



NOTICE

**Shivshahi Punarvasan Prakash Ltd. (SPPL) inviting offers
from the firms of Chartered Accountants to be engaged as
Internal Auditors for F.Y. 2019-20 to 2021-22**

SPPL is a Company wholly owned by Government of Maharashtra incorporated under Companies Act, 1956, on 25th September, 1998, intends to engage a Chartered Accountants Firm for effective and independent discharge of functions relating to Internal Audit as required under S.138 of the Companies Act, 2013. Internal Audit function would be required to be concurrently conducted on monthly payment basis for Financial Years from 2019-20 to 2021-22. Details of scope of Internal Audit functioning required Terms & Conditions, including submission of periodical reports say monthly and other outputs etc. has been illustrated in Annexure-I of tender document. Minimum eligibility criteria has been mentioned in Tender Document. Tender Document can be viewed on the Website of SPPL : www.sppl.biz. Interested Chartered Accountants Firms are required to submit their online response on Website of Mahatenders: www.mahatenders.gov.in.

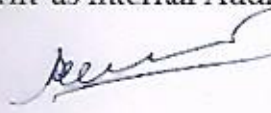
SPPL expects applicant Chartered Accountants Firms meeting with the specified criteria to submit their proposal by attaching requisite evidence of fulfilling the minimum eligibility criteria mentioned in Tender Document alongwith Annexure-II. Such Chartered Accountants Firms should submit Technical Bid viz Annexure-II online. Also applicant Chartered Accountants Firms are required to quote professional fee payable on monthly basis for Internal Audit in Financial Bid in Annexure-III, online for the period from whole financial year 2019-20 to 2021-22. Apart from that, copies of Technical Bid and Financial Bid i.e. Annexure-II & Annexure-III along with copies of document supporting with the minimum eligibility criteria are required to be submitted in physical form in Sealed Envelope superscribing as 'Technical bid' & 'Financial bid' for 'Appointment of Chartered Accountants Firm for Internal Audit' to General Manager (Fin.) / SPPL on or before 5.00 pm 20th April, 2019.

SPPL will declare the dates of opening the Technical Bid & Financial Bid separately on SPPL's Website : www.sppl.biz.

SPPL reserves all rights to reject any or all the proposals received and cancel the process of engagement of Chartered Accountant Firm as Internal Auditors.

Date :- 01/04/2019

Place :- Mumbai


(S.B.Mhatre)
General Manager (Fin)

No.SPPL/Admin/E-Tender/Internal Auditor/ 472 /2019

SHIVSHAHI PUNARVASAN PRAKALP LIMITED

(SPPL)

(Wholly Government of Maharashtra Company)

5th Floor, Grihanirman Bhavan,

Kalanagar, Bandra (East)

Mumbai- 400 051.

Tel: 26591087, 26590588, 26591989

TENDER DOCUMENT
FOR
ENGAGEMENT OF CHARTERED ACCOUNTANTS FIRM
FOR
INTERNAL AUDIT FUNCTION
AS REQUIRED UNDER THE
PROVISIONS OF SECTION 138 OF COMPANIES ACT, 2013

Tender Document

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Shivshahi Punarvasan Prakalp Ltd. inviting offer online from the firms of Chartered Accountants (CA) to engage as Internal Auditors under S.138 of Companies Act, 2013 for Shivshahi Punarvasan Prakalp Ltd. for F.Y. 2019-20 to 2021-22.

I. SCOPE OF WORK :

1. The Chartered Accountants Firm would be expected to work for SPPL company which is wholly owned by Government of Maharashtra and is incorporated under Companies Act, 1956, on 25th September 1998. The brief information about SPPL is available on the website of SPPL: www.sppl.biz. The scope of work of Internal Audit has been illustrated in Annexure-I.
2. SPPL is set up basically to facilitate and provide shelters for slum dwellers in Mumbai Metropolitan Region including for project affected people of project implementing agencies of State and Central Governments as also houses for economically weaker sector and low income groups. Thus, SPPL is basically in construction sector broadly required to adhere to Accounting Standard for Construction and Real Estate Industry and Indian Accounting Standards, as now prescribed by the Ministry of Corporate Affairs. Although Central Government has not stipulated to mandatorily maintain Cost Accounting Records and Cost Audit for Company, we look forward to those Chartered Accountants Firms which have enough exposure to sectors of Construction and Real Estate and can provide useful service through this effective Internal Audit function.

The Chartered Accountant Firms will be selected initially for a period of 3 years at the fees finalized through this invited tender. The contract can be extended for further one year on yearly basis through mutual consent, however, representations for increase in fees due consideration can be given.

II. ELIGIBILITY CRITERIA : Self attested proofs required to be enclosed (Scanned for online submission) with Technical bid (Annexure - II) :-

1. The Chartered Accountants Firm will have to provide Internal Audit services at Corporate and Registered Office of SPPL in Mumbai. At present, SPPL has no Regional or Branch Offices elsewhere. Therefore, only Mumbai based Chartered Accountants Firm will be preferred by SPPL. (Enclose Self Attested Address Proof.)
2. The Chartered Accountants Firm should be registered with the Goods & Service Tax Department and furnish its PAN & GSTN (Enclose Self Attested copies.)

3. The Chartered Accountants Firm shall depute at least twice in a week say Monday and Thursday in the noon session Supervisory and minimum one member of Subordinate Staff duly qualified on all working days in the session to carry out full- time work relating to Internal Audit so as to facilitate Senior Management to exercise effective control on Financial and Accounting matters in order to meet the Indian Accounting as prescribed by Ministry of Corporate Affairs to facilitate standards Statutory Audit.
4. The Chartered Accountants Firm should have a valid registration number with ICAI (Enclose self-Certified Copy of Registration Certificate.)
5. The Chartered Accountants Firm should have dependable exposure to Internal Audit function of Central or State Government PSU / Autonomous Bodies working under the regulations of Companies Act, 2013 whose turnover is at least Rs. 100 crore during any of the last preceding 5 Financial Years.(Enclose Self Attested Copies.)
6. The Chartered Accountants Firm must furnish in self-undertaking to the effect that they have not been blacklisted in the past by any Government Organization / Regulating Authorities and there has been no litigation on financial / work deficiency irregularities with any of its past clients during the last 5 Financial Years (Enclose Self Declaration.)

APART FROM ONLINE SUBMISSION OF TENDER A PHYSICAL COPY OF ONLY TECHNICAL BID IS REQUIRED TO BE SUBMITTED TO 'THE MANAGING DIRECTOR' SHIVSHAHI PUNARVASAN PRAKALP LTD. 5th Floor, Griha Nirman Bhavan, Kalanagar, Bandra (East), Mumbai- 400 051.

III. EARNEST MONEY DEPOSIT :

1. The Chartered Accountants Firms shall furnish Earnest Money Deposit (EMD) of Rs. 10,000/- (Rupees Ten Thousand Only) by way of Online Payment Gateway before submission of Tender and Annexure II & III. No Bank Guarantee will be accepted towards payment of EMD. EMD of unsuccessful bidders shall be returned within One Month of opening bids without any interest thereon. EMD of selected Chartered Accountants Firm shall be returned without any interest after they sign the contract with SPPL and on submission of a Security Deposit of Rs. 30,000/- paid by Demand Draft or Banker's Cheque drawn in favour of SPPL which will be retained as Security Deposit during currency of their services as Chartered Accountants Firm.

2. The EMD place by Chartered Accountants Firm will stand to forfeit if they,
 - (a) Withdraw the tendered offer during the period of bid validity of 90 days.
 - (b) Do not carry out correction of errors when pointed out within a reasonable period of a week.
 - (c) After selection, fails to sign the contract within the stipulated period of two weeks.

IV. SUBMISSION OF BID :

1. The Chartered Accountants Firms are expected to make offers to be valid for a period of 90 days from the date of opening of Financial Bids in Annexure - III. However the rates of fees as quoted and accepted will be valid for entire contract period from 2019-20 to 2021-22. No request will be considered for revision of Fees during or even after the expiry of contract period for work relating to Internal Audit on account of change of Law & Rules and Accounting Standards in the intervening period of contract expiry and full completion of **pent up** contractual Internal Audit function.
2. Chartered Accountants Firms must submit their bid in two e-envelope :
 - (a) e-envelope-1 : The e-envelope-1 should contain the documents as stipulated in the eligibility criteria as Annexure-II of the tender document. In addition EMD of Rs. 10,000/- to be submitted by way of online payment Gateway. The bids not accompanying the proofs showing the fulfilling of eligibility criteria and for EMD amount submission, shall not be considered.
 - (b) e-envelope-2 : The e-envelope-2 should contain the financial bid as per Annexure - III of the tender document to the Managing Director, Shivshahi Punarvasan Prkalp Ltd. 5th Floor, Griha Nirman Bhavan, Kalanagar, Bandra (E), Mumbai- 400 051.
3. The Chartered Accountants Firms must besides making submission online of envelope 1 & 2 also submit the physical copy of Technical Bid & Financial Bid superscribed as 'Technical Bid & 'Financial Bid' for appointment of firm of Chartered Accountants for Internal Audit' to the, The Managing Director, Shivshahi Punarvasan Prkalp Ltd. 5th Floor, Griha Nirman Bhavan, Kalanagar, Bandra (E), Mumbai- 400 051, on or before 05.00 pm on 20th April, 2019.

V. OPENING OF BIDS & EVALUATION :

1. SPPL will open Technical Bids on the next working day at 15.00 hrs. in presence of one authorized representative of the concerned Chartered Accounts Firm. The Technical Bids will then be passed on to a duly constituted 'Technical & Financial Evaluation Committee' (TFEC.)
2. SPPL will open Financial Bids (Annexure - III), of only technically qualified Chartered Accountant Firm on a date and time which will be declared on the website of SPPL www.sppl.biz. Financial Bids will then be passed on to a duly constituted 'Financial Evaluation Committee' (FEC).

VI. TECHNICAL EVALUATION :

1. SPPL may seek clarifications on any aspect from the bidding Chartered Accountants Firm. However, that would not entitle the bidder to make changes or cause any changes in the substance of the offer submitted or rates of fees offered. This does also not mean that bid stands accepted.
2. The technical bid will be evaluated as per the eligibility criteria and other terms and conditions mentioned in this document. On the basis of such technical information, the SPPL will assess the capability of the bidding Chartered Accountants Firms to undertake the work of internal audit. If found unsuitable, the offer will be rejected by the SPPL and in such case financial bid of that Chartered Accountants Firm will not be opened. The decision of the SPPL in this regard shall be final and binding. Financial bids of only those technically qualified parties will be opened.

VII. FINANCIAL EVALUATION :

Normally, The Chartered Accountants Firm qualified on the evaluation of Technical bid & quoting the lowest financial bid will be selected in evaluation of financial bid.

1. However, the SPPL reserves the right to reject any offer whether lowest or not and engage another Chartered Accountants Firm as deemed fit as its sole discretion in the interest of the SPPL. The decision of the SPPL in this regard shall be final and binding.
2. SPPL reserve the right to accept any offer, and to cancel/abort the process and reject all offers at any time prior to award the Contract, with no liability whatsoever of any kind including intimation of grounds for rejection.

VIII. SELECTION & ENGAGEMENT CONTRACT :

1. SPPL will normally select the Chartered Accountants Firm making the most Competitive offer & after selection Chartered Accountants Firm will be required to sign the Contract Agreement built on the terms and conditions of this Tender Document within a period of two weeks of intimation selection by SPPL. In case selected Chartered Accountants Firm fails to sign the Contract Agreement within two weeks, their EMD stand forfeited & SPPL would be free to select the next Technically qualified Chartered Accountants Firm or to rescind entire process for engagement of Chartered Accountants Firm.
2. The selection will be initially for a period of one year renewable upto 3 years and can be extended further for maximum 2 years with mutual consent and based on the satisfactory performance of the Chartered Accountants Firm.

IX. VALIDITY OF THE OFFER :

The offer submitted by the Chartered Accountants Firms shall be valid for acceptance by the SPPL upto 90 days from opening of Financial Bid.

X. PAYMENT TERMS :

1. The payment to the selected Chartered Accountants Firm will be made on monthly basis after submission of the audit report for that month and acceptance of Compliance Report for the previous period Report.
2. The Chartered Accountants Firm has to submit bills inclusive of CGST & SGST along with Internal Audit Reports in triplicate at the end of each month. Payment will be made within about 15 days of submission of completed Report along with the bill.
3. Payments shall be subject to TDS at applicable rate under Income Tax Act 1961.

XI. STRICT OBSERVANCE OF SECURITY OF COMPANY DATA :

The Chartered Accountants Firm shall not copy, divulge or convey any information or data about the vital information and policies of the SPPL and made known to Third Party in any form including electronic form or otherwise which will hurt the interest of SPPL.

XII. DISCLAIMER :

SPPL stands absolved for any liability on account of death or injury sustained by any employees (s) on the premises of SPPL or outside during the performance of normal course of operations as part of the Contract Agreement execute by the Chartered Accountants Firm.

XIII. RENDERING OF SERVICES :

1. The Chartered Accountants Firm should not assign or sublet the work or any part to any other party in any form, without the prior written permission from SPPL setting out the valid reasons / circumstances for subletting the work required to be done as part of the Contract Agreement executive.
2. The Chartered Accountants Firm shall be responsible for any damage to equipments, property and third party liabilities caused by acts on part of its employers / representative(s) in SPPL premises while providing their services as part of the Contract Agreement.
3. Reimbursement of Medical expenses or any other allowances to the staff deployed by Chartered Accountants Firm will not be borne by SPPL.
4. SPPL will only pay the monthly fixed amount as finalized through this tender. All expenses in carrying out the internal audit function for SPPL premises such as TA/DA, overtime, etc. will be borne by the Chartered Accountants Firm.
5. The Chartered Accountants Firm shall at all times keep SPPL informed of their Office Address, Telephone / Mobile Nos & Personal Information of employees deployed for providing services for SPPL as per Contract Agreement.

XIV. PENALTY :

The Chartered Accountants Firm shall ensure that the Quarterly Report on Internal Audit work for each quarter is furnished within one month of the completion of the respective quarter in addition to Monthly Reports. The Quarterly Report should highlight major policy deviations and their implications & corrective action required to be taken by Manager / General Manager. In case of delay in the satisfactory completion of audit work penalty @0.5% (point five percent) per day of the monthly amount payable shall be applicable for a maximum of 30 days which shall be recovered from Monthly Bill. Beyond 30 days SPPL reserves the right to terminate the contract and forfeit the Security Deposit of Rs. 30,000/- besides getting the pending work completed from any other agencies at the risk and cost of the defaulting Chartered Accounting Firm.

XV. FORCE MAJEURE :

The Chartered Accountant Firm is expected to efficiently & effectively discharge all services as per the Contract Agreement subject to the following:

1. Force majeure clause
 - War/hostilities
 - Riot or Civil commotion.
 - Earthquake, flood, tempest, lightning or other natural physical disaster.
 - Modification/Changes in regulatory environment, restriction, imposed by the Central or State Government bodies, which is beyond the ambit & contract of SPPL.
2. The Chartered Accountants Firm will in such eventuality advise SPPL in writing, duly certified by the local Regional Office of the Institute of Chartered Accountants of India where Chartered Accountants Firm is registered for the causes and duration of delay, within fifteen days of the occurrence and cessation of the Force Majeure conditions & thereafter in event of a delay lasting for more than One Month, if arising out of clauses of Force Majeure, SPPL will have all rights to cancel the Contract Agreement without any obligation to compensate in any manner for whatsoever reasons the pending claims of the Chartered Accountants Firm.

XVI. DISPUTE RESOLUTION :

SPPL and the Chartered Accountants Firm shall make every effort to resolve amicably by direct negotiation any disagreement or dispute arising with the Chartered Accountants Firm under or in connection with the Contract Agreement. In case of their failure to resolve the matter the same will be referred to for Dispute Resolution through any Independent Arbitrator to be mutually designated whose decision will be final and binding on both parties to the Contract Agreement.

The Internal Arbitral shall be required to undertake and complete Dispute Resolution in Mumbai.

Sd/-
Managing Director
Shivshahi Punarvasan Prkalp Ltd

ANNEXURE - I

Scope of Internal Audit:

Internal auditor will first gain understanding of nature of work and transactions carried out by the Company. This will give the Audit team a holistic idea about the complexities involved in the process and it may schedule programme accordingly. Illustrative instructions regarding important area/aspects of audit is mentioned below.

1. The scope of Works Audit includes, checking of all accounting records Register required to be maintained by the Company under Companies Act such as cash book, Bank Book, JV register, other books of accounts & ledgers, accounting classification, vouching and other checks as detailed in the check list, to the extent prescribed.
2. Internal auditors will also verify and ensure the E-payments of TDS and GST ensuring to get E-filing of respective tax returns as per the provisions of Income Tax Act and GST. Internal Audit shall have to check the due and appropriate deduction of Income Tax and GST as per the provision of the respective Acts.
3. The audit checks of work bills will also include the reference to the provisions in the tender contracts, provisions of prescribed provisions of P. W. D. manual, C. P. W. account code, G. F. R. and any other related statutes, laws, Acts, G. R., orders, instructions of Govt. under Companies Act including arithmetical accuracy etc.
4. The Internal Auditors have to put initials on the vouchers, ledgers, and book of accounts, registers and other records in token of audit carried out by them. Internal auditors will have to verify and sign Trial balance at the end of each quarter prepared in Tally or any other accounting software that are in use with Company.
5. The Internal Auditors shall have to carry out scrutiny of Quarterly Accounts and the provisions for liabilities for finalization of Quarterly and Annual accounts under IND AS basis and if any remarks or defects noticed, the same should be incorporated in the Interim Audit Reports.

Internal Audit Firm shall interact with Statutory Auditors, Government Auditors during the course of their Audit exercise.

6. All the transactions of Bank book including the bank reconciliation statement should be checked with reference to counterfoils of cheques drawn and remittances in other forms and relevant entries in the bank statements.

7. Internal Auditors will verify that Purchase procedure as prescribed by the Acts and State and Central Government are followed or not and the items purchased of the value above Rs. 25,000/- are entered in relevant registers. Further, entries of receipts, usage and balance thereof will also be verified. Internal Auditors may suggest relevant revisions / improvements in the systems.
8. The accounting i.e. Carry Forward of previous quantity balances and measurement calculation of the work taken in the R.A./Final Bills and arithmetical accuracy should be checked by the Internal Auditors in detail with reference to tender provisions. Losses / Provisions for losses in respect of Vehicles / Stores being unserviceable / disposable due to incurring of excessive expenditure, due to recurrent repairs would also be examined and comments thereon by Internal Auditors.
9. The internal audit firm would verify particularly the possibilities of undue payment to contractors(s) on account of
 - i) Irrelevant provision in the tender items or excessive quantities than PWD norms claimed due to misapplication of Price Indices declared by R.B.I. in their bulletin, miscalculation thereof.
 - ii) Excessive quantity, extra item and new works executed without the prior approval of inhouse competent authority.
 - iii) Payments are effected in conformity with the rates approved.
 - iv) Not effecting or Postponing the statutory and/or legitimate recoveries from the bills of the contractors.
10. Internal Auditors will verify whether the funds received for pre-defined objectives like Land Acquisition if any, have promptly been utilized and not utilized for purpose other than predefined objective.
11. Internal Auditors will verify that the Deposits and Advance Registers are maintained properly and related entries from the Cash Book/RA/Final Bill(s) are reconciled and said transactions are duly reflected in the Monthly Accounts with up to date party wise balances.

12. The Internal Auditors will verify FDR & Bank Guarantee Registers to ensure that the FDR / Bank Guarantees do not remain pending for renewal. Further, it should be verified whether FDR interest amounts accrued thereon are duly confirmed by the concerned Bank, Bank Guarantees are confirmed by the concerned banks through letter or not?
13. The Internal Auditors will check that all the rules and procedures laid down in the Income Tax Act, GST Act, Companies Act & the relevant rules/provisions are as amended from time to time thereunder are being duly followed.
14. The Internal Auditors will verify whether rules of delegation of powers have been followed or not in respect of purchases, sanctions, payments and other applicable matters.

R.A. Bill or Final Bill :

Following points should be considered while checking R.A. /Final bills.

1. Whether the bill form used is appropriate?
2. Whether name of Agency, name of work, Head of account agreement No., Contractor Ledger No., etc. shown in the bill.
3. Whether reference to amount of any paid earlier for the bill is given.
4. Whether stipulated date if any, for completion is given on the first page of bill form and whether work is progressing according to construction programme / PERT / CPM Chart in contract.
5. Whether any extension granted is noted on the first page of bill form.
6. Whether Retention Monies/ Security Deposits are being recovered as per Contract.
7. Whether all measurements/ quantities as per Measurement Books are reproduced /recorded in the bills.
8. Whether part rates, if any, prescribed by Officers are correctly incorporated in bills and approved by D.O. + technically checked by P.B.
9. Whether advance payment (Mobilization, Machinery secured and work done are measured) as per agreed/ prescribed rates / Contract provisions and are incorporated in the Certificates issued by PMC/Engineer of works.

10. Whether advance paid is recovered with interest from out of payment of bills as prescribed?
11. Whether Indenture Bonds in appropriate Form are executed by the Contractors to safeguard financial interests of SPPL.
12. Whether full acknowledgement of payment of bills by the Contractors are obtained on bill.
13. Whether proper credit at the agreed rates in respect of contractor owned items if any is given and such material is accounted for.
14. Whether the bill is certified by Engineer / PMC & checked by Accounts Officer and staff and certified by GM (F) / CFO accordingly.

Measurement Books:

1. It may be seen that Measurement Books are properly maintained and are duly entered in the Measurement Books.
2. In recording each set of measurements following details may be checked.
 - (i) Date of recording measurements.
 - (ii) Reference to page No. & MB of last set of measurements.
 - (iii) Full description/ nomenclature name of work as given in the contract.
 - (iv) Name of Site of work or place of work is stated.
 - (v) Name of the Contractor
 - (vi) No. & date of agreement.
 - (vii) Whether measurements recorded are in Running Account & Final Bills.
 - (viii) Date of commencement of work.

Accounts Branch :

1. Checking of posting of monthly accounts are recorded into Account book. Internal Auditors are expected to check all the items above Rs.5000/- in each individual case.
2. Internal Auditors are expected to affect Checking of posting of General Register, check in each quarter & for March particularly for last quarter.
3. Overall scrutiny of General Ledger.
4. Checking of Pro forma and provision entries.

5. Checking of Trial Balance, Groupings and Schedule of Balance sheet
6. Checking of reconciliation of control ledger with General ledger
7. Verification of all J.V. transactions and its proper posting.
8. Verification of consolidated data and details prepared on the basis of pro forma required from other offices if any.
9. Verification of preparation and presentation of half yearly Balance sheet, Profit & Loss account, cash flow and fund flow statements, Notes on accounts, policies etc.
10. Verification of maintenance of consolidated Register of fixed assets.

Office of Manager (Salaries) :

1. Checking of all transactions recorded in prime book of records such as cash / bank book, journal.
2. Monthly A/c. i.e. with reference to the compilation book and vouchers /challans and misclassification.
3. Monthly Bank reconciliation for all Banks through which Receipts and Payments Transactions are affected.
4. Checking of due payments to Statutory Bodies/ Government in respect of G.P.F., C.P.F., Income Tax, Profession Tax and all advances, Interest on advances and statutory deduction, made from pay bills.
5. Proper usage of cheque books received from banks verified.
6. Audit Register of pay bills and supplementary pay bills.
7. Verification of T.D.S. returns and Payment Challans with reference to INCOME TAX and CGST, SGST, PF, NPS etc. scrupulously made.
8. Verification and confirmation of receipt of detailed bills in case where specific purpose advances are paid. In case advances paid are not cleared due to non-submission of detailed bills, the same are to be commented upon by Internal Auditors with reasons and remedial measures thereto besides reporting responsibility of the officers for non-clearance of advance.

9. Scrutiny and confirmation of proper classification at the stage of passing bills by the officers and pointing out misclassification with adverse effect to be reported besides proposing guidelines
10. Initially for a period of two weeks Internal Auditors shall conduct Systems Audit for Accounts and administrative procedures and give their report from the point of improvisation if any, of systems.

Maintenance of Books, Registers and other Records:

So far all Statutory Auditors have certified that Company has been maintaining all Records/ Registers as required under Companies Act, 1956/2013. Internal Auditors should carry out Systems Audit may advise / suggest such revisions / additional records / registers that would improvise further the systems.

Tally Accounting

Accounting function is being carried out through Tally Accounting Software Package at office. The Accounts have been maintained in the tally accounting software under double entry accounting system on accrual basis as prescribed under Companies, Act.

As per the instruction if any, of statutory Auditors, Internal Auditors are expected to check the book maintained on tally accounting software with special focus to correctness/ rectifications of accounting under the tally system and preparation of monthly / quarterly Trial Balance with ledger scrutiny.

The following additional information may also be required to be furnished with the audit report on the following line.

- 1) Status of maintenance of books of accounts.
- 2) Specific remarks, para or queries pertaining to entries in book of accounts.
- 3) Overall comments upon the maintenance of book of accounts.
- 4) Other matters deemed relevant by the Internal Auditors.

In addition to the above, the Internal Auditors should give the assertion on following lines in each audit report of concerned accounting centers.

“We have verified the computerized form of book of accounts maintained by the company for the period ended on the last day of half year and 31st March”

Further Internal Auditors will have to verify and sign Trial Balance at the end of each Quarter prepared in Tally or anyother Accounting Software.

Resource :

Apart from the routine checking of the above said points the Internal Auditors should check the following points also.

1. Verification of Borrowing transactions, payment of interest especially - accrued interest, interest due and interest accrued but not due etc.
2. To check the provision of fees, processing charges, legal & professional fees, Register, Rebate on interest, guarantee fees and any other expenses.
3. To check the provision of unpaid interest /interest accrued but not due on and the supplies credit of SPPL.
4. The Internal Auditors should check the Balance confirmation of all Loans, overdrafts, Bonds, Short & Long time Credit Accounts.
5. Internal Audit should check the balance confirmation including interest accrued for the Accounting Year and aggregate interest accrued upto year end for each and every FD with various Banks.
6. Checking of the record data of MCS with the books of accounts.
7. Checking of Loans /borrowing /Sanctions files etc.
8. Checking of charge registers with reference to security
9. Guarantee Register and status of guarantee outstanding as on date.
10. To check the charges of various penal interest and other financial charges.
11. T.D.S. Register & other T.D.S. points.
12. To check the identification of amount to be transferred to investor protection fund.

Revenue of SPPL:

To check the Incomes, Revenue received or receivables or any kind of Dues or Interest to be received, any Penalty & Penal Interest for unpaid income items or any Other Income or Revenue or Dues or Interest receivable or to be received from any activity of SPPL, which is not mentioned in the proper Books of Accounts including Sale of Transferable Development Right, Rent, Income from Tenements and Other Incomes.

Note: Above list of points is not an exhaustive but illustrative list and that over a period that may emerge commensurate with needs. Internal Auditors may design the audit considering the circumstances of each case and conduct the auditing in such a way so as to achieve the objectives of the audit intended under S. 138 of the Companies Act, 2013 in the best possible manner.

Terms & Conditions of the Tender/ Engagement :

1. Appointment order will be issued to the duly selected firm of Chartered Accountants firm on completion of the process.
2. Fees will be paid on monthly basis on submission of all Internal Audit Reports due till then bill fulfillment of relevant terms & conditions mentioned in the appointment order. GST will be paid extra as per applicable rate from time to time. Subject to Firm having obtained GST Registration.
3. No out of pocket/ T.A. D.A. will be paid the constituents of Firm for the said engagement.
4. Internal audit work must be performed on concurrent basis throughout the year. Internal auditors will prepare draft report, with relevant data/details. Apart from the regular internal audit report, checklist and signed trial balance, quarterly Executive Summary / Gist of the major audit observations along with suggestion for remedial action.
5. Internal audit team shall invariably be headed by a qualified Chartered Accountant having specialized knowledge and experience of the audit of Construction / real estate works as well as commercial accounting of large scale Company. Further, audit team must consist of sufficient qualified assistants to conduct internal audit work.
6. Serious irregularities if any, observed during the course of internal audit shall have to be reported immediately by a special report to M.D. through GM (Fin.) / SPPL.
7. In case of serious deficiencies in the function of Internal Audit like Report furnishing Non Observation / Violation of Terms & Conditions of the appointment order, after due notice of two weeks for correction the assignment as Internal Auditor will be terminated by the SPPL.
8. The day to day functioning of Internal Audit firm will carry out the work under the overall supervision and monitoring of GM (Fin.) / SPPL.
9. Firm will deploy requisite no. of audit staff for conducting the audit. The audit party conducting audit shall consist of minimum two members of whom at least one shall be a qualified Chartered Accountant. While visiting the audit place SPPL, the representatives of the audit team will bring the letter of introduction duly signed by the Sr. Partner / proprietor of the C. A. Firm.
10. Company reserves the right to issue directions or instructions regarding format

/ checklist of audit report or determine method / procedure / rules / manners for conducting internal audit or item and such directions / instructions shall be binding on the Internal Auditors.

11. GM (fin.) or his authorized person will supervise the audit by surprise visit and audit party shall explain the audit procedures and findings if asked for during the course of such visit or even before and after such visit. If any audit representatives of internal audit firm found absent during such supervision, firm shall carry the risk of being dropped from assignment for the entire appointment period.
12. Internal Auditors shall be held responsible for any unreported major Financial Irregularities/ Fraud during their tenure noticed afterwards.
13. (i) Audit Report in prescribed Format along with audit checklist is to be prepared in three copies and copy of the same is to be handed over to each of the following:-
 - (1) Accounts Officer/SPPL
 - (2) General Manager (Fin)/SPPL.
 - (3) Managing Director/SPPL.
13. (ii) Internal auditors will prepare draft report and submit the same to the General Manager (Fin) / SPPL, immediately on completion of Audit. Concerned Accounts Officer/Accountant in charge will return the draft audit report with comments / clarifications within a week of receipt of such draft report.

On receipt of such report along with comments/clarification, if any, internal auditor will finalize the report considering the comments/clarification and submit the report within next 7 **days**. Views/ explanations/ Replies/ Compliances of office head must also be incorporated therein as a part of the Report.
13. (iii) Those objections which could not be settled on the basis of Replies /discussions should be incorporated in the Report. The items, registers, cash, stamps, orders and records which are not found in order should be mentioned in annexure to Audit Report only.
13. (iv) Objections which are not major or material in nature would appear in Part-II-B under the same heading as under Part-II-A of Audit report.
13. (v) Audit Report shall be framed in simple English language and very precise in nature. The Audit Report along with necessary documentary evidences will be submitted to the GM (Fin.) / SPPL mentioning the major irregularities / remarks in the Internal audit Report.

14. (i) The compliance of earlier report should also be verified by the internal audit firm and verification report to the effect should be invariably attached with the each Audit Report.
14. (ii) Internal audit firm or its representative will not settle any outstanding para / objections themselves. If satisfactory replies are there, Audit Party will forward the replies along with their remarks for further necessary actions to the G.M (Fin), SPPL.
15. The claims of fees of the Internal Auditors will be scrutinized and paid after approval of the competent authority.
16. Internal Audit firms cannot sub-assign / sublet the assigned work to any other firm of Chartered Accountant firm / agency.
17. The above conditions are on broader scale and not exhaustive. Company will have absolute right to revise/ abrogate/ include any conditions from time to time and same shall be binding upon the internal audit firm.
18. Periodic review meetings may be held at the SPPL office and the responsible partner of Internal Audit firm will have to attend the said meetings and make presentations as and when asked for without charging any additional fees for the same.
19. Management reserves the right to withhold/ deduct part of audit fees, it deems appropriate, in case of failure/ non compliance/ delay in observation of any terms and conditions of this engagement.
20. The Internal Audit firm will be required to give notice of one month to the SPPL in case it intends to discontinue the audit work at any point of time during the period of contract

ANNEXURE - II

FORMAT FOR TECHNICAL PROPOSAL

1. Name of C.A. Firm : _____

2. Registered Address : _____

3. Address of Branch Office (if any) :

(a) _____

(b) _____

4. ICAI/ Chartered Accountants Firm Registration No. : _____

(a) Date of Registration of the Firm : _____

5. (a) Details of Proprietor or Senior Partners of full time Senior Executive of Firm:

Sr. No.	Name	Membership No.	Qualification	Designation/ Status	Age	Date of Joining	Date of ACS	Date of FCA

(b) Details of other Staff :

Sr. No.	Name	Designation	Qualification	Age	Date of Joining

6. Total turnover (as per Audited Income & Expenditure, Account & Balance Sheet attached) :

Year	Turnover (in Rs.)	Profit (in Rs.)
2013-14		
2014-15		
2015-16		
2016-17		
2017-18		

7. Experience of Statutory Audit of atleast one Public Sector Undertaking / Autonomous Body established under Companies Act, whose annual turnover is Rs. 100 Crore or more during any of the last five years.

8. Number of Assignments/ Engagements in hand or handle in last Six Financial Years completed on **31.03.2018** in hand _____ & No. of years _____.

Name of Agency	Nature of Work	Location	Period of Appointment

(Please attach appointment letter in each case)

I/We undersigned hereby certify that all the information mentioned above is true & correct.

Date:

Signature

Seal of Office/Partner

Name & Designation

ANNEXURE - III

Format for Financial Proposal

(a) Name of the Chartered Accountant Firm :

No.	<u>Internal Audit Service</u> The scope of Internal Audit work specified in Annexure-I. The amount should include all expenses.	Amount of Fees for the period from			
		(a) 01/04/2019 to 31/03/2020 (b) 01/04/2020 to 31/03/2021 (c) 01/04/2021 to 31/03/2022			
		Rupees in Figures		Rupees in Words	
		Monthly	Annual	Monthly	Annual
a)	01/04/2019 to 31/03/2020				
b)	01/04/2020 to 31/03/2021				
c)	01/04/2021 to 31/03/2022				
	Total				

Notes:

1. Lump sum fees mentioned above are inclusive of all the cost (out of pocket expenses & transportation charges). No escalation of fees will be given during assignment period.
2. In case, the assignment period is reduced or extended, the eligible payment shall be on monthly basis.
3. Fees quoted above are exclusion of GST at the prevailing rates.
4. Normally, the Firm quoting least fees will be selected provided, it is qualified & evaluated to be appropriate for audit of SPPL. In case such Firm quoted least fees refuses to sign the contract with SPPL, its EMD would be forfeited and its tender would be scraped.
5. Firm will be required to carry on the Internal Audit of any newly started work project, if any, during the term of engagement without any additional fees.

Date: / /2019

Sign

Seal of Office/Firm/Proprietor

Name:

Notes:

1. Public Sector undertaking means all P.S.U.s/Boards/Nigam/Company/Society/ Corporation/Local Bodies. etc. of Government of Maharashtra or Government of India incorporated under Companies Act, excluding unit under Co-operative Sector & Banking and Insurance Company.
2. Engagement of the organization w.r.t. Audit of GoM or GoI undertaking (Point No. 5) whose turnover is at least Rs. 100 Crore in respect of completed year.
3. Turnover (Point No. 5 above) will be in respect of the completed year of assignment as on 31/03/2018 and till 31/03/2019 in respect of on hand ongoing assignments. In respect of completed year of assignment, turnover of the auditee organization must be evidenced by the photocopies of the relevant pages of audited annual account of the organization.
4. Audit Assignment / Engagement means Statutory, Internal and Pre Audit Assignment/ Engagement but same will not include any other Audit or Investigation, tax Audit under the Income Tax Act or other consultancy and GST Audit under GST Act.
5. Articled or Audit Clerk (other than paid Staff) will not be considered as Staff employed by the Firm
6. In case of absorbed/merged or converted firm, date of establishment of such firm applying will be the date of such absorption/merger/conversion as mentioned in the certificate of ICAI position as on 01/04/2018 and period of establishment will be considered from such date only.

Certificate

I/We undersigned hereby certify that all the information mentioned above is true and correct.

Date:

Signature

Seal of Office/Partner

Name & Designation