

Selection Criteria and Major Terms & Conditions for selection of Professional Audit firms for conducting Risk Based Internal Audit (RBIA) of Regional/State Office(s) & RECIPMT for the Financial Year 2023-24

A. Selection Criteria:

The criteria to be considered for selection of qualified audit firms for timely completion of Risk Based Internal Audit of Regional/State Office(s) & RECIPMT for FY 2023-24 are as follows-

a) Prerequisite Conditions:

The prerequisite conditions to be fulfilled by Audit Firms for participation in selection process are-

- i. Audit firms should have registered with ICAI/ICWAI.
- ii. The minimum average annual financial turnover of the audit firm during the last three years, ending on 31st March 2023, should be Rs. 10 lakhs.
- iii. Audit firms should have head office at the location for which bid is submitted for conducting the audit.

Only those bidders who are found to be eligible as per above stipulated criteria shall be considered for evaluation of technical proposal.

b) Evaluation Criteria:

i) Technical Evaluation: The technical proposal would be evaluated first and points would be allotted to the bidders based on the technical parameters as under:-

S. No.	Criteria as on 1 st April of Current Year	Point per criteria	Maximum Points
1	No. of completed years of existence from the date of registration (minimum 5 years)	1 point per completed year	15
2	Any one qualified ISA/DISA/CISA/CIA partner or Employee	Lump sum	5
3	No. of CA/ICWA qualified employee/partner	3 points per qualified employee/partner	15
4	No. of semi-qualified employees (CA/ICWA intermediates)	1 point per semi-qualified assistant	5
5	Experience of Internal Audit assignment in Central / State Government PSU in last three Years	4 point per assignment	20
6	Experience of internal Audit in Bank/NBFC in last three Years	4 point per assignment	20
7	Average annual turnover of last three years (minimum Rs. 10 lakh)	4 point per 10 lakh average turn over	20
		Total	100

Bids of firms meeting the Pre-qualification Criteria and scoring qualifying marks of **70% of maximum marks** allotted to the Technical Bid, will only be considered for opening of their financial bids.

ii) **Financial Evaluation:** The financial bids of technically qualified firms shall only be opened. The bidder quoting the lowest price (L1 bid) will be recommended for appointment for carrying out Risk Based Internal Audit for FY 2023-24 for that particular office. In the event of two or more proposals quoting the same lowest price, then the bidder with the highest technical score would be recommended for appointment.

iii) The audit firms shall quote an all-inclusive lump sum fee **including all taxes** for the complete assignment of the whole year and no out of pocket expenses such as TA/DA etc shall be payable by REC. The total payment of audit fee to the audit firms would be released by the respective offices/divisions at the end of the complete assignment of the year after getting confirmation of the same from IA Division.

B. Estimated Cost:

The estimated cost per each office is Rs. 50,000/- + 18% GST, which comes to Rs. 59,000/-.

C. Period of Assignment:

The RBIA will be undertaken by the successful bidder covering audit period from 01.04.2023 to 31.03.2024 in the first week of March, 2024 and audit report shall be submitted latest by 30th April, 2024.

D. Payment Terms: The entire payment will be released after successful completion of entire assignment.

E. Cost of Tender Document: NIL

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