

**KONKAN RAILWAY CORPORATION LIMITED**  
**SECTION – I**

**TENDER NOTICE NO. KRCL/ACCT/IFC/1**

**Date: - 17-04-2023**

**Name of work: Contract for providing consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism for Konkan Railway Corporation Ltd as per the requirement of Section 134/143 & 177 of Companies Act 2013.**

**NOTICE FOR INVITING TENDER**

To,

**Dear Sir/Madam,**

Sealed Tenders are invited from eligible Firms providing consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism of Konkan Railway Corporation Limited, 2<sup>nd</sup> Floor East Wing, Belapur Bhavan, Sector 11, CBD-Belapur, Navi Mumbai – 400614 as per the requirement of Section 134/143 & 177 of Companies Act 2013.

**Notice summary:**

<b>Sr.No</b>	<b>Description</b>	<b>Details</b>
<b>1</b>	<b>Name of Work</b>	Contract for providing consultancy Services for Assessment, Identification and Development of Internal Financial Control Mechanism of Konkan Railway Corporation Ltd.
<b>2</b>	<b>Tender Notice No</b>	KRCL/ACCT/IFC/1 dated.17.04.2023
<b>3</b>	<b>Contract Period</b>	The Agency shall complete the exercise of Assessment, Identification and Development of Internal Financial Control Mechanism for the Corporation within 90 days from the date of issue of work order.
<b>4</b>	<b>Estimated Cost</b>	Rs 4,50,000/ .( Excluding of GST)
<b>5</b>	<b>Bid Security</b>	Rs. NIL
<b>6</b>	<b>Performance Guarantee</b>	Rs. NIL
<b>7</b>	<b>Tender Notice Period</b>	<b>14 days</b>
<b>8</b>	<b>Offer Validity Period</b>	<b>90 Days</b>
<b>9</b>	<b>Type of Tender</b>	Open Tender Two packets along with terms and conditions. The financial bid shall include professional fess/charges(excluding GST) for all services including out of Pocket expense but excluding journey

		fare and accommodation for outstation services including out of Pocket expense but excluding journey fare and accommodation for outstation visit to Regions/KRCL locations, if required.
<b>10</b>	<b>Last date and time for submission of Tender</b>	<b>15:00 Hrs on 02<sup>nd</sup> MAY 2023</b>
<b>11</b>	<b>Date and Time of opening of tender</b>	<b>15:00 Hrs on 02<sup>nd</sup> MAY 2023</b>

No part of the Tender terms and conditions should be deleted /altered. Applications containing false and /or incomplete information are liable for rejection.

The Tenderer must carry out his work strictly in accordance with the terms and conditions of the Tender.

The Tender shall be in the prescribed Form.

In case, the date of opening of Tender happens to be a holiday, the Tender will be opened on the next working day at the same time and place. The rates should be quoted in words and figures. The corporation reserves the right to accept/reject one or all applications without assigning any reason thereof.

This Notice Inviting Tender shall form part of the contract and non- submission of applications in the above manner will render an offer liable for rejection.

For Konkan Railway Corporation Ltd

(MATHEW PHILIP)  
FA&CAO  
022  
27587310  
[facao@krcl.co.in](mailto:facao@krcl.co.in)

## SECTION II

**TENDER NOTICE NO. KRCL/ACCT/IFC/1**

**Date: - 17-04-2023**

### **INTRODUCTION:**

Konkan Railway Corporation Limited (Here-in-after referred to as KRCL), is a Government of India Undertaking, under the ambit of Ministry of Railways. The Corporation is established to build and operate 740 Kms Railway Line from Roha (Maharashtra) to Thokur (Karnataka). The line is considered one of the toughest terrains, consisting of 91 tunnels, 2000 bridges and 564 cuttings.

To know more about KRCL, participants may visit our website: [www.konkanrailway.com](http://www.konkanrailway.com) to know more about KRCL.

### **GENERAL INFORMATION:**

**Tender for providing consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism for Konkan Railway Corporation Ltd as per the requirement of Section 134/143 & 177 of Companies Act 2013.**

### **1. DEFINITIONS:**

- i) The term "CORPORATION" or KRCL wherever used shall mean "Konkan Railway Corporation Limited."
- ii) The Term Bidder or Tenderer shall mean and include the partnership firm or LLP which is submitting its bids.
- iii) The term "Tenderer" or "Bidder" shall mean and include the Agency or body corporate with whom the contract has been placed including their heirs, executors, administrators, successors and their permitted assigns, as the case may be.

Tenders are invited by Konkan Railway Corporation Limited, Mumbai (hereinafter referred to as KRCL) for providing services for Assessment, Identification and Development of Internal Financial Control Mechanism as specified in the Terms and conditions.

### **2. PERIOD OF CONTRACT:**

The Tenderer shall complete the entire exercise of Assessment, Identification and Development of Internal Financial Control Mechanism within a period of **90days** from the date of issue of Work Order.

### 3. RATES:

Bids should be strictly based on “**ALL INCLUSIVE RATES**” in respect of items indicated in tender form **excluding GST**. However, the percentage of GST applicable should be shown clearly by the bidder. **Refer Section III, Financial Bid.**

### 4. AVAILABILITY OF TENDER DOCUMENT, DUE DATE, PLACE AND DEADLINE FOR SUBMISSION OF TENDER, OPENING OF TENDER:

Bidders should submit their single large envelope containing Technical Bid and Financial Bid bid in two separate sealed envelopes addressed to FA&CAO as per the address given below and timeline as mentioned above. Agency must ensure to submit their bids well before the due date and time to avoid any last- minute congestion delays.

Availability of Tender Document	The Tender document can be Downloaded from: 1) The Institute of Chartered Accountants of India and 2) The Institute of Cost Accountants of India
Last date for submission of Tender	15:00 Hrs on 02 <sup>nd</sup> MAY 2023
Date and Time of Opening Technical Bid	15:00 Hrs on 02 <sup>nd</sup> MAY 2023
Date and Time of Opening Price Bid	15:00 Hrs on 10 <sup>th</sup> MAY 2023

The bids should be delivered in sealed envelope at the below address:

Konkan Railway Corporation Limited,  
2<sup>nd</sup> Floor, East Wing, Belapur Bhavan  
Sector 11, C.B.D. Belapur, Navi-Mumbai- 410210

Venue of Opening of Tender  
Konkan Railway Corporation Limited  
2<sup>nd</sup> Floor, East Wing, Belapur Bhavan  
Sector 11, C.B.D. Belapur, Navi-Mumbai- 410210

### 5. BINDING TO ALL TERMS AND CONDITIONS:

The bidders are advised to submit the BIDS strictly based on the Terms and conditions and specifications contained in the terms and conditions and annexure including amendments, if any, issued by KRCL prior to submission of bids. The formats prescribed in the tender document should be scrupulously followed by the bidders. Bids that do not comply with the terms and conditions are liable to be rejected. The Bidder must take due care and caution in this regard. In case there appears to be any ambiguity, the same should be enquired in writing through e mail only.

**All documents and attachments need to be digitally/manually signed by authorized signatory and stamped while submitting**

## 6. ESSENTIAL CONDITION – TECHNICAL ELIGIBILITY CRITERIA:

The offers shall be considered only from Indian, Mumbai based, technically competent, experienced and financially sound Accounting/Consulting firms/LLPs of Members of the Institute of Chartered Accountants of India in practice (CA) / Members of the Institute of Cost Accountants of India in practice (CMA), who meet the following pre-qualification requirements:

Sl. No.	Pre-Qualifying Technical Criteria
1	Should have Registered Office in Mumbai/Navi Mumbai
2	Should have 10 years of Experience in the field of Advisory & Financial Services.
3	Should have at least 10 qualified CA/CMA professionals OR 10 CAs/CMAs as PARTNERS.
5	Should have undertaken at least one assignment of Internal Financial Control of a PSU having turnover not less than Rs 2000 Crs. in the preceding 3 financial years.
6	Should have sufficient infrastructure and Manpower for Completing the job within scheduled time.
7	Should not be on negative list/blacklisted by any PSU or Govt Department. Bidders should submit an undertaking in this regard as specified in the annexure.

## 7. SCOPE OF WORK:

KRCL desires engagement of a qualified and experienced firm on fixed remuneration basis for Assessment, Identification and Development of Internal Financial Control Mechanism, reporting and advice on Company's Internal Financial Control and Risk Assessment and Management Reporting, preferably familiar with working activities of PSU. Further, the firm must be familiar with CVC guidelines/Other Statutory Reporting guidelines.

The Consultant has to prepare the requisite framework of the Internal Financial Control System along with all relevant documentation. The format will be mutually discussed and agreed. The Reporting to be in line with the guidance note on Internal Financial Control issued by Institute of Chartered Accountants of India (ICAI). Reporting to cover Internal Financial Control in KRCL (including all Offices ROs/ Station Offices/Site Offices etc) with control mechanism in pro-active manner.

## BROAD SCOPE ( NOT EXHAUSTIVE LIST)

### DEVELOPMENTAL STAGE

Develop and document the internal financial control mechanism/criteria of the Company as per Companies Act, 2013 and the guidance note on 'Audit of Internal Financial Controls over financial reporting' issued by ICAI.
Identify significant accounts and mapping with the business process and sub- process or identification of financial reporting risks (Materiality, quantitative and qualitative judgment).
Designing and developing internal control framework both at entity level with ROs and process level
Monitor compliance with laws, regulations and internal policies
Identify gaps in current processes, control activities, or documentation and if so, how they can be mitigated.
Has to develop a Risk Control Matrix on critical aspects of the transactions
Mechanism of Periodic evaluation/assessment and reporting of internal financial control
Any other activities covered under Internal Financial Control.

### REPORTING STAGE

<ul style="list-style-type: none"> <li>- Review of business processes and modification thereof</li> </ul>	<ul style="list-style-type: none"> <li>- General accounting and reporting process (including finalization of accounts)</li> <li>- Procurement to Payment process</li> <li>- Accuracy and completeness of accounting records</li> <li>- Timely preparation of financial information</li> <li>- Prevention and detection of frauds and errors</li> <li>- Safeguarding of assets</li> <li>- Policies and Procedures</li> <li>- Receivable management process</li> <li>- Inventory management process</li> <li>- Capital project and PPE / Investment property</li> <li>- Treasury Management (including cash and bank operations)</li> <li>- Revenue management for Railway business (including RR to collection process) &amp; Project</li> <li>- Taxation process (direct and indirect taxes)</li> <li>- HR and Pay Roll management process</li> <li>- Present IFAS software, their contributions and future requirements and Gaps.</li> <li>- Any other activity to be covered for compliance</li> </ul>
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Preparation of the detailed framework which among other things will also include a time schedule with clearly defined activities for ensuring review of internal financial control system. The consultant to give a detailed presentation of the changes required for effective and efficient internal financial control and the key areas of attention to the management including improvements and necessary changes in the system required for compliance as per the requirements of Companies Act, 2013 and CARO,2016 on financial as well as non-financial matters before Functional Management Committee of Directors (FMCOD), Audit Committee of Directors (ACD) and Board as and when required.	<p>Review of Internal Control Policy i.e. controls environment, risk assessment, control activities, information system &amp; communication and monitoring.</p> <p>Adequacy and effectiveness of internal financial control.</p> <p>Review of internal control system and procedures and their operating effectiveness.</p>
The firm will have responsibility and accountability to ensure professionalism, economy, efficiency, effectiveness and integrity in performing the assignment.	

## 8. OBJECTIVES:

Primary objective of IFC is to identify opportunities for improvement in the existing system and to draw up new mechanism recommending good practices that can be used as a benchmark to develop or strengthen internal control systems and enhance the reliability of financial statements of the corporation. Efficiency and effectiveness in operations, Prevention and detection of fraud and error, Safeguarding of assets, Accuracy and completeness of accounting records, Reliability of Financial Reporting of the corporation. In short, Internal Control = Internal Control over financial reporting + Operational control reporting + Fraud prevention reporting Roadmap to implement Internal Financial Controls. Assess the current state of internal controls, embrace a widely acceptable framework or guidelines Set the right tone at the top i.e., those charged with governance, ascertain organizational risks which have a financial impact, Define the Control Objectives and Control Activities to mitigate the risk, Ongoing continuous monitoring of the functioning of controls, Confirm independent assurance on the effectiveness of the internal controls i.e., Independent Auditors

## 9. VALIDITY OF OFFER:

The bid should be valid for acceptance for a minimum period of at least **90** days from the date of opening. The validity may be extended by mutual consent. Bids with lesser validity period would be rejected.

**10. SECURITY DEPOSIT :**

The successful bidder shall deposit an amount of NIL towards SD.

**11. PERFORMANCE GUARANTEE:**

The successful bidder shall deposit an amount of NIL towards Performance Guarantee.

**12. TIME PERIOD FOR SUBMITTING REPORT AND PAYMENT TERMS**

Sl. No	Scope of Work	Target by (Days / Date)	Terms of Payment (as % of price quoted).
1.	Preparation of detailed road map and Submission of Report on Internal Financial Control Mechanism with Unit/Location wise processes to be compiled after design effectiveness and mechanism to ascertain operating effectiveness.	Within 90 days from the date of Award	40 % on submission of draft Manual for Internal Financial Control and draft report on design and operating effectiveness and gap analysis (if any).  40 % on submission of final Manual for Internal Financial Control and final report on design and operating effectiveness and gap analysis (if any).  20 % on acceptance of final Manual for Internal Financial Control and final report on design and operating effectiveness and gap analysis (if any). .



### **13. EVALUATION CRITERIA:**

KRCL shall award the contract on the lowest offer basis based on total quoted price from among technically eligible tenderers. It is advised to put the offer after due consideration of manpower requirement mentioned in the tender. If the corporation finds that the quoted amount is abnormally low, the committee reserves the right to sought justification of such rates.

The contract shall be awarded to **ONE** successful bidder.

The contract shall stand suspended/terminated, partially or fully, in the event the Corporation decides not to go for the IFC process.

### **14. PAYMENT TERMS:**

40 % on submission of draft Manual for Internal Financial Control and draft report on design and operating effectiveness and gap analysis (if any).

40 % on submission of final Manual for Internal Financial Control and final report on design and operating effectiveness and gap analysis (if any).

20 % on acceptance of final Manual for Internal Financial Control and final report on design and operating effectiveness and gap analysis (if any).

### **15. ARRANGEMENT FOR PROFILING, KEY PERSONNEL AND REPORTING:**

The Firm shall submit a plan to KRCL providing details of area of activities along with Manpower to be deployed and time schedule, so that the same may be forwarded to respective concern officer beforehand. A detailed planning exercise should form the basis of reporting. If required, the agency may consult FA&CAO for better understanding of different areas of Operation of the Corporation and design the modalities of Internal Financial Control Mechanism.

### **16. TDS DEDEUCTION:**

Tax will be deducted from all the payments as applicable under the Income Tax Act.

### **17. TRAVELLING EXPENSES:**

As per extant KRCL pass rule, the travel authority will be issued to the Agency, if the duty is to be performed outside Mumbai Region. KRCL will also make necessary arrangements for their stay in the Rest House if available; otherwise, the hotel charges applicable to the KRCL employees will be reimbursed. For this purpose, the Partner & Qualified Accountants will be treated at par with Sr. Administrative Grade Officers, Senior Officers will be treated at par with Senior Scale Officer and the semi-qualified staff will be treated at par with subordinate staff.

**18. TERMINATION CLAUSE:**

In case the firm fail to deploy desired manpower or fail to deliver any work within the time limit mentioned against each job assigned in the Scope of Work, in more than one occasions during the scheduled period, the Corporation reserve the right to terminate the contract without giving further notice. In such cases no payment shall be made to the agency for the partly completed assignment. In any other case, the organization can terminate the contract by giving 30 days' notice in writing without assigning any reason.

**19: SUBCONTRACTING:**

Sub-contracting of assignment is not allowed. Name, address, Photo Id, phone number and email-id along with Photo of personnel deployed at KRCL to be certified by the partner and intimated to corporation in writing.

**20. DISPUTE/JURISDICTION.**

In case of any dispute, CMD KRCL shall be the final authority to decide the issue and the decision shall be binding on the Firm. In case of any legal dispute, the contract will be within the jurisdiction of Mumbai High court.

21. Each page of bid is required to be signed by the partner of the firm along with Firms Seal. The documents/ certificates in support along with the bids shall also be signed by the Firms partner and seal.

### SECTION III

#### FINANCIAL BID

Financial Bid/Price Bid (To submitted in Firm's own letter head)

**TENDER NOTICE NO. KRCL/ACCT/IFC/1**

**Date: -17-04-2023**

Sub: Contract for providing consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism for Konkan Railway Corporation Ltd as per the requirement of Section 134/143 & 177 of Companies Act 2013, as specified in the scope of work.

Dear Sir

I/WE submit the **PRICE BID** for contract for the captioned subject.

I/WE have thoroughly read and understood all the terms and conditions as contained in the Documents and agree to abide by them.

I/WE offer to undertake the Job at the following consolidated rates excluding applicable GST.

Sr. No.	Particulars of work/assignment	Total Consolidated fees excluding GST in Rs.	
		In Words	In Figure
01	Assessment, Identification and Development of Internal financial Control Mechanism for Konkan Railway Corporation Ltd.		
02	Percentage of Applicable GST		
03	Total fees to be paid (Rs.)		

**Note:**

- ❖ The quoted fees should be inclusive of professional fees, food and any other incidental expenses. Applicable statutory GST will be paid extra.

Date:

Place:

(Signature of the Authorized Person)

(Name of the Authorized Person)

(Designation with firm's own seal)

## Annexure -I

**Tender for providing** consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism for Konkan Railway Corporation Ltd as per the requirement of Section 134/143 & 177 of Companies Act 2013, as specified in the scope of work.

### FORM OF PARTICULARS

SI.NO	PARTICULARS	DETAILS
1	<b>Name of the CA firm / Agency</b>	
2	Registered Postal Address of the Firm/ Company & its principal place of business.	
3	Address of Dealing Office in Mumbai/Navi Mumbai	
3	Landline Telephone	
4	Mobile Number	
5	E mail Address & Web Address	
6	Name of Partners, Their Qualifications, Membership Nos etc	<u>Proforma-I</u>
7	Name of Chartered Accountants/Supporting staffs including Audit Assistants/Semi qualified team, their experience etc	<u>Proforma-II</u>
8	Year and Date of Establishment of the firm/company	
9	Experience in IFC/IFC of PSUs	<u>Proforma-III</u>
10	The average gross professional receipt for last 3 Financial Years i.e 2019-20, 2020-21 & 2021-22	
11	Permanent Account Number (PAN) of your company.(Please attach copy)	
12	GST Registration Number(Attach Copy)	
13	Bank Name, Branch Name, Account No. IFSC Code ( A cancelled cheque to be enclosed for arranging payment)	
14	Is your firm/company registered under MSME? If yes: UAM No. Enclose Udyog Aadhar Certificate)	
15	Whether your firm/company has been banned /disqualified by KRCL or any other PSU at anytime in the past for similar contract. If yes, state reasons. Any other facility you can make available to KRCL.	

Note: Requested above may be furnished on separate sheets, if necessary.

Signature of Tenderer

Date: -  
Designation

Full Name &

Place:

Rubber stamp

## **Annexure -II**

### **U N D E R T A K I N G**

**(To be submitted in Firm's own Letter head)**

It is certified that my firm/agency has never been black listed/de-listed/debarred from business by any of the Departments/Autonomous Institutions/Universities/Public Sector Undertakings of the Government of India or Government of NCT of Delhi or any other State Government or Public Sector Banks or Local Bodies/Municipalities and no criminal case is pending against the said firm/agency as on date.

	Signature of the Bidder _____
Place:	Name of the Signatory _____
Date: / /	Name of the Firm/agency _____
Seal of the Firm/Agency	_____

### **Annexure-III**

#### **UNDERTAKING**

**(To be submitted in Firm's own letter head)**

- I, the undersigned certify that I have gone through the terms and conditions mentioned in the document and undertake to comply with them.
- The rates quoted by me are valid and binding upon me for the entire period of contract..
- I hereby undertake to render the services, as per directions given in the notice/award letter within stipulated period.
- Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.
- We agree to bear all costs incurred by us in connection with preparation and submission of the proposal and to bear any further pre-contract costs.
- I/WE further undertake to affirm to certify and own personal responsibility that the person(s)/team deployed for "Contract providing consultancy services for Assessment, Identification and Development of Internal Financial Control Mechanism for Konkan Railway Corporation Ltd as per the requirement of Section 134/143 & 177 of Companies Act 2013, as specified in the scope of work, will complete the assignment and they will not be removed from the desk till its completion and submission of final report.

(Signature of the Bidder)

Name of the Signatory:

Name of Firm/agency:

Seal of the Firm/Agency:

Date :

Place :

**PROFORMA - I**  
**Details of Partners**

SI.	NAME OF PARTNER	MEMBERSHIP NO	EXPERIENE IN YEARS

Signature of Partner Name  
& Membership No.

**Date :**  
**Place :**

**PROFORMA - II**  
**Details of Qualified/Semi-qualified Assistants**

SI	Name	Membership no.	Qualification	Experience	Particulars of work	Employed in firm Since

Signature of Partner Name  
& Membership No.

**Date :**  
**Place :**

**PROFORMA - III**  
**Details of IFC Assignments handled.**

<b>SI</b>	<b>Name of PSU in previous 3 years, Followed by Non-PSUs</b>	<b>Year of Audit</b>	<b>Remarks</b>

Signature of Partner Name  
& Membership No.

**Date :**  
**Place :**