



**Security Printing & Minting Corporation of India Limited
(A Mini Ratna Category – I CPSE)
(Wholly owned by Government of India)
16th Floor, Jawahar Vyapar Bhawan, New Delhi -110001**

Standard Bidding Document (SBD)

TENDER FOR ENGAGING PARTNERSHIP/LIMITED LIABILITY PARTNERSHIP FIRMS OF CHARTERED/COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT IN NINE UNITS AND CORPORATE OFFICE OF SECURITY PRINTING & MINTING CORPORATION OF INDIA LIMITED (SPMCIL) FOR THE FINANCIAL YEAR 2019-20.

Tender No. SPMCIL/FIN/254/EOI/IA/2019

Dated: 08.02.2019

This Tender Document Contains 30 Pages

Details of Contact person in SPMCIL, New Delhi regarding this tender:

**Deputy Manager (Purchase), SPMCIL,
1st Floor, Jawahar Vyapar Bhawan,
New Delhi - 110001**

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SECTION -I NOTICE INVITING TENDER (NIT)

Security Printing & Minting Corporation of India Limited
(A Mini Ratna Category – I CPSE)
(Wholly owned by Government of India)
16th Floor, Jawahar Vyapar Bhawan, New Delhi -110001

No. SPMCIL/FIN/254/EOI/IA/2017(CHO/FIN/2016/5247)

Date 08.01.2019

SPMCIL invites sealed tenders from eligible and qualified tenderers for the following service: -

Description	Earnest Money (In Rupees)
TENDER FOR ENGAGING PARTNERSHIP/LIMITED LIABILITY PARTNERSHIP FIRMS OF CHARTERED/COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT IN NINE UNITS AND CORPORATE OFFICE OF SPMCIL FOR THE FINANCIAL YEAR 2019-20	Rs.4,500/- (Rupees Four thousand five hundred only) For each office/unit.

Type of Tender	Two Bid. Open Tender (National Competitive Bidding)
Dates of submission of tender documents	From 08.02.2019 to 11.03.2019 (from 10:00 AM to 05:00 PM) on all working days (Saturday and Sunday is weekly off in SPMCIL).
Place of receipt of tenders	Security Printing and Minting Corporation of India Ltd., 16 th Floor, Jawahar Vyapar Bhawan STC, Janpath, New Delhi.
Time and date of opening of tenders	05.10 P.M on 11.03.2019
Place of opening of tenders	Security Printing and Minting Corporation of India Ltd., 16 th Floor, Jawahar Vyapar Bhawan STC, Janpath, New Delhi.

1. Interested tenderers may obtain further information about this requirement from the above office.
2. Tenderer may download the tender documents from the web site www.spmcil.com and submit its tender by utilizing the downloaded document.
3. Tenderers shall ensure that their tenders, duly signed and stamped on each page and complete in all respects as per instructions contained in the Tender Documents, are dropped in the tender box located at the address given below on or before the closing date and time, failing which the tenders will be treated as late and rejected.
4. In the event of any of the above mentioned dates being declared as a holiday/ closed day for the SPMCIL the tenders will be received/ opened on the next working day at the appointed time.
5. Bid received by, e-mail will be ignored.
6. Bid must be enclosed in a sealed cover both bearing the Tender Number and due date.

Address for tender document.

**Deputy Manager (Purchase), SPMCIL,
1st Floor, Jawahar Vyapar Bhawan,
New Delhi - 110001**

Section – II: FORMAT FOR BID

1. Name of the Firm:

2. Registration No. of the Firm:

(Institute of Chartered/Cost Accountants of India)

3. i. Date of Registration of the Firm :

ii. Type of firm : Partnership firm/ LLP firm/Proprietor

4. Details of Head Office & Branch Office(s): Head Office:

Address	Date of Establishment	Contact No(s)	E-mail

Branch Office 1

Address	Date of Establishment	Contact No(s)	E-mail

Branch Office 2

Address	Date of Establishment	Contact No(s)	E-mail

(Insert further branch office(s), if any)

5. Details of Partners in the Firm/Limited Liability Partnership:

S.No.	Name of the Partner	Membership No.	Membership Status ACA/ACMA/ FCA/FCMA	CISA/DISA/IS A or equivalent qualification	Date of Joining the firm As Partner
1					
2					
3					
4					
5					
6					

(Please attach certificate issued by institute of chartered accountants of India (ICAI)/ Institute of cost accountants of India (ICAI) in support of information furnished at Sl. No. 1, 2, 3, 4 and 5 above)

6. Is the partner of Firm/LLP:-

Sr. No.	Particulars.	Yes/ No
a.	Dismissed Government Servant.	
b.	Removed from approved list of vendors.	
c.	Demoted to a lower class of vendors.	
d.	Having business banned/suspended by any government in the past.	
e.	Convicted by a court of law.	
f.	Retired engineer/official from engineering Department of Govt. of India within last two years.	
g.	Direction of partner of any other company/ firm enlisted with CPWD or any other department.	
h.	Member of Parliament or any State Legislative Assembly.	

7. Is any Partner/Person working with the applicant is a near relative of the officer/ official of SPMCIL: Yes/ No.

8. Details of Qualified Assistants (i.e Chartered/Cost Accountants employed by the firm)

Sl.no.	Name of the Assistant	Membership No.	Whether ACA/ACMA/FCA/FCMA (Please attached membership certificate issued by respective institutes for each qualified assistant)	Date of joining the firm as qualified assistant
1				
2				
3				
4				

9. Details of Experience in PSU Sector:

Sl.no.	Name of the Company	Year of audit	Type of audit – whether statutory/internal audit (please attach copy of appointment letter for each year & for every company)
1.			
2.			
3.			

10. Details of Experience in conducting audit in organization working on SAP ERP Platform :

S.No.	Name of the Company	Year of Audit	Type of Audit – Whether Statutory/Internal Audit (Please attach copy of appointment letter for each year & for every company)
1			
2			
3			

:

11. Income Tax PAN No. of the Firm

12. GST Tax Registration No. :

13. Bank details for EFT :

1.	Bank Name	
2.	Branch Name and Address	
3.	Bank Account Number & Type of Account i.e Saving/Current	
4.	IFSC Code	

Note: A Cancelled Cheque is to be enclosed in support of details as filled in Sr. No. 13 above.

14. Turnover of the Firm:-

TURNOVER (F.Y.)			
	2017-2018	2016-2017	2015-2016
(in Rs. Lakhs)			

15. It is confirmed that all the requirements as per section 3 to the tender documents have been complied with.

16. We confirm that we have not taken any deviation from the terms & conditions, of the tender documents. A copy of complete tender document duly signed and stamped on all pages as a token of acceptance of all terms & conditions is attached.

I/We certify that the information given above is true to the best of our knowledge. I/We also understand that if any of the information is found wrong, my/our tender will not be considered.

Date

**Signature of Partner with
Name & Seal of the Audit Firm**

Note: 1. List of documents to be submitted along with the applications: - Please refer to the instructions mentioned at section no. III of the tender.

Section III: SPECIAL INSTRUCTIONS TO AUDIT FIRMS AND DOCUMENT LIST

(A) Instruction to Audit Firms:

1. Format of Bid must be completely filled in. Incomplete Bids will be rejected out- rightly.
2. Please ensure that date of opening of Head Office, Branch Office, entrance dates of all Partners into the firm, date of joining firm as qualified assistants should be invariably indicated in the Bid.
3. All bids will be evaluated on the basis of the documents furnished along with Bid only. Any additional document received, after last date & time of receiving the bids as stipulated in the Notice Inviting tender, will not be entertained. However, in case the Technical evaluation committee (TEC) finds it necessary to call for some document/clarification, then that document as called for will be taken into account during evaluation.
4. Since, all the applications will be evaluated strictly on the basis of Selection and eligibility Criteria as per section VII & IX respectively, please avoid attaching unsolicited information/documents so as to enable us to process Bid expeditiously.
5. All submitted documents should be signed by a Partner with his name and under the seal of the firm.
6. The bid would consist of following:-
 1. Envelope No. 1 to contain the following:
 - i.* EMD of Rs 4500/-. For financial bid of each office/unit.
 2. Envelope No. 2 to contain the Technical Bid as per note 1 at section VII.
 3. Envelope No. 3 to contain the Financial Bid as per format prescribed on section XI.

Envelope No. 1 & 2 form First part, will be known as 'Technical Bid', and the Envelop No. 3 will form second part i.e. 'Financial bid'. Tenderer shall seal separately 'Technical Bid' and 'Financial bid' and covers will be suitably super scribed. All these three sealed covers shall be put in a bigger cover super scribing the Tender No. & date and marked in bold letters "Bid for engagement of Chartered Accountant Firm/Cost Accountant Firm for conducting internal audit of FY 2019-20" thereon and sealed. The name and address of the firm must also be indicated on the body of the envelope.

Bids not accompanying EMD would be summarily rejected and their Technical and Financial bids will not be opened. No communication in this regard will be entertained in future.

7. Bid may be submitted in by hand or by post/courier to the office of The Deputy Manager (Purchase), Security Printing and Minting Corporation of India Limited, Corporate Office, 1st Floor, Jawahar Vyapar Bhawan, Janpath, and New Delhi-110001. SPMCIL does not take any responsibility for loss of application in transit. Applications sent through E-mail will not be considered.
8. Any Bid received after the stipulated date and time, due to any reason whatsoever, will be rejected out-rightly.

(B) List of documents to be submitted along with the application:

Interested audit firms are advised to go through contents of the tender documents carefully and submit all self-attested copies of the following documents in proper sequence along with the bid as described hereinafter:

1. Registration certificate of the firm issued by the Institute of Chartered Accountants of India and / or Institute of Cost Accountants of India, Information related to year of establishment of Head Office & Branch Office(s), addresses, details of partners and their membership nos. etc. as indicated in the Certificate will be treated as conclusive and final information for evaluation of tenders.
2. Membership certificates of the qualified assistants issued by the Institute of Chartered Accountants of India and / or Institute of Cost Accountants of India.
3. Copies of appointment letters for Statutory/Internal audit **in organizations working on SAP ERP Platform.**
4. Copy of PAN Card.
5. Copy of GST Registration.
6. A cancelled cheque of the Bank to which Fee payments will be made.
7. A copy of complete tender document duly signed and sealed as a token of acceptance of all terms and conditions.

Section IV: OBJECTIVES OF INTERNAL AUDIT

S. No.	Objectives
1.	To review and evaluate internal control systems and procedures to determine reliability and integrity of information and documents.
2.	To ensure that the SPMCIL maintains proper accounting records as required by law and follows prescribed accounting standards and practices and policies consistently.
3.	To assess adequacy of systems and procedures for procurement, obtaining sanction for disbursement and utilization of resources.
4.	To ensure compliance of statutory laws, rules and regulations.
5.	To review corporate Governance practices.
6.	Evaluation of performance management system with reference to yearly plan and budget.
7.	To assess the adequacy of the internal financial control systems and procedures for safeguarding the interest of the SPMCIL, detecting fraud or irregularities and safeguarding the assets of the SPMCIL.
8.	To review Internal Financial control on financial reporting.
9.	Fixed Asset Verification
10.	Inventory Verification.

Section V: SPECIAL CONDITIONS OF CONTRACT (GCC)

- i. Appointment of Audit firm's will be done Unit wise.**
- ii. The SPMCIL reserves its right to accept or reject any Bid without assigning any reasons. The decision of the SPMCIL for selection of the Firms will be final and binding upon the parties participating in the tender.
- iii. **Internal Audit shall be conducted in four phases** i.e. 1st Phase covering period from 01.04.2019 to 30.06.2019, 2nd phase covering period from 01.07.2019 to 30.09.2019, 3rd phase covering period 01.10.2019 to 31.12.2019 and 4th phase covering period from 01.01.2020 to 31.03.2020.
- iv. The Internal Auditor will ensure that the information obtained in respect of the operations of the Unit is maintained in strict confidence and secrecy. A certificate towards maintaining confidentiality is to be provided by the Internal Auditor at the time of acceptance of Audit assignment.
- v. The appointment of the Audit Firm will be for one year i.e. for 2019-20 and may be extended on yearly basis in 2nd i.e. for F.Y 2020-21 subject to satisfactory performance of the firms on same rates and terms & conditions.
- vi. If progress/performance of the audit firm is not found satisfactory by SPMCIL or there are in-ordinate delays in submission of reports, the management reserves the right to terminate the appointment of the Firm.
- vii. The Audit firm will be debarred from getting, in future, Internal Audit assignments in SPMCIL in the following cases:
 - a. If the Firm obtains the appointment on the basis of false information/false statement at the time of submission of application/documents for the tender.
 - b. The Audit Firm is found to have sub-contracted the work.
 - c. If the Firm does not take up audit in terms of the appointment letter.
 - d. If the Firm does not submit Audit Report, complete in all respect, in terms of the appointment and within the specified date.
 - e. If the firm is found to be divulging the information of the operations of the company.
- viii. Please refer to our website for further details
“<http://www.spmcil.com/spmcil/uploaddocument/git.pdf> (GIT contains 32 pages and will form part of this tender document)”
And Please refer to our website for further details
“<http://www.spmcil.com/spmcil/uploaddocument/gcc.pdf> (GCC contains 28 pages and will form part of this tender document)”
- ix. **The tenders shall remain valid for acceptance for a period of 120 days.**
- x. **The selected firms shall give security deposit.**

**Section VI: LIST OF REQUIREMENT (SCOPE AND EXTENT OF COVERAGE OF
AUDIT**

Sl. No.	Scope	Periodicity/Extent of Coverage
1.	Sales & Revenue : Verification of all heads of revenue along with all the supporting Documents.	Quarterly – 100%
2.	Procurement (pre award and execution) : (a) Contracts of value up to Rs.5 lakhs (b) Contracts of value between Rs.5 lakhs to Rs.10 lakhs (c) Contracts of value above Rs. 10 lakhs Ensure that the guidelines as per procurement manual are duly Complied with. It will also include checking of performance bond/guarantee for validity and safe custody, insurance and risk management Procedure.	Quarterly – 25% Half yearly – 50% Quarterly – 100%
3.	Contracts on nomination basis : Verification of contract/PO awarded on nomination basis and single tender basis valuing Rs.1.5 lakh and above.	Quarterly – 100%
4.	Contractors' bills : Checking of running account bills with respect to quantity and quality of work, certification of work, adjustment of advances, application of penalty clause etc. as per the terms of contract.	Quarterly – 50%
5.	Payroll : Verify whether (a) Salaries, wages and other deductions are authorized and recorded on a timely basis and payroll deductions are determined in accordance with legal requirements and are paid to Government and other specified parties as per specified timelines. (b) All authorized employee benefit plans and related costs are appropriately controlled and administered. (c) PAO claims are properly administered.	Quarterly – 100% Quarterly – 50% Half yearly– 100%
6.	Human Resource & Establishment: (a) Leave records (b) Payment of all types of advances to the employees (c) Review of sub ledgers and recovery of advances (d) LTC records (e) Pay fixation (f) Training & development	Half yearly – 50% Quarterly – 100% Quarterly – 100% Half yearly – 50% Half yearly – 100% Half yearly – 100%
7	Bank reconciliations: Verification of BRS of all the bank accounts including outstanding entries in the previous BRS.	Quarterly – 100%

8.	Receivables: Periodical age wise/unit wise analysis of all receivables with respect to pricing, tenure of credit and collection.	Quarterly -50%
9	Accounts : Vouching of all vouchers (cash, bank, JVs)	Quarterly -50%
10.	Guest House: (a) To check the level of utilization i.e. occupation of rooms by guests. (b) Receipt of revenue (c) Purchase of consumables (d) Purchase and use of assets (e) Repairs and maintenance of assts.	Half yearly – 50%
11.	Inventories: (a) Periodical Physical verification of inventories. (b) Reporting the variances as per physical verification and as per books of account (c) Valuation in accordance with the applicable accounting policies prescribed by ICAI (d) Identification of slow moving and excess inventories and its periodical reporting to management with suggesting measures.	(a), (b), (c) – Yearly -50% (d) – quarterly – 50%
12.	Fixed Assets: (a) Conduct the Physical verification of fixed assets in accordance with the applicable Accounting policies. (b) Reporting the variances as per physical verification and as per Books of Account. (c) Check whether proper records are maintained including Fixed Assets Register and Depreciation is properly calculated and accounted for in accordance with the applicable Accounting policies.	Yearly – 100% Yearly – 100% Yearly – 100%
13	Provisions: To ensure that all the known liabilities have been provided after duly authorization including retirement benefits and claims in respect of employees. To ensure actuarial valuation as per applicable accounting standards.	Yearly – 100%
14.	Payables: Periodical age-wise/ party wise analysis of all payables in respect to creditors- Domestic, Imports Capital Projects-EMD, Security Deposit etc.	Quarterly.

15.	<p>Township</p> <p>(a) To check whether the allotment, occupation and vacation of quarters is in accordance with the laid down practices.</p> <p>(b) Receipt of revenue.</p> <p>€ Stores management.</p> <p>(d) Repair and maintenance of building and roads.</p>	Half yearly – 50%
16.	<p>Investments:</p> <p>(a) Periodic physical verification of investment and deposits</p> <p>(b) To ensure that the booking of income on investments and deposits as per the terms of investment made</p> <p>€ Ensure that the DPE guidelines on the subject are duly complied with.</p>	Yearly – 100% (only at corporate office)
17.	<p>Compliance to DPE guidelines :</p> <p>To go through the DPE guidelines and compliance thereof in company and point out any variation /deviation.</p>	Quarterly – 100% (only at corporate office)
18.	<p>CSR activities :</p> <p>(a) Contracts of the value below Rs. 10 Lacs</p> <p>(b) Contracts of the value equal to or more than Rs. 10 Lacs</p>	Half yearly – 50% Half yearly – 100%
19.	<p>IFC:</p> <p>(a) Perform a diagnostic review of existing internal financial control system from the management’s perspective and to identify deficiencies, if any. Provide recommendations to mitigate such deficiencies.</p> <p>(b) Identifying significant accounts and mapping with business processes and sub-processes for identification of financial reporting risks (materiality, quantitative & qualitative judgment), Recommend on documentation guidelines and Advice on updating the IFC Framework.</p> <p>€ Provide recommendations on ways that the SPMCIL may address control weaknesses.</p> <p>(d) Review of risk and control matrices including documentation of controls i.e., entity level controls, pervasive IT controls and process level controls.</p> <p>€ Any other activities/studies/reports if necessary, in connection with development of Internal Financial Control Framework not covered above.</p>	Yearly – 100% Yearly – 100% Yearly – 100% Yearly – 100%

20.	Statutory Compliances : To ensure compliance of all the applicable statutes and laws governing the organization that all the taxes and statutory dues are deposited in time and the required reports and returns have been filed periodically on time.	Quarterly – 100%
21.	Adjustment of advance given in respect to work orders and their adjustment with work done and adjustment of advances (CPWD).	Quarterly-100%
22.	Report on the inter unit reconciliation to be done monthly.	Quarterly-100%
23.	Other areas which SPMCIL Management may consider necessary in the course of working of the units.	

Note: The firm undertaking internal audit has to exercise their discretion and apply their minds & rely on their judgment so as to ensure that all essential and significant areas of checking have been covered by them and no important area of checking has been left out.

1.

Section VII: SELECTION CRITERIA (POINT ALLOCATION)

Sl. No	Particulars	Points to be allocated	Maximum Points	Supporting Documents
1.	Year of establishment of the Audit firm/Limited Liability Partnership Firm.	10 Years 1 Point for each year. Cutoff date shall be 31.12.2018.	10 (ten)	Registration certificate of the firm issued by the Institute of Chartered accountants of India and / or Institute of Cost Accountants of India. Information related to year of establishment of Head Office(s) & Branch office(s), addresses, details of partners and their membership nos. etc. as Indicated in the Certificate.
2.	No. of Partners in the Firms/Limited Liability Partnership Firm who with the Firm for a minimum period of year as on date of application.	a) Four (4) points for each Partner who is ACA/ACMA. b) Five (5) points for each Partner who is FCA/FCMA.	20 (twenty)	Registration certificate of the firm issued by the Institute of Chartered accountants of India and / or Institute of Cost Accountants of India. Information related to year of establishment of Head Office(s) & Branch office(s), addresses, details of partners and their membership nos. etc. as Indicated in the Certificate.
3.	No. of Qualified Assistants (Chartered/Cost accountants) employed with the firm.	a) FCA/FCMA 03per person b) ACA/ ACMA 2 per person	15 (fifteen)	Copy of details filed with the Institute of Chartered/Cost Accountants of India.
4.	Experience of the Firm in Organization working on SAP ERP Platform as Statutory /Internal Auditor (Experience in 2018-19 not to be considered).	3 (Three) per year of Audit (fraction of the year to be ignored).	15 (Fifteen)	Copies of appointment letters /orders for statutory audit/ internal audit of any entity. Certificate shall be submitted from the entity that they are SAP compliant.

5.	Experience of the firm in internal audit of Central/State PSU (Audits of 2018-19 not to be considered)	Mini-ratna and above 5 (Five) per audit and other PSUs 2 per audit.	20 (Twenty)	Copies of appointment letters/orders for internal audit in any Central /State Govt. PSU. (Excluding banks and insurance PSUs.)
6.	Turnover of the internal audit clients during F.Y. 15-16, 16-17 & 17-18.	a) More than Rs. 200 Cr.& upto Rs.- 500 Cr. per client per year (2 points) b) More than Rs. 500 Cr.& upto Rs. 1000 Cr. per client per year (4 points) c) More than 1000Cr. per client per year (6 points)	20 (twenty)	Copies of relevant pages of audited financials for all the clients for F.Y. 15-16, 16-17 and 17-18 to be enclosed.

Notes:-

1. **All above mentioned supporting documents along with bid (format of bid) will constitute “Technical Bid”.**
2. The Bidder will mention self-evaluated score against each parameter and will provide related documentary evidence against each parameter given above. The self-evaluated scores of the Bidder will be verified by the Evaluating Committee of SPMCIL based on the documentary evidence provided. The scores given by the Committee after verification with the documentary evidences as provided by the Bidder shall be considered final.
3. Only those firms who secure **at least 70%** and above marks as per selection criteria mentioned above at section VII shall be **considered for opening of Financial bid.**
4. **In case of tie, the following sequence shall be adopted for selection:**
 - a) The Audit Firm having longer experience will be given preference based on the year of Establishment.
 - b) The Audit Firm having office in the City of the SPMCIL unit for which evaluation is being done .
 - c) The Audit Firm having office in the State of the SPMCIL unit for which evaluation is being done
 - d) The Audit Firm with a higher number of Fellow Members of the Institute of Chartered Accountants or Cost Accountants of India as partners will be considered.
 - e) The Audit Firm with a higher number of Associate Members of the Institute of chartered Accountants and Cost Accountants of India as partners will be considered.

For the purpose of selection of the Internal Audit Firm in case of tie, only clause (a) mentioned above will be considered. However, in a situation where even after considering clause (a), the tie continues, the remaining clauses i.e. (b) to (e) will be considered individually until the tie is broken.

The present Statutory Auditors (as appointed by the C&AG) of the units will not be eligible for bidding in compliance with the provisions of section 144 of the Companies Act, 2013. Accordingly, the following shall also not be eligible for bidding:-

- Any of the partners of the firm doing Statutory audit of the units (to be referred as statutory audit firm).
- Any of its parents, subsidiary or associate entity, if any,
- Any other entity whatsoever, in which the statutory audit firm or any of its partners have significant influence or control.
- Any other entity whose name or trademark or brand is used by the statutory audit firm or any of its partners.

Section VIII: AUDIT FEE & REPORTING REQUIREMENTS

Audit fee

- i. Audit Firms are required to quote the audit fees for Internal Audit of each unit separately as per defined price bid format at section XI. Keeping in mind the minimum Man-days required for each unit as given at section XII. **It is to be noted that Evaluation of Firms shall be done for each unit separately.**
- ii. **If required man days are not fulfilled by the audit firm after award of contract then payment will be deducted proportionately.**
- iii. **No other expenses like TA/ DA / Boarding/Lodging will be reimbursed by the SPMCIL.**
- iv. GST or any other tax as applicable will be paid extra as per respective Tax Act.
- v. The Firm shall be eligible for payment up to 25% of audit fee for each phase. Such fee shall be released only after submission of report for that phase followed by the bill and all supporting evidences/documents required to process such bills including wrap up discussion report with management for each Phases.
- vi. The bill of fees should be duly accompanied by details of man power deployed in each phase of the audit assignment.

Reporting requirement

On completion of the Audit of the respective Audit Unit of each phase, the following steps should be followed before finalization of the report and the partner of the firm should meet and discuss the audit observations.

- (i) The salient audit observations of the respective preliminary Audit shall be discussed with the Head of Finance along with the GM of units so that timely corrective action may be taken and based on the outcome, a draft composite Audit Report covering all the Audit areas within the scope shall be compiled/prepared, including additional information if any, that may be provided/obtained during such discussions and rectifications carried out on the instance of audit. The report should also contain specific suggestions for improvements, if any.
- (ii) Based on the outcome of the discussions, the Audit Report thus compiled shall be structured as outlined hereunder:

Internal Audit Reports should be divided into five separate parts, namely:

Part-I Compliance and Report:

This part shall cover the comments of the Auditors on the adequacy of the compliance and action taken for rectification of errors/discrepancies pointed out by previous auditor pertaining to earlier phase and also Phase-I of the current year. It shall also contain the confirmation regarding implementation of policies, systems, controls etc. to avoid the recurrence of such irregularities in future. It may be ensured that the compliance report on audit observations pointed out in reports relating to earlier audits is made and corrective actions taken on those points are furnished in the Audit Report. In other words it may be ensured while conducting the audit, compliance report of the audit observations pointed out in the earlier report of preceding period, is furnished along with the corrective action taken. **Physical Verification of Fixed Assets report shall also be given.**

Part-II Important Observations / Findings:

This part shall contain all such significant discrepancies observed during the current Audit and the observations in which, the auditor feels immediate attention of management specifying the financial implications, if any. In this part Auditor shall also bring the important areas requiring improvement and their recommendation, if any. Also to indicate the improvements made by the SPMCIL based on the audit observations. Further to report any deviations/observations from policies, systems and procedures of SPMCIL.

Part-III Report on Testing of Effectiveness of Internal Controls:

Perform Internal Financial control Audit as given in Scope of Work and submit the report giving recommendations on the ways that the SPMCIL may address control weaknesses. The Auditors would be required to include their findings in Part-III of their report.

Part-IV Report on Contracts/POs placed on single tender & nomination basis:

It has been decided that internal auditors will report separately on Contracts/Purchase Orders (POs) placed on single Tender/Nomination basis. The coverage of such contracts and the format for such contracts and the format for such reporting is included in the statement below which may kindly be adhered to.

Part-V Detailed Report:

In this part, the Auditor shall furnish the detailed results of the Audit and Auditors confirmation whether SPMCIL's system/guideline/propriety has been adhered to in the areas viz. works including O&M contracts, procurement, operation, establishment records in Finance & HR, establishment expenses, other expenses, depreciation, Commercial billing & its realization/reconciliation, maintenance of fixed assets register, current assets, capital work in progress, mandatory spares, stores, inter unit accounts, review of accounts, township, guest house provision of liabilities.

The Internal Auditor's report shall be in the same sequence as given in the scope of audit and in case any item is not applicable to the audit unit, the same should be mentioned as nil.

The report should be supplemented, in each Phase, by a statement indicating:

- (I) Particulars of records along with their volume (i.e. total no. of vouchers in each category for each phase) and value/volume checked as compared to the total volume and value of transactions viz. BRV/BPV/CRV/CPV etc. Similar statistics are required with reference to audit of contracts with the total no. of contracts awarded and the percentage of audit done.
- (II) A report indicating the number of Tender/Contracts awarded on single tender & nomination basis in two categories viz. (i) Value more than Rs. 5 Lac and (ii) Value up to Rs. 5 Lac and furnish the same in the following statement indicating the contracts selected for review.

Sl.No.	Package Name	Awarded Party	LOA No. & Date	Award Value (Rs. Lac)	Whether Proprietary items/Source Standardization/Urgency	Policies & Procedures for award of contracts have been adhered to (Yes/No), if No, state the reasons

- (III) A summary report indicating the important observations for each phase and for each area.
- (IV) A statement indicating the audit personnel deployed (designation) including the visits of partners and the period of audit for each substation. It is expected that the entire scope is covered in a systematic manner and to facilitate the reporting as per the requirement.
- (V)The report should be furnished for each audit unit/office separately.

Section IX:QUALIFICATION / ELIGIBILITY CRITERIA

The qualification criteria are as under:-

- i. Bidder firm should have conducted one Statutory/Internal audit in last 5 years of any organisation working on SAP ERP Platform.
- ii. Bidder firm should not have suffered any financial loss for more than one year during the last three years.
- iii. Bidders firms should have office at one location (at least) out of below mentioned cities:-
 - a. Delhi/NCR
 - b. Mumbai
 - c. Kolkata
 - d . Nashik
 - e . Dewas
 - f. Hyderabad
 - g. Bhopal
 - h. Indore
 - i. Hoshangabad

Only those bids that meet all the eligibility requirements shall be considered for Stage 2 i.e. Technical evaluation.

Section X: Tender Form

Date.....

To
SECURITY PRINTING &
MINTING CORPORATION of INDIA LTD.
16TH FLOOR, JAWAHAR VYAPAR BHAWAN,
NEW DELHI - 110001

Ref: Your Tender document No.dated

We, the undersigned have examined the above mentioned tender enquiry document, including amendment No. -----, dated -----(*if any*), the receipt of which is hereby confirmed. We now offer to deliver service in conformity with your above referred document for price quoted in price bid, attached herewith and made part of this tender.

If our tender is accepted, we undertake to perform the services as mentioned above, in accordance with the delivery schedule specified in section xiv of this document.

We further confirm that, if our tender is accepted, we shall provide you with a performance security of required amount in an acceptable form in terms of GCC clause 6, read with modification, if any, in Section V – “Special Conditions of Contract”, for due performance of the contract.

Section XI: Price / Financial bid format

Sl. no.	Name of units	Partner fee (a)	Qualified assistants Fee (b)	Assistants Fee (c)	Grand total (a+B+c)
1	IGM, Mumbai				
2	IGM, Kolkata				
3	IGM, Hyderabad				
4	IGM, Noida				
5	CNP, Nashik				
6	BNP, Dewas				
7	ISP, Nashik				
8	SPP, Hyderabad				
9	SPM, Hoshangabad				
10	Corporate office, Delhi				

Note:-

- (1) GST shall be paid extra as applicable.
- (2) The fees mentioned above are for all the four phases viz, phase –I, phase –II, Phase –III & Phase-IV
- (3) The audit fees for financial year 2020-21 (if extended by one year) will remain the same as quoted for the first year i.e. 2019-20.
- (4) Firms have to quote fees unit wise as L1 will be decided unit wise. It is not mandatory for firms to quote for all the units.
- (5) Evaluation will be done for each unit separately based on the selection criteria mentioned at section VII.

Section XII: MAN-DAYS REQUIREMENT

S.No.	Name of the units	Minimum man day requirement		
		Partners	Qualified Assistants	Assistants(including at least one semi qualified assistant)
1	IGM, Mumbai	4 (one visit per quarter)	36	72
2	IGM, Kolkata	4 (one visit per quarter)	36	72
3	IGM, Hyderabad	4 (one visit per quarter)	24	48
4.	IGM, Noida	4 (one visit per quarter)	24	48
5	CNP, Nashik	4 (one visit per quarter)	48	96
6	BNP, Dewas	4 (one visit per quarter)	48	96
7	ISP, Nashik	4 (one visit per quarter)	48	96
8	SPP, Hyderabad	4 (one visit per quarter)	24	40
9	SPM, Hoshangabad	4 (one visit per quarter)	48	96
10	Corporate office, Delhi	4 (one visit per quarter)	24	40

1. The firm has to quote rates separately against the each location mentioned above.
2. The allocation of manpower by audit firm amongst phases will be as follow:-
 - i) Quarter ended June : 25%
 - ii) Quarter ended September : 25%
 - iii) Quarter ended December : 25%
 - iv) Quarter ended March : 25%
3. The man-days requirement is exclusive of travel time.
4. For better monitoring of audit assignment, SPMCIL units shall maintain records of man power deployed for each phase by the Firm. A man day shall consist of minimum 8 hours each day and shortfall in working hours will be adjusted on pro rata basis. However, there will not be any additional payment for the manpower deployed in excess of the minimum man days.

Section XIII EARNEST MONEY DEPOSIT

- i. The bidder firm shall be required to submit earnest money **deposit (EMD) of Rs. 4500/-** for financial bid of each unit/office along with the bid.
- ii. The EMD is required to be submitted only in one of the following forms:
 - a) Account Payee Demand Draft or
 - b) Fixed Deposit Receipt or
 - c) Banker's cheque
- iii. The demand draft, fixed deposit receipt or banker's cheque shall be drawn on any scheduled bank in India in favour of SPMCIL.
- iv. The EMD shall remain valid for a period of forty five (45) days beyond the tender validity period.

Section XIV: TIMELINES FOR CONDUCTING INTERNAL AUDIT

The internal audit shall be conducted in accordance with the timelines as specified below:-

S.No.	Particulars	2019-20 Due Date
A	Internal audit for quarter ended June 2019 (Phase – I)	
	Submission of final Audit report	31.07.2019
B	Internal audit for quarter ended September 2019 (Phase – II)	
	Submission of final Audit report	31.10.2019
C	Internal audit for quarter ended December 2019 (Phase – III)	
	Submission of final Audit report	31.01.2020
D	Internal audit for quarter ended March 2020 (Phase-IV)	
	Submission of final Audit Report	30.04.2020

Note:

Any delay beyond 15 days in furnishing of internal audit report consequently for two phases due to non-deployment of manpower or any other reason attributable to the audit firm within stipulated dates mentioned as above will render audit firm to disqualify for future assignment and their nomination will not be considered for subsequent years.

Section XV: SECURITY DEPOSIT

- i. The selected firm shall be required to submit security deposit of the value of 10% of the total annual contract value within 21 days from the date of award of contract, valid up to sixty days after the date of completion of all contractual obligations by the supplier, including the warranty obligations (if any).
- ii. The Performance security shall be denominated in Indian Rupees or in the currency of the contract and shall be in one of the following forms:
 - a. Account Payee Demand Draft or Fixed Deposit Receipt drawn on any Scheduled bank in India, in favour of SPMCIL, New Delhi.
 - b. Bank Guarantee issued by a Scheduled bank in India, in the prescribed form as provided in section XV of this document.
- iii. The Security deposit shall be released by SPMCIL after 60 days from the date of satisfactory execution of the work order/contract in all respects.
- iv. No interest shall be payable to the firm on the amount of security deposit.

In event of default on the part of firm in satisfactory execution, security deposit shall be forfeited by SPMCIL. The forfeiture of security deposit shall be without prejudice to any other rights arising or accruing under relevant provisions of contract like penalty/damages for delay or risk execution of work including suspension of business dealings for a specific period.

v. **Bank Guarantee Format for Performance Security**

_____ [insert: Bank's Name, and Address of Issuing Branch or Office]

Beneficiary: _____ [insert: Name and Address of SPMCIL]

Date: _____

PERFORMANCE GUARANTEE No.: _____

WHEREAS (Name and address of the supplier) (hereinafter called "the supplier") has undertaken, in pursuance of contract no..... dated to supply (description of goods and services) (herein after called "the contract").

AND WHEREAS it has been stipulated by you in the said contract that the supplier shall furnish you with a bank guarantee by a scheduled bank recognized by you for the sum specified therein as security for compliance with its obligations in accordance with the contract;

AND WHEREAS we have agreed to give the supplier such a bank guarantee;

NOW THEREFORE we hereby affirm that we are guarantors and responsible to you, on behalf of the supplier, up to a total of (amount of the guarantee in words and figures), and we undertake to pay you, upon your first written demand declaring the supplier to be in default under the contract and without cavil or argument, any sum or sums within the limits of (amount of guarantee) as aforesaid, without your needing to prove or to show grounds or reasons for your demand or the sum specified therein.

We hereby waive the necessity of your demanding the said debt from the supplier before presenting us with the demand. We further agree that no change or addition to or other modification of the terms of the contract to be performed thereunder or of any of the contract documents which may be made between you and the supplier shall in any way release us from any liability under this guarantee and we hereby waive notice of any such change, addition or modification.

We undertake to pay SPMCIL up to the above amount upon receipt of its first written demand, without SPMCIL having to substantiate its demand.

This guarantee will remain in force for a period of Sixty days after the currency of this contract and any demand in respect thereof should reach the Bank not later than the above date.

.....

(Signature of the authorized officer of the Bank)

.....

Name and designation of the officer

.....

Seal, name & address of the Bank and address of the Branch

.....

Name and designation of the officer

.....

.....

Seal, name & address of the Bank and address of the Branch