



2017

**JHARKHAND STATE MINERAL DEVELOPMENT CORPORATION
LIMITED**

“KHANIJ NIGAM BHAWAN”

RANCHI - 834002

TENDER/RFP NO. 10/2017

TENDER

for

Selection of an Internal Auditor

Phone (0651) 249 1841/ 249 1842/ 249 0430

FAX: (0651) 249 1916

TENDER NOTICE

JHARKHAND STATE MINERAL DEVELOPMENT CORPORATION LTD.

NIT No.: 10/2017

Date: 22/07/17

National Competitive Bidding

Name of the Work	Selection of an Internal Auditor
Mode of submission of bid	Physical submission through speed post or in person
Cost of tender Document	INR 5,000/- (INR Five thousand) (Non-refundable) in the form of Demand Draft drawn in favour of “ Jharkhand State Mineral Development Corporation Ltd. ” payable at Ranchi
Earnest Money Deposit	INR 35,000/- (INR Thirty Five thousand) in the form of a Demand Draft/FDR/Bank Guarantee issued by a Nationalized / Scheduled Bank, in favor of “ Jharkhand State Mineral Development Corporation Limited ” payable at Ranchi
Date of Publication of Tender on website	22/07/17
Last Date/Time for submission of bids [Bid Due Date]	09/08/17 up to 13:00 Hrs
Bid opening date	09/08/17 up to 16:00 Hrs
Financial Bid opening date	To be announced
Bid submission address	Managing Director, Jharkhand State Mineral Development Corporation Ltd. (A Government of Jharkhand Undertaking) Khanij Nigam Bhawan, Doranda Ranchi - 834002 Jharkhand, India
Helpline no.	+91 651 2491842/2490430

Sd/-
Managing Director
Jharkhand State Mineral Development Corporation Ltd.

Disclaimer

This Document is not an Agreement or an offer by JSMDC to Bidders or any third party. The purpose of this Document is to provide interested parties with information to facilitate the formulation of their Proposal.

This Notice Inviting Tender (NIT) is issued by Jharkhand State Mineral Development Corporation Ltd. (JSMDC). Whilst the information in this NIT has been prepared in good faith, it is not and does not purport to be comprehensive or to have been independently verified. Neither JSMDC nor any of its officers or employees, nor any of their advisors accept any liability or responsibility for the accuracy, reasonableness or completeness of, or for any errors, omissions or misstatements, negligent or otherwise, relating to the proposed Project, or makes any representation or warranty, express or implied, with respect to the information contained in this NIT or on which this NIT is based or with respect to any written or oral information made or to be made available to any of the recipients or their professional advisers and, so far as permitted by law and except in the case of fraudulent misrepresentation by the party concerned, and liability therefore is hereby expressly disclaimed.

The information contained in this NIT is selective and is subject to updating, expansion, revision and amendment at the sole discretion of JSMDC, Govt. of Jharkhand. It does not, and does not purport to, contain all the information that a recipient may require for the purposes for making a decision for participation in this process. Neither JSMDC nor any of its officers, employees nor any of its advisors nor consultants undertakes to provide any Party with access to any additional information or to update the information in this NIT or to correct any inaccuracies therein which may become apparent.

This NIT includes certain statements, projections, targets and forecasts with respect to the Project. Such statements, projections, targets and forecasts reflect various assumptions made by the management, officers and employees of JSMDC, which (the assumptions and the base Information on which they are made) may or may not prove to be correct. No representation or Warranty is given as to the reasonableness of forecasts or the assumptions on which they may be based and nothing in this NIT is, or should be relied on as, a promise, representation or warranty.

JSMDC shall be the sole and final authority with respect to the selection of Internal Auditor through this NIT. The decision of JSMDC in qualifying a respondent shall be final and JSMDC reserves the right to reject any or all the bids without assigning any reason. JSMDC further reserves the right to negotiate with the qualifying agencies to enhance the value through this project and to create a more amicable environment for the smooth execution of the project.

The Bidder shall bear all costs associated with the preparation and submission of all the Proposals and communications (against NIT). JSMDC and their consultants shall not, under any circumstances, be responsible or liable for any such costs.

By responding to the NIT, the Bidder shall be deemed to have confirmed that Bidder is fully satisfied and understood the terms and conditions of the NIT. The Bidder hereby expressly waives any and all claims in respect thereof.

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Chapter 1. List of Abbreviations

Abbreviations	Full forms
CIL	Coal India Limited
CMC	Coal Marketing Cell
CTC	Coal Trading Cell
EMD	Earnest Money Deposit
FD	Fixed Deposit
FY	Financial Year
GOI	Government of India
IASA	Internal Auditor Services Agreement
IFC	Internal Financial Control
INR	Indian National Rupees/Legal tender currency of India
JSMDC	Jharkhand State Mineral Development Corporation Limited
LOI	Letter of Intent
MDO	Mine Developer cum Operator
RBI	Reserve Bank of India
RTGS	Real-time gross settlement
SD	Security Deposit
TDS	Tax Deducted at Source
VAT	Value Added Tax

Chapter 2. Definition and interpretation

“Applicable Law” shall mean all applicable statutes, laws, by-laws, rules, regulations, orders, ordinances, protocols, codes, guidelines, policies, notices, directions, judgments, decrees or other requirements or official directive of any governmental authority or court or other law, rule or regulation approval from the relevant governmental authority, government resolution, directive, or other government restriction or any similar form of decision of, or determination by, or any interpretation or adjudication having the force of law in India.

“Authority” includes any government or governmental, semi-governmental, administrative, fiscal or judicial body, department, commission, authority, tribunal, agency or entity having jurisdiction over the subject matter(s) in question.

“Bid” shall mean the bid submitted by bidder to JSMDC dated 22/07/17 in response to the tender and subsequent correspondence between bidder and JSMDC in this regard, accepted by JSMDC in relation to the matters set out in this agreement.

“Financial Year” means the period of 12 months commencing from April 01 of each year to the March 31 of the following year.

“JSMDC” means Jharkhand State Mineral Development Corporation Ltd., a government of Jharkhand undertaking (which expression shall unless excluded by or repugnant to the subject or context, include its legal representatives, successors and permitted assigns) having its registered office at Khanij Nigam Bhawan, Nepal House Area, Doranda, Ranchi – 834002.

“Tender Document” means this tender document together with the schedules and documents referred herein, including any addendum(s)/corrigendum(s) to this Tender Document.

Chapter 3. Introduction

1. JSMDC Ltd.

- 1.1 Jharkhand State Mineral Development Corporation Ltd. (Hereinafter referred to as JSMDC) is a State owned agency which is engaged in the development of mineral resources including scientific exploration, commercial exploitation and viable trading of minerals to facilitate development of mineral based industries. JSMDC has a focused approach towards developing the mining sector in the state. The Corporation's constant endeavour is to enhance the value realization from mining of other minerals as well. Currently, JSMDC is engaged in mining of coal, limestone, kyanite, granite, graphite and sandstone.
- 1.2 The Companies Act 2013 requires vide section 138 to have internal audit report duly conducted either by practicing CMA or practising CA and any other person deemed fit by the management. In the view of above mandate, the Corporation wishes to appoint an Internal Auditor for the audit of FY 14-15, FY 15-16 and FY 16-17 through this NIT.

2. Duration of Contract

The period of the contract will be for three years from the Commencement Date of Works for the audit of FY 14-15, FY 15-16 and FY 16-17. This duration of contract can further be extended by mutual consent of JSMDC and the successful bidder.

3. Cost of Tender Document

The tender documents can be downloaded from our web site <http://www.jsmdc.in/>. The cost of tender documents is to be submitted at the time of submission of Technical Bid in the form of demand draft of INR 5000/- as mentioned in tender notice, in the sealed cover. If the amount mentioned in the Demand Draft is found short, the tender will not be considered for scrutiny and will be out rightly rejected.

4. Validity of Proposal

The Proposals submitted shall remain valid for a period of 180 days from the date of Bid opening.

Chapter 4. Instruction to Bidders

5. General

The bidders are advised to read the instruction, evaluation norms and other terms and conditions described in these documents under different Chapters carefully before rendering their offer. In case of any doubt they may seek clarification from General Manager (Finance) available at JSMDc's head office at Ranchi. His contact number is as below.

Phone: 8902683850

FAX: 0651 – 249 1916

E-mail: contact@jsmdc.in

The General Terms and Conditions form a part of the tender documents. Bidders are advised to read the General Terms and Conditions carefully. Any neglect or failure on the part of the Bidder in understanding the clauses or in obtaining necessary and reliable information upon the foregoing or any other matters affecting the contract shall not relieve him from any risks or liabilities or the entire responsibility from completion of the works at the scheduled rates and time in strict accordance with the contract documents.

6. Scope of Work

The scope of work for the project is as below.

- Fixed Deposit (FD) verification year wise.
- TDS on interest verification year wise.
- Interest accrued versus interest earned and its accounting treatment in books.
- Checking of revenue from coal marketing and coal trading.
- Liability for EMD and SD relevant to buyers of coal both from CMC and CTC.
- Verification of Service Tax.
- Verification of VAT.
- Verification of other indirect taxation and its recovery from buyer of coal both from CMC and CTC.
- Payment related to MDO.
- Verification of escalation bill raised by MDO.
- Verification of TDS return 24Q and 26Q year wise.
- Verification of advanced tax paid.
- Verification of pending assessment for direct tax and TDS, if any.
- Bank Reconciliation Statement.
- Outstanding expenses to be provided in books.
- Contingent liability verification, if any.
- Advanced with suppliers pending adjustment.
- Advanced with employees pending adjustment.
- Stores verification.
- Other current assets verification like debtors etc.
- Verification of IFC procedure.
- Verification of non-current assets as per last list.
- Verification of fund transferred to project where mines are located.
- Verification of fund utilisation certificate issued by project.
- Balance with CCL on account of CTC business vis-à-vis advanced lying in our books for buyers.
- Verification of advanced income tax paid.
- Default in TDS deduction, is any.
- Comments on CENVAT credit against any type of “input service” used to sell the coal.
- Fraud reporting
- Any other matters as per the requirement of the management.

7. The tender process

7.1 Submission of Bids

The Bidders shall be required to submit following documents on or prior to Bid Due Date:

- Preliminary Bid
- Technical Bid
- Financial Bid

Part – I: Preliminary Bid

Tender document fee and EMD in the desired form shall be placed in a sealed cover super-scribed “EMD AND TENDER DOCUMENT FEE”, Tender No. 10/2017 and Name of work.

Part – II: Technical Bid

Technical bid comprises of following documents:

- Form A: Checklist of documents to be enclosed in the Bid
- Form B: Bid Letter
- Form C: Status of the bidder
- Form D: Fulfilment of eligibility criteria and technical criteria
- Form E: Prescribed Forms for undertakings/ declaration by bidder
- Form F: Format of Integrity Pact
- Form G: Power of Attorney

The documents required to be submitted in the support of fulfilment of eligibility criteria, technical criteria etc. along with the above forms in the desired form shall be placed in sealed cover super-scribed “TECHNICAL BID”, Tender No. 10/2017 and Name of work.

Part – III: Financial bid

The Financial bid is to be submitted in the physical format as provided in Form H. The Financial Bid in the desired form shall be placed in sealed cover super-scribed “FINANCIAL BID”, Tender No. 10/2017 and Name of work.

All the three envelopes shall be placed in one sealed cover super-scribed Tender No. 10/2017, Name of Work and Name of bidder should be submitted at the Head Office of JSMD C at Ranchi before Bid Due Date.

- (i) The Bid shall be evaluated to ascertain compliance of the Bidder with the eligibility conditions and requirements under this Tender Document. While examining the Bids, JSMD C may consider such parameters as it may deem relevant, including considerations:

- EMD and tender fee are found in the sealed document cover in the required form and are of the prescribed amount;
- Technical Bid is received as per the prescribed formats along with all required documents and information;
- Bid is received by the Bid Due Date including any extension thereof;
- Bid contains all the information (complete in all respects) as requested in this Tender Document;
- Bid does not submit conditional bid or seek deviation from the Tender document;
- Only one Bid submitted by the Bidder; and
- Bid is generally considered to be in compliance in terms of any other parameters as may be considered relevant by the JSMDC.

Opening of Bids

- (ii) Preliminary bids will be opened on the day of bid opening for verification of receipt of payment towards document fee and EMD.
- (iii) On verification and accepting the documents of the preliminary bids, Technical Bids will be opened and assessed.

7.2 Evaluation of Technical and Financial bids

- (i) Technical bids of Bidders, whose preliminary bid is accepted, will only be evaluated. Bidders scoring a minimum of 37 marks out of a maximum of 50 marks in the Technical bid will be declared as Technically Qualified Bidders.
- (ii) The Bids of Bidders scoring less than 37 marks in the Technical Bid will be rejected.
- (iii) The list of Technically Qualified Bidders and date of opening of Financial bid will be published on JSMDC website. The Technically Qualified Bidders shall be communicated about the date of opening of Financial bid by fax or telephone or email.
- (iv) Financial bid of only Technically Qualified Bidders will be opened. The bidder with the lowest Financial bid (L1) among Technically Qualified Bidders will be declared as preferred bidder.

7.3 Agreement and Commencement of Work

- (i) The Preferred Bidder shall be issued a letter of intent (LOI) by JSMDC. The Preferred Bidder shall revert within seven days accepting the letter of intent. On receipt of acceptance, the Preferred Bidder shall be declared as Successful Bidder.
- (ii) In case of any necessity arising during the execution of the work which requires alteration/modifications in the Scope of Work can be made after mutual understanding and consent of both the parties. The successful bidder will have to start the works immediately from the Commencement Date of Work. In case of failure to commence the work within the above-mentioned period the work order may be terminated, at the discretion of JSMDC.

7.4 General

- (i) If the tender documents and forms referred to in the tender are not submitted or are submitted but not found duly filled in and unsigned, will result in rejection of the tender.
- (ii) In the event of space being insufficient for furnishing required information, additional sheets may be used and signed.
- (iii) Canvassing in any form may lead to rejection of the offer.
- (iv) Bids once submitted shall not be returned and shall remain the property of the JSMDC.
- (v) The bidder who have earlier been awarded contract by the company for any job which they either did not accept or have abandoned or contract has been terminated by the company for breach of conditions, shall not be eligible to participate in this tender.
- (vi) To assist in the scrutiny, evaluation and comparison of bids, the JSMDC may, at its discretion, seek from any or all bidders, clarification(s) on his/their Bids, including technical information, documents and materials after the Technical Bid Opening. The request for clarification and response shall be in writing or by fax, but no change in the Payment terms or substance of the bid shall be permissible.

Corrigendum

- 7.5** Corrigendum if any shall be uploaded on JSMDC's website <http://www.jsmdc.in/> or on <http://www.jharkhand.gov.in/>. Please note that there is no provision to take out the list of parties downloading the tender document from the above referred the websites. As such Bidders are requested to see the website once again before due date of tender opening to ensure that they have not missed any corrigendum uploaded against the said tender after downloading the tender document. The responsibility of downloading the related corrigendum, if any, will be that of the downloading parties. No separate intimation in respect of corrigendum will be sent to Bidders who down loaded the tender document from the website as information in this respect will not be available to websites.

Chapter 5. Criteria for Evaluation of Technical Bids

11 Eligibility Criteria

The bidder must have a branch office/representatives conducting audit under consideration within the State of Jharkhand for a minimum period of 1 year on the date of submission of bid to be eligible for this assignment.

No firm will be selected unless it *has* a branch office/representative conducting audit under consideration in Jharkhand and the firm must report in 24 hours on demand.

Note:

- Audit firms having Registered Office / Branch Office within the state for a minimum period of 1 year on the date of application, in which company headquarters is situated or having its mining operation (attested copy of supporting document to be enclosed).
- The detailed address with Telephone / Mobile/ Fax number and E-mail address of Audit firm having the registered office/ Branch office.

12 Technical Criteria and marking scheme

12.1 The Bidders shall have evaluated on the basis of following criteria.

S. No.	Criteria	Maximum marks	Documentary evidence required to be submitted
1.	<ul style="list-style-type: none"> ▪ No. of partners of the firm having fellow membership of ICAI or ICAI-CMA. ▪ The partners should be associated with the firm for a minimum period of 1 year from the date of bid submission. ▪ For each associate member, 1 mark shall be allotted and for each fellow members, 2 mark shall be allotted subject to a maximum of 10 marks. 	10	Bidder shall furnish <ul style="list-style-type: none"> • The detailed particulars of the Partners with specific mention of the Fellowship/Associate-ship of each Partner with the copies of certificates of the concerned Institutes, duly attested by a Partner with the seal of the firm. • No. of qualified Assistants mentioning the Name, Qualification and Membership Number of the Concerned Institute with the copies of the certificates, duly attested by a Partner with the seal of the firm. • No. of Semi-qualified Assistants mentioning the Name, Qualification and student Registration Number of the concerned Institute with the copies of certificates, duly attested by a Partner with the seal of the firm.
2.	<ul style="list-style-type: none"> ▪ Year of registration as per the institute either ICAI or ICAI-CMA ▪ For first five years of registration, one mark shall be allotted for each year. 	10	Registration certificate of the firm issued by the respective Institute shall be furnished. The copy of the certificate shall

	<p>Beyond five years, half mark shall be allotted for each year of registration of firm.</p> <ul style="list-style-type: none"> ▪ A maximum of 10 marks shall be allotted. 		<p>be duly attested by a Partner with the seal of the firm.</p>
3.	<ul style="list-style-type: none"> ▪ Experience of audit of Internal Financial Control (IFCs) as per Companies Act 2013 of major PSU clients in mining sector having minimum one year of experience in IFCs. ▪ For each year, 1 mark shall be allotted subject to a maximum of 5 marks. 	5	<ul style="list-style-type: none"> • Bidder shall furnish documentary evidence of Experience of audit of Internal Financial Control (IFCs) as per Companies Act 2013. • The documentary evidence shall be duly attested by a Partner with the seal of the firm.
4.	<ul style="list-style-type: none"> ▪ No. of years of PSUs audit (Either Internal/Statutory/Cost Audit) ▪ For each PSU, 1 mark shall be given for each completed year. The PSU should have an average turnover of Rs. 300 Crore during last five financial years. ▪ A maximum of 10 marks shall be allotted. 	10	<ul style="list-style-type: none"> • Bidder shall furnish documentary evidence of turnover of its clients. • Bidder shall furnish documentary evidence of successful audit of PSUs. Attested copies of work order or work completion certificate shall be furnished to fulfil this criteria. • The documentary evidence shall be duly attested by a Partner with the seal of the firm.
5.	<ul style="list-style-type: none"> ▪ No. of years of audit (Either Internal/Statutory/Cost) of PSUs engaged in coal mining. ▪ For each year, 1 mark shall be given subject to a maximum of 15 marks. 	15	<ul style="list-style-type: none"> • Bidder shall furnish documentary evidence of successful audit of PSUs engaged in coal mining. Attested copies of work order or work completion certificate shall be furnished to fulfil this criteria. • The documentary evidence shall be duly attested by a Partner with the seal of the firm.

Note:

- a) The experiences provided in Technical Criteria No. 4. and Technical Criteria No. 5. of Clause 12.1 shall be mutually exclusive.

13 Evaluation of Technical Criteria

- 13.1 The eligibility criteria will be first evaluated of each bidder. Detailed technical evaluation will be taken up for only those bidders, who meet with the prescribed eligibility criteria as mentioned in the RFP.
- 13.2 The Tender Committee (TC) will be responsible for evaluation and ranking of Proposals received.
- 13.3 The members of the Tender Committee of JSMD C will carry out the evaluation of proposals on the basis of their responsiveness to the Terms of Reference, applying the evaluation criteria as given in the table below. Each responsive proposal will be given a technical score out of 50 marks.

14 Joint Venture/Consortium

Consortium/Joint Venture with other party are not allowed. Sub-contracting or sub-letting of work shall not be allowed.

15 Acceptance of General Terms and Conditions

The bidder should unconditionally accept all the terms and conditions of the tender document by signing on each page of the tender document including schedules and annexures and submit it along with its Technical Bid.

16 Authorized Signatory

The proposal shall be signed by the Bidder or by duly authorized persons to bind the Bidder to the contract. The Letter authorization shall be indicated by written power of attorney and shall accompany the proposal.

17 Integrity Pact

Bidder are required to unconditionally accept the “Integrity Pact” (executed on plain paper) as per format attached in Form F, which has been pre signed by the Employer and submit the same duly signed on all pages by the Bidder’s Authorized Signatory along with the Technical Bid before Bid Due Date.

18 EMD

A non-interest bearing Earnest Money Deposit of INR 35,000/- (INR Thirty Five Thousand) shall be paid along with the tender, in sealed cover super scribed “EMD AND TENDER DOCUMENT FEE”, in the form of Demand Draft/FDR/Bank Guarantee in favour of “Jharkhand State Mineral Development Corporation Ltd.” payable at Ranchi from any Nationalized Bank/Scheduled Commercial Bank. Any tender submitted without Earnest Money Deposit in the desired form or inadequate amount of EMD shall be summarily rejected and no claim shall be entertained on such rejected tenders.

19 Declaration

The bidder should give a declaration along with the technical bid that it has not enclosed any conditional offer.

20 Black-listing of the Bidder

The bidder will submit a declaration to the effect that the bidder or its director are not blacklisted by any Government organisation, has/have not been declared insolvent or punished or sentenced by a Court of law or under any judicial/quasi-judicial proceedings and such declaration/punishment/sentence by a court of law if any has been/has not been declared inoperative by any higher forum. This declaration shall be submitted along with the Technical Bid. If at any time such declaration is found false the bid will be rejected or if the contract work is already awarded it will be terminated forthwith without payment of any compensation and the EMD will be forfeited. If it is found that during performance of Work that such declaration was false, JSMDC reserves the right to cancel the Agreement.

Chapter 6. Terms of Reference

21 Detailed Scope of work

21.1 Deployment of Audit Team

- The audit team shall be deployed for nine months in a financial year as per mutual consent between Audit firm and JSMDC.
- The Partnership Audit Firms/Limited Liability Firms of Chartered Accountants /Cost Accountants registered with the Institute of Chartered Accountants of India / Institute of Cost Accountants of India, appointed to conduct Internal Audit should depute audit team in the HQ, JSMDC and Project offices.
- The Audit Team should consist of one qualified CA/CMA with ten years of post-qualification experience and minimum three Inter CA (IPCC) / Inter CMA semi qualified assistants.
- Normally the composition of audit team should not be changed. However, under certain circumstances beyond control of the Audit Firm, if the same needs to be changed in any manner, it may be done with the approval of GM (Finance) of JSMDC (subject to verification of credentials of the new incumbent). The audit team members should carry Photo ID issued by the Audit Firm.
- The Audit Team should visit the HQ, JSMDC and Project offices every month and conduct Audit by staying there at HQ for 15 working days, at project offices for 2 working days. The attendance of the team members will be maintained by the HQ, JSMDC and Project offices.
- Partner of the firm should be available once for at least two days, each month, to guide the audit team and for discussion with the management.
- The Audit team will conduct the audit as per Manual, rules and regulations, guidelines, instructions, delegation of power etc. and in consultation with concerned officials at HQ, JSMDC and Project offices.
- The Mines Agents of the respective Project offices will coordinate the Audit Team through GM (Finance) for smooth functioning of the audit.

21.2 Audit Works

The audit team will conduct audit concurrently month to month basis, throughout the year, as per the scope of work.

- Fixed Deposit (FD) verification year wise.
- TDS on interest verification year wise.
- Interest accrues versus interest earned and its accounting treatment in books.
- Checking of revenue from coal marketing and coal trading.
- Liability for EMD and SD relevant to buyers of coal both from CMC and CTC.
- Verification of Service Tax.
- Verification of VAT.
- Verification of other indirect taxation and its recovery from buyer of coal both from CMC and CTC.
- Payment related to MDO.
- Verification of escalation bill raised by MDO.

- Verification of TDS return 24Q and 26Q year wise.
- Verification of advanced tax paid.
- Verification of pending assessment for direct tax and TDS, if any.
- Bank Reconciliation Statement.
- Outstanding expenses to be provided in books.
- Contingent liability verification, if any.
- Advanced with suppliers pending adjustment.
- Advanced with employees pending adjustment.
- Stores verification.
- Other current assets verification like debtors etc.
- Verification of IFC procedure.
- Verification of non-current assets as per last list.
- Verification of fund transferred to project where mines are located.
- Verification of fund utilisation certificate issued by project.
- Balance with CCL on account of CTC business vis-à-vis advanced lying in our books for buyers.
- Verification of advanced income tax paid.
- Default in TDS deduction, is any.
- Comments on CENVAT credit against any type of “input service” used to sell the coal.
- Fraud reporting
- Any other matters as per the requirement of the management.

21.3 Audit report

- The Audit teams, after completing the audit for the month, should discuss their observations/findings with the GM (Finance) and other concerned officials before finalization of the monthly Audit Report.
- The findings of the current month together with earlier months’ points under compliance by the management should be discussed with the said officials. The monthly Audit Report shall be submitted to the GM (Finance).
- The Quarterly Report in respect of unresolved observations along with management replies/comments shall be submitted to GM (Finance). The last Quarter’s Report shall include a concise executive summary.
- Time is the essence for submission of report by auditor. Audit team should be equipped with LAPTOPs and submit the report both in hardcopy and soft copy. The monthly Audit Report is required to be submitted by the Auditors within 14th of the following month and the Quarterly Report should be submitted within 14th of the first month of the subsequent quarter.
- Flash Report should be submitted by the Internal Auditor immediately on detection of major irregularity in the course of audit, to GM (Finance), JSMD.
- The Internal Auditor should also give their observation about the effectiveness of internal control system exists in the Company.
- Internal Audit Report should be signed by the partner of the Firm.

22 Payment terms

- 22.1 JSMD shall pay a lump-sum amount to the Internal Auditor on monthly basis as per rates determined by this Tender process.

- 22.2 The monthly fee shall be for atleast 15 days of actual deployment.
- 22.3 The audit fee will be proportionately reduced if the attendance of the team falls below the minimum attendance. Repeated failure, for consecutive two months, to fulfill minimum attendance criteria may attract termination of contract.
- 22.4 Service tax/GST as applicable will be paid as per Finance Act, 1994 or MGST, 2016.

Chapter 7. General Terms and Conditions

23 General Terms and Conditions

- 23.1 The date on which appointment letter shall be issued by JSMDC to the Successful Bidder shall be considered as Commencement Date of Work.
- 23.2 The Audit Firm must not sub-contract the work.
- 23.3 The audit team will work in strict confidence and will ensure that the information in respect of the operation of the Project offices is dealt in strict confidence and secrecy.

A Certificate towards maintaining confidentiality to be provided by the Internal Auditor before commencement of Audit.

- 23.4 If progress/performance of the audit team is not satisfactory, the management reserves the right to terminate the appointment of the Firm with prior notice of one month.
- 23.5 Dispute/difference, if any, shall be mutually settled with GM (Finance) of JSMDC. If the dispute could not be settled at GM level, it will be forwarded to the MD for decision, which will be final and binding to all concerned.
- 23.6 The appointment of the Audit Firm will be for three years from Commencement Date of Works, which can be extended upon mutual consent between JSMDC and Firm, subject to satisfactory performance of the Firms.
- 23.7 As the Internal Audit has to be carried out throughout the year, i.e. in continuous process, in the interest of conducting internal audit properly, the Audit firm which has been appointed by JSMDC, or any of its subsidiaries as Internal Auditors shall not be considered for any others audit jobs, including Internal Audit (excluding Tax Audit, VAT audit and other statutory certificates related to audit requirements) by JSMDC.
- 23.8 In case the Audit Firm already appointed as Internal Auditors, is subsequently appointed under any statute or under any others obligation, the appointment of such firm as Internal Auditor shall be withdrawn and fresh appointment from the panel shall be considered.
- 23.9 The audit firm will be debarred from getting, in future, the Internal Audit in JSMDC in the following cases:
- If the firm obtains the appointment on the basis of false information/false statement.
 - If the firm does not take up audit in terms of appointment letter.
 - If the firm does not submit the Audit Report, complete in all respect, in terms of appointment.

Chapter 8. Forms for furnishing information for Technical Bids

FORM – A

Checklist of documents to be enclosed in the Bid

Sl No.	Particulars	Declaration (Yes/No)
1.	Earnest Money Deposit for the value as indicated in Notice Inviting Tender	
2.	Tender fee for the value as indicated in Notice Inviting Tender	
3.	Formats enclosed-dully filled in and signed along with all required enclosures , complete as per Instruction to Bidder	
	Form – A: Checklist of documents to be enclosed in the Bid	
	Form – B: Bid Letter	
	Form – C: Status of the Bidder	
	Form – D: Fulfilment of eligibility criteria	
	Form – E: Prescribed Forms for undertakings/ declaration by bidder	
	Form – F: Format of Power of Attorney	
4.	Tender document including all annexures and schedules duly signed by bidder on each page	
5.	Financial bid in Form – H	

FORM – B

BID LETTER

(On the letter head of the Bidder)

[Date]

To

Managing Director
Jharkhand State Mineral Development Corporation Limited
Doranda, Ranchi – 834002
Jharkhand

Sub: Bid letter for participation in the tender for Selection of an Internal Auditor

Dear Sir,

With reference to your Tender Document dated [date], I, having examined the Tender Document and understood their contents, hereby submit my Technical Bid. Capitalized expressions used in this letter have the same meaning as ascribed thereto in the Tender Document.

1. The Technical Bid is unconditional and unqualified.
2. We have reviewed the terms of the Tender Document and hereby unconditionally and irrevocably accept, agree and acknowledge the terms thereof.
3. We acknowledge that the JSMDC will be relying on the information provided in the Technical Bid and the documents accompanying the Technical Bid for selection of the Preferred Bidder and subsequent selection of the Successful Bidder, and we certify that all information provided therein is true and correct; nothing has been omitted which renders such information misleading; and all documents accompanying the Technical Bid are true copies of their respective originals.
4. This statement is made for the express purpose of our participation in the tender process and possible selection as Successful Bidder.
5. We hereby confirm that we satisfy all the eligibility conditions prescribed in the Tender Document. Specific confirmations with respect to our compliance with the eligibility conditions are provided below:

[Insert separate paragraphs for compliance with each of the eligibility conditions of the Tender Documents, with specific reference to enclosed documents as mentioned in the instructions.]
6. We hereby acknowledge that if we submit or produce any document and it is discovered subsequently that such document was false or incorrect then we shall be liable under the Applicable Law for the time being in force.
7. We shall make available to the JSMDC any additional information it may find necessary or require to supplement or to authenticate the Technical Bid.
9. I acknowledge the right of the JSMDC to reject our Technical Bid without assigning any reason or otherwise and hereby waive, to the fullest extent permitted by Applicable Law, our right to challenge the same on any account whatsoever.
10. We declare that:

- (a) We have examined and understood the Act, all rules framed thereunder, the Tender Document and all documents referred therein;
 - (b) We have examined and have no reservations to the Tender Document, including any amendment/s issued by the JSMDC vide corrigendum/addendums from time to time.
 - (c) We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice, as defined in the Tender Document, in respect of any tender or request for proposal issued by or any agreement entered into with the JSMDC or any other public sector enterprise or any government, central or state; and
 - (d) We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf has engaged or will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
11. We understand that you may cancel the tender process at any time and that you are neither bound to accept any bid that you may receive nor to invite the Bidders to bid, without incurring any liability to the Bidders, in accordance with the Tender Document.
 12. We hereby irrevocably waive any right or remedy which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by the JSMDC in connection with the selection of the Preferred Bidder, or in connection with the tender process itself, in respect of the Tender Document and the terms and implementation thereof.
 13. We have ensured compliance with the Tender Document and to the best of our Knowledge this bid is conforming to the terms thereof.
 14. We agree and understand that the Bid is subject to the provisions of the Tender Document. In no case, we shall have any claim or right of whatsoever nature if the work is not awarded to us or our bid is not opened or rejected.
 15. We agree and accept the terms of payment as mentioned in Form G.
 16. We shall keep this offer valid for 180 days from the Bid Due Date specified in the Tender Document or such extended duration as may be agreed with JSMDC.

In witness thereof, we submit this bid letter forming part of our Technical Bid under and in accordance with the terms of the Tender Document.

Yours faithfully,

(Signature, name and designation of Authorised Signatory)

Name and seal of Bidder

Date:

Place:

Enclosed:

- (a) [list and description of documents enclosed]

FORM -C

Status of the bidder

Name of the Bidder	
Address	
Registered office	
For correspondence	
Telephone No.	
Fax No.	
E-mail Address	
Attested copies of Deeds, Memorandum of Association Articles of Association to be enclosed	
Name of person holding power of attorney (Attested copy of power of attorney to be enclosed)	
Names of Partners with their Present and permanent address	
Name of Bankers with full address and Telephone No.	
PAN of Bidder	
Service Tax Registration No. of Bidder	
PF Registration No.	
Professional tax registration, in any	
Details of the litigation, court cases and arbitration either completed or under progress during last 10 years by the Bidder or any partner/proprietor of the Bidder was associated in any capacity	

FORM – D

Fulfilment of eligibility criteria

Part 1: Details of the Bidder

Name of the Bidder	
Status of the Bidder [Partnership firm/Limited Liability Partnership/Limited Liability Company/Individual]	
Branch offices in the State of Jharkhand of the Bidder	

Fulfilment of technical criteria

Part 2:

- i) **Details of No. of partners of the firm having fellow membership of ICAI or ICAI-CMA.**

Name of Partner	Membership No.	Date of association with the Firm

- ii) **Details of Year of registration as per the institute either ICAI or ICAI-CMA.**

- iii) **Details of No. of major clients having more than Rs. 100 Crore turnover.**

Client name	Turnover (FY 16)

iv) Details of No. of PSUs audit.

v) Details of No. of years of audit of CIL and any of its subsidiaries.

Form - E

Prescribed Forms for undertakings/ declaration by bidder

DECLARATION

(On letter head of the Bidder)

From:

Date:

To,

The Managing Director,
Jharkhand State Mineral Development Corporation Ltd.,
Ranchi, Jharkhand

Dear Sir,

I/we here by solemnly declare that any of our Directors or Partners, jointly or severally and/or individually or our firm/company have not been black listed by the Central Govt. or the State Govt. or its undertakings. We do not have any order/declaration of insolvency, judgement or order of punishment/sentence by any court of law or any judicial/quasi-judicial body.

I/we here by further declare that, if the declaration is found untrue, the JSMDC shall be entitled to take any action against us severally and/or individually or our firm/company in this regard in any manner that may be deemed fit by JSMDC.

Yours Faithfully,

.....

Signature and Stamp of the bidder

Form – F

Format of Power of Attorney

Know all men by these presents, We _____ (name of the firm and address of the registered office) do hereby irrevocably constitute, nominate, appoint and authorize Mr/ Ms (name), _____ son/daughter/wife of _____ and presently residing at _____, who is [presently employed with us and holding the position of _____], as our true and lawful attorney (hereinafter referred to as the “Attorney”) to do in our name and on our behalf, all such acts, deeds and things as are necessary or required in connection with or incidental to submission of our Proposals[s] for Selection of Internal Auditor to Jharkhand State Mineral Development Corporation Ltd. (JSMDC), including but not limited to signing and submission of all applications, Proposals and other documents and writings, participate in Pre-Applications and other conferences and providing information/ responses to JSMDC, representing us in all matters before JSMDC, signing and execution of all Agreements and undertakings consequent to acceptance of our Proposal, and generally dealing with JSMDC in all matters in connection with or relating to or arising out of our Proposal for the said tender and/ or upon award thereof to us and/or till the entering into Agreements with JSMDC.

AND we hereby agree to ratify and confirm and do hereby ratify and confirm all acts, deeds and things lawfully done or caused to be done by our said Attorney pursuant to and in exercise of the powers conferred by this Power of Attorney and that all acts, deeds and things done by our said Attorney in exercise of the powers hereby conferred shall and shall always be deemed to have been done by us.

IN WITNESS WHEREOF WE, _____, THE ABOVE NAMED PRINCIPAL HAVE EXECUTED THIS POWER OF ATTORNEY ON THIS _____ DAY OF _____, 2 _____ FOR _____

(SIGNATURE)

(NAME, TITLE, ADDRESS)

WITNESS:

1.

2.

(ACCEPTED)

(SIGNATURE)

(NAME, TITLE, ADDRESS OF THE ATTORNEY)

[NOTARIZED]

- a) The mode of execution of the Power of Attorney should be in accordance with the procedure, if any, laid down by the applicable law and the charter documents of the executant(s) and when it is so required, the same should be under common seal affixed in accordance with the required procedure.
- b) Also, wherever required, the Applicant should submit for verification the extract of the charter documents and documents such as a resolution/ power of attorney in favour of the person executing this Power of Attorney for the delegation of power hereunder on behalf of the Applicant.
- c) For a Power of Attorney executed and issued overseas, the document will also have to be legalised by the Indian Embassy and notarised in the jurisdiction where the Power of Attorney is being issued.

Chapter 9. Forms for furnishing information for Financial Bid

Form – G

Financial bid

Name of Work:

Name of Bidder:

Address of Bidder:

To,
The Managing Director,
Jharkhand State Mineral Development Corporation Ltd.
(A Government of Jharkhand Undertaking)
Khanij Nigam Bhawan, Doranda
Ranchi - 834002
Jharkhand, India

Sub: Financial bid for selection of an internal auditor

Dear Sir,

We hereby declare that we accept following payment terms.

S. No.	Description	Unit	Amount (In figures)	Amount (In Words)
1.	Fee for Internal Auditing services per month	Rs.		

Note:

- The payment shall be done on monthly basis.
- Maximum Travel Allowance (TA) given shall be limited to the ten (10) percent of the Audit fee against submission acceptable documents.
- The Audit Team including Partners will be provided Food, Lodging and local Transportation by the Company free of cost.
- The audit fee will be proportionately reduced if the attendance of the team falls below the minimum attendance. Repeated failure, for consecutive two months, to fulfill minimum attendance criteria may attract termination of contract.
- Service tax/GST as applicable will be paid as per Finance Act, 1994 or MGST, 2016.

Signature of bidder with seal

Dated: _____

Chapter 10. Format of Bank Guarantee for Earnest Money Deposit (EMD)

Form - H

FORMAT OF BANK GUARANTEE FOR EARNEST MONEY DEPOSIT (EMD)

(Bank's Name, and Address of Issuing Branch or Office)

Beneficiary: (name and address of Authority)

Date:

Bid Security No.:

Whereas M/s..... (insert the name of the Bidder) (hereinafter called the "Bidder") has submitted its technical & financial proposals for the work of (insert the name of work for which proposal is submitted) (hereinafter called the "Proposal") dated against the Authority's Notice Inviting Tenders (NIT) Notice Inviting Proposal/Invitation for Bid (IFB) No. (Insert NIT/NIP/IFB number as per publication in newspaper or website).

Furthermore, we understand that, according to your conditions, proposals must be supported by a Bid Security.

At the request of the Bidder, we (insert name of the bank) hereby irrevocably undertake to pay you any sum or sums not exceeding in total amount of (insert bid security amount in figures) (amount in words) upon receipt by us of your first demand in writing accompanied by a written statement stating that the Bidder is in breach of its obligation(s) under the RFP conditions, because the Bidder:

- a. has withdrawn its Proposal during the period of Proposal validity specified by the Bidder in the Technical Proposal Form; or
- b. does not accept the correction of errors in accordance with the Instructions to Bidders (hereinafter "the ITB") of the RFP Document; or
- c. Having been notified of the acceptance of its Proposal by the Authority during the period of proposal validity, (i) fails or refuses to execute the Purchase Agreement, or (ii) fails or refuses to furnish the Performance Bank Guarantee, in accordance with the ITB.

This guarantee will expire: (a) if the Bidder is the successful Bidder, upon our receipt of copies of the Purchase Agreement signed by the Bidder and the Performance Bank Guarantee issued upon the Instruction of the Bidder; and (b) if the Bidder is not the successful Bidder, upon the earlier of (i) our receipt of a copy your notification to the Bidder of the name of the successful Bidder; or (ii) forty-five days after the expiration of the Bidder's proposal.

Consequently, any demand for payment under this guarantee must be received by us at the office on or before that date.

.....Bank's seal and authorized signature(s).....