (Tender No & Name of work) **ITEM RATE** tenders are invited for executing the following work in accordance with the terms and conditions specified in the tender documents.

Name of Work	EMD ₹
APPOINTMENT OF INTERNAL AUDITOR.	3000.00

Period of Contract: **THREE YEARS.**

Cost of Tender Form (including GST – HSN Code: 4911) in ₹115/-

Tender documents (non-transferable) can be obtained on payment from our Finance Department (cash section) during working hours from 26/03/2019 to 16/04/2019 up to 11.00 Hrs. Tenders, complete in all respects, along with prescribed EMD by means of Demand Draft drawn in favour of Hindustan Newsprint Ltd. on any of the scheduled Commercial Bank, payable at Mevelloor/Newsprint Nagar/ Ernakulam/Kottayam, should be deposited in the Tender Box No. 11, kept in the **EMCC building of HNL**, on or before **11.00Hrs on 16/04/2019**. Tenders can also be sent by post addressed to HoD (EMCC) at the company address ensuring receipt at HNL before the due date and time. The tenders will be opened on the same day at **11.15Hrs** in the presence of the attending tenderers.

In case the above scheduled date becomes a company holiday, the next working day will be deemed as the due date. Details regarding the work can be had from the office of the HOD (EMCC). HNL shall not be responsible for any loss in transit/non-receipt of tenders in time.

HNL reserves its right to accept or reject any tender without assigning any reason, thereof.

Limited

For Hindustan Newsprint

HoD (EMCC)

OPEN TENDER

APPOINTMENT OF INTERNAL AUDITOR

1.0 INTRODUCTION

Hindustan Newsprint Limited is a Public Sector Enterprise engaged in manufacturing and sale of Newsprint/Writing and Printing Paper with annual turnover of around ₹ 350 crore under Ministry of Heavy Industries and having its manufacturing facilities and registered office at Newsprint Nagar, Kottayam.

2.0 OBJECTIVE

Hindustan Newsprint Limited (HNL) desires to appoint Internal Auditor with an independent, objective assurance and consulting activity designed to add value and improve organization's operations & accomplish its objectives by bringing a systematic, disciplined approach to evaluate and to improve the effectiveness of risk management, control, and governance processes.

3.0 PERIOD OF CONTRACT

The appointment will be made for a period of 3 (three) years

4.0 SCOPE OF WORK

The scope, functioning, periodicity and methodology for conducting the internal audit will be decided by the Audit Committee or the Board. However, the scope of work for the Internal Auditor will generally include the following functions:

GENERAL

- (i) Ensuring that the rules and procedures prescribed by the Central Govt. with regard to the manner and the intervals in which the internal audit shall be conducted is fully complied with and reported to the Chief Executing Officer (CEO) of the Company.
- (ii) Assessment of accomplishment of corporate goals and objectives.
- (iii) Review of operational and financial performance.
- (iv) Physical verification of existence and value of assets (Excluding Inventory, which is already outsourced).
- (v) Ensure compliance of all applicable legal and statutory requirements.
- (vi) Review of internal control systems in vogue and their effectiveness.
- (vii) Conditions requiring special attention such as possibility of material error or fraud or related party transactions.
- (viii) The Internal Auditor will also formulate the Annual Audit Programme with break-up for monthly and quarterly programme and get it approved by the CEO.
- (ix) Comment on Internal Control System prevalent in HNL in all its areas of operation so as to avoid chances of fraud, forgery etc and suggestion for improvement.
- (x) Check compliance on assurances given by Head of Departments (HODs) on Internal Audit, Statutory Audit and Government Audit observations.

- (xi) Check whether Income and Expenditure have been booked in accordance with applicable accounting standards and Company's Accounting Policies and other applicable rules and regulations.
- (xii) Compliance of various statutory provisions of Law, Acts, Accounting Standards and Regulations applicable from time to time.
- (xiii) Review whether expenditure incurred on projects are covered under Action Plan Budgets. Where expenditures have increased, the revised action plans have been approved by Competent Authority in this regard and availability of Fund.
- (xiv) Review on Statutory Audit observations in the Report on the Internal Financial Control under section 143(3)(1) of the Companies Act 2013 and the follow up of reports including compliance.
- (xv) The impact of any statutory and regulatory requirement.
- (xvi) Review of action taken on Statutory & Government Audit observations.
- (xvii) In addition to General Areas described above, the Internal Auditor has to conduct the Audit in the following areas also for checking and verification of facts and figures and to report the deficiency in the various procedures/ systems.

FINANCE & ACCOUNTS

- a. Review of Accounting Policies with reference to Accounting Standards.
- b. Checking the charging of depreciation as per the provisions of Companies Act & their Insurance etc. Checking of Fixed Asset Register physically for existing assets, additions & deletions there from.
- c. Cash and Bank-Payments & Advances to employees, suppliers, contractors, & Receipts of Funds from clients & employees, Bank Reconciliation, identification of Stale cheques and actions taken there on etc.
- d. Sundry Debtors Management, Loans and Advances.
- e. Adjustment of staff advance, imprest accounts, suppliers advance, sundry creditors, and their bills etc, adjustments of Pre-paid Expenses, scrutiny of old outstanding if any.
- f. Pay & Allowances & Perquisites- payment of statutory dues, computation of Income Tax & Tax Deduction at Source (TDS), returns
- g. Settlement of Traveling Allowances bills/Dearness Allowance Bills.
- h. Verification of Reimbursement of Medical Bills to Employees.
- i. Checking of Administration payments such as postage, reimbursement claims submitted against imprest account, payment of Telephone Bills, electricity bills, use of STD/ISD etc, Payment to various agencies like, House Keeping Services, Security Services, Car hiring agencies etc.
- j. Scrutiny of GST, TDS, and Checking whether the returns have been filed in time, taxes have been deposited in time and correct tax rates have been applied.
- k. Surprise check and physical verification of cash in hand.
- l. Vouching of all types of vouchers.
- m. Reporting on systems of tracking of BGs & on its status both issued to client and received from supplier.
- n. Booking of Income and Sales with corresponding expenses and purchases including award of contracts.
- o. Commenting and suggesting cost control measures.

ADMINISTRATION

- i. Checking of personal files, recruitment of personnel, fixation of their pay, attendance record, regularization of attendance, leave records etc.
- ii. Verification of Purchase of Stores, Spare parts, Raw materials, Chemicals, Coal, other materials, Utilities etc. & also corresponding booking under various warehouses. Receipt, Issue on disposal of such items, disposal of waste etc.
- iii. Commenting on the record maintenance at every stage (indenting, purchase, utilization, balance and disposal).

AWARD OF CONTRACTS

- I. Review of Tender evaluation and award of procurement and other work to Suppliers/Parties/Consultants. Checking of comparative Statement through which award of work made, checking of terms and conditions etc. in the work order & empanelment of vendors.
- II. Review of Purchase Orders/ Work Orders/Service Orders and to comment on the terms of payment, which may be prejudicial to the interest of Company.
- III. Review of post contract management of the work/purchase orders issued with attention to contract clauses/ conditions have been adhered to or not, progress/ completion of the work and company's interest has been served or not.
- IV. Liquidated Damages (LD)/ Penalty wherever applicable has been imposed, if not, reasons are adequate to justify exemption. Considering the defaults, if LD or penalty is adequate to cover company's interest.
- V. Review of project files maintained in the Company.
- VI. Checking of project expenditures in accordance with agreements/MoU.

5.0 TIME SCHEDULE FOR SUBMISSION OF REPORTS

For Q1 & Q2: (From 1 st April -30 th September) :	Within 31 st December
For-Q3: (From 1 st October to 31 st December) :	Within 31 st January
For Q4: (From 1 st January to 31 st March):	Within 30 th April

The list provided above is inclusive and not exhaustive, more areas may be included either by the Audit Committee or the Board in their Internal Audit Programme.

6.0 ELIGIBILITY CRITERIA FOR PRE-QUALIFICATION OF INTERNAL AUDITOR

- (i) Firms of Chartered Accountants/ Cost Accountants or LLPs with at least 10 years of experience in the field of in Internal Audit, Project Evaluation, Risk Management etc in corporate environment.
- (ii) The Firm should possess past experience in executing Internal Audit function in at least 3 CPSEs/ PSUs.

- (iii) The firm must have at least Three Active Qualified partners who are Professionals within the requirements and meaning under section 138 of Indian Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014.
- (iv) Documentary proof shall be furnished in support of the requirements aforementioned in the PQ criteria. This information should include the Internal Audit work done by the firm with details of active partners with their qualifications and experiences. Certificates from the clients shall be furnished as documentary proof in support of the cited information, if specifically asked for by HNL. HNL may contact any of the listed clients for verifying the documents provided by the firm. For establishing financial credentials authenticated balance sheets and profit & loss statement for the preceding 3 years shall be furnished.

7.0 SUBMISSION OF BIDS

PART-A

Pre-qualification bid

- a) The following documents are required to be submitted along with the Bid.
- i. Copy of the Complete Tender Document duly signed on all pages by Authorized signatory with seal
 - ii. Details of active partners with their qualifications and experiences.
 - iii. Details of past experience of the firm during last 10 years and experience in CPSEs/ PSUs for executing assignments of similar nature.
 - iv. The contact persons in the customer organizations along with their contact Particulars may be provided.
 - v. Copy of partnership deed/ registration/ incorporation certificate of the Firm.
 - vi. List of branches/ offices.
 - vii. Copy of Income Tax Return for the FY-2017-18 (AY 2018-19)
 - viii. Copy of Annual Accounts for last 3 years
 - ix. Copy of PAN card and GST Registration number of the Firm.
- b) All costs and expenses associated with submission of Bid shall be borne by the applicants submitting the Tender and HNL shall have no liability in any manner in this regard or if it decides to terminate the process of tender for any reason whatsoever.

PART B – PRICE BID

- a) Price Bid i.e. Bill of Quantity (BoQ) attached to the enquiry shall be submitted in a separate sealed cover after filling all relevant information such as name of the bidder, lump sum fee per quarter of Audit that is inclusive of Travelling, Boarding, Lodging and all other expenses but excluding taxes for conducting the assignments are to be quoted.
- b) The priced BoQ shall be submitted strictly in the format attached with the enquiry, failing which the offer is liable to be rejected.

- c) Prices shall be quoted only in the prescribed BoQ and those indicated elsewhere, if any, shall not be considered.

SUBMISSION OF BIDS

- a) Both Bids shall be submitted in a sealed cover, super-scribing the envelope with **tender No.2471** and **“Tender for Appointment of Internal Auditor”** so as to reach the undersigned within time allowed.
- b) Bids received after due date and time will not be entertained under any circumstances.
- c) The Company reserves the right to issue Request for Proposal to such of those consulting firms it deems eligible and qualified.
- d) The quoted rate shall be firm for the entire period of contract.
- e) Period of contract is for three years.

Bidder:

HoD (EMCC)



Hindustan Newsprint Limited

(Subsidiary of Hindustan Paper Corporation Ltd.)

NEWSPRINT NAGAR 686616

DIST. KOTTAYAM, KERALA.

Part B - Price Bid

REFERENCE: APPOINTMENT OF INTERNAL AUDITOR

HNL/EMCC/19/3486/T.No.2471

FORMAT FOR SUBMISSION OF PRICE BID FOR APPOINTMENT OF INTERNAL AUDITOR

Description	Lump Sum fee (Rupees) (In figures and words)
Lump sum Fee for each quarter	
Add: GST (if applicable)	
Total	

Seal of the Firm

SIGNATURE _____

NAME _____

DESIGNATION _____

Date: _____

ADDRESS _____

Note:

1. Price comparison will be made based on the quarterly fee quoted above along with GST applicable.
2. Above fees is in Indian Rupees and inclusive of all i.e. TA, DA, Lodging, Boarding, incidental expenses etc.

Remarks:

- 1.Quoted total amount should be inclusive of all taxes and GST.
- 2.If the unit rate and amount is quoted by the bidder in figure only, then the figure shown in the 'amount' column or amount arrived at by multiplying the quantity and unit rate whichever is lower will be considered against each item.
- 3.Tender submitted in contravention of the above conditions will be summarily rejected.

All payments are to be made through NEFT/RTGS only. Bidders may inform the following bank account details

- 1.Name of the Bank(RTGS enabled) :
and branch with address
- 2.Bank Account No. :
- 3.RTGS(IFSC) code of the Bank :
- 4.PAN NO.:
- 5.GST Registration No.:
- 6.email id:

Signature :

COMPETENT AUTHORITY

Name & Address of the contractor :
(Office seal)