

**NOTICE INVITING OPEN TENDER**  
**FOR**  
**EMPANELMENT OF CHARTERED**  
**ACCOUNTANT/COST ACCOUNTANT**  
**FIRMS FOR CONDUCTING INTERNAL**  
**AUDIT IN SPMCIL NINE UNITS**

**(EOI No. SPMCIL/Fin./254/EOI/Audit/2016)**



**भारत प्रतिभूति मुद्रण तथा मुद्रा निर्माण निगम लिमिटेड**  
**Security Printing and Minting Corporation of India Limited**

मिनिरत्न श्रेणी-I, सीपीएसई

Miniratna Category-I, CPSE

(भारत सरकार के पूर्ण स्वामित्वाधीन)

(Wholly owned by Govt. of India)

16<sup>वां</sup> तल, जवाहर व्यापार भवन, जनपथ, नई दिल्ली-110001

16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001

Website: [www.spmcil.com](http://www.spmcil.com)

## **INDEX**

<b>S.NO.</b>	<b>PARTICULARS</b>	<b>Page No</b>
1	Introduction	1
2	Expression of Interest	2
3	Format of Application	3-7
4	Terms of reference of Internal Audit	8-10
5	Objectives of Internal Audit (Annexure-A)	11
6	Scope & Extent of coverage of Audit (Annexure-B)	12-14
7	Reporting Requirements (Annexure-C)	15-17
8	Man-days requirement & proposed Audit fees (Unit wise)(Annexure-D)	18
9	Selection Criteria (Annexure-E)	19-20
10	Timelines for conducting Audit (Annexure-F)	21
11	General Instructions and Document Lists (Annexure-G)	22-23

---

## **INTRODUCTION**

Security Printing and Minting Corporation of India Limited (SPMCIL) was formed after corporatization of nine Government Units including four Mints, four Presses and one Paper Mill which were earlier working under the Ministry of Finance. The Company was registered on 13.01.2006 with its headquarters at 16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi. SPMCIL, a Miniratna Category-I CPSE, and wholly owned Schedule 'A' Company of Government of India, is engaged in the minting of coins, printing of currency and banknotes, passports and other travel documents, non-judicial stamp papers, postal stationery and allied security documents. The demands for these items are projected by RBI, State Governments, Ministry of External Affairs and Department of Posts etc.

SPMCIL is headed by Chairman & Managing Director. The Board of Directors of SPMCIL comprise of officials from the Ministry of Finance, Ministry of Home Affairs, Ministry of External Affairs and RBI. All the 9 Units of SPMCIL headed by General Managers are industrial organizations and are regulated in accordance with the labour laws and directions of Government issued from time to time. Details of the products and Units are available at their websites which are linked to the website of the Company at [www.spmcil.com](http://www.spmcil.com).

The company has an employees' strength of about 11,052 as on 31.03.2016 in all its nine Units and the Corporate Office. For further details please visit the website of the company at [www.spmcil.com](http://www.spmcil.com).

**NOTICE INVITING TENDER FOR ENGAGING PARTNERSHIP/LIMITED LIABILITY PARTNERSHIP FIRMS OF CHARTERED/COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT IN NINE UNITS AND CORPORATE OFFICE FOR THE FINANCIAL YEARS 2016-17, 2017-18 & 2018-19.**

F.No. SPMCIL/Fin./254/EOI/Audit/2016

Dated: 10.11.2016

**OPEN TENDER FOR EMPANELMENT OF INTERNAL AUDITORS**

Security Printing and Minting Corporation of India Limited, a Government of India Undertaking, invites bids from reputed Indian Chartered/Cost Accountant Firms (Partnership/Limited Liability Partnership) for empanelment as Internal Auditors for the Financial Years 2016-17, 2017-18 & 2018-19.

The format of application along with scope and extent of coverage of audit, reporting requirements, terms of reference, list of units and locations, selection criteria etc. are available at website [www.spmcil.com](http://www.spmcil.com) which can be downloaded. The same can also be obtained from the office of Chief Financial Officer, Security Printing and Minting Corporation of India Limited, Corporate Office, 16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath on all working days between 10:00 AM to 05:00 PM from 10.11.2016 to 14.12.2016. Any updates to the tender documents shall be hosted on our website. The interested firms are requested to ensure that all updates are considered while submitting the bid for Tender.

Firms may send their applications in the prescribed format along with annexure under sealed cover marked "TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANTS /COST ACCOUNTANTS FIRMS FOR CONDUCTING INTERNAL AUDIT" to the office of the Chief Financial Officer, Security Printing and Minting Corporation of India Limited, Corporate Office, 16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath so as to reach this office latest by 14.12.2016 up to 05:00 PM.

The bids will be opened on 15.12.2016 at 11:00 AM at Corporate Office of SPMCIL.

**FORMAT OF INVITATION FOR SUBMISSION OF EOI**

1. Name of the Organization:
2. Type of the Organization:
3. Reference No.:
4. EOI Title:
5. Category:
6. Sub- Category:
7. Date of Announcement:
8. Last date for submission:
9. Broad description of work:
10. Pre – qualification:
11. Bid Document: (If any)
12. EOI should be submitted to:

Designation.....

Email.....Phone.....Fax.....

**FORMAT FOR APPLICATION**

1. Name of the Firm:
2. Constitution
3. Registration No. of the Firm:  
(Institute of Chartered/Cost Accountants of India)
4. Date of Registration of the Firm:
5. Details of Head Office & Branch Office(s):  
Head Office:

<b>Address</b>	<b>Date of Establishment</b>	<b>Contact No(s)/Fax</b>	<b>E-mail</b>

Branch Office 1

<b>Address</b>	<b>Date of Establishment</b>	<b>Contact No(s)/Fax</b>	<b>E-mail</b>

Branch Office 2

<b>Address</b>	<b>Date of Establishment</b>	<b>Contact No(s)/Fax</b>	<b>E-mail</b>

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

Branch Office 3

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

(Insert further Branch Office(s), if any)

6. 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					
7					
8					

7. Is the individual/ sole proprietor/ any partner/ director of company

S.No.	Particular	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	

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

	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	

8. (a) Name of person holding power of attorney.....  
 (b) Nationality Indian/ Other  
 (c) Liabilities
9. Name of Bankers with full address and Accounts Details.....
10. Is any person working with the applicant is a near relative of the officer/ official of SPMCIL:  
 Yes/ No.
11. Empanelment fee enclosed:

Date	Draft No.	Amount	Issuing Bank Branch	In favour of
------	-----------	--------	---------------------	--------------

12. Details of Qualified Assistants

S.No.	Name of the Assistant	Membership No.	Whether ACA/ACMA/FCA /FCMA or equivalent qualification	Date of joining the firm as partner
1				
2				
3				
4				

13. Details of Experience in PSU Sector:

S.No.	Name of the Company	Year of Audit	Type of Audit – whether Statutory/Internal Audit
1			
2			
3			
4			

14. Details of Experience in SAP:

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

S.No.	Name of the Company	Year of Audit	Type of Audit – whether Statutory/Internal Audit
1			
2			
3			
4			

15. Details of Experience in other assignments:

S.No.	Name of the Company	Year of Audit	Type of Audit – whether Statutory/Internal Audit
1			
2			
3			
4			
5			

16. Turnover of the Firm :  
 17. Income Tax PAN No. of the Firm :  
 18. Service Tax Registration No. :  
 19. Bank details of EFT :

1.	Bank Name, Address and Telephone No.	
2.	Branch Name, Address & Code	



NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST  
ACCOUNTANT FIRM

3.	Bank Account Number with style of account, Saving/Current	
4.	IFSC Code No. of the Bank	
5.	A cancelled cheque of the said Bank	

20. It is confirmed that all the requirements as per Annexure-G to the tender documents have been complied with.

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

22. We confirm that we are ready for audit under IFRS/IND AS compliance when the same will be applicable to the company.

23. Certificates:

- (i) I/We (Including all partners) certify that I/We have read the Rules of Enlistment of Contractors in SPMCIL as amended upto date and shall abide by them.
- (ii) 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. I am liable to be debarred.

Date .....

No. of documents attached

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

## **TERMS OF REFERENCE OF INTERNAL AUDIT**

The terms and conditions for conducting Internal Audit in SPMCIL are indicated hereunder:-

### **1. OBJECTIVE AND SCOPE OF INTERNAL AUDIT**

The objectives of internal audit are as per the **Annexure – A**.

Scope of work including periodicity and extent of coverage shall be as per **Annexure – B**.

### **2. AUDIT REPORT**

Internal Audit shall be conducted in three phases.

The auditor should give report for each Phase as per the requirement of **Annexure – C**.

### **3. AUDIT FEE & MINIMUM MANDAYS PER PHASE**

Audit fees, and Minimum Man-days per Phase of audit for each unit/station are given in **Annexure – D**.

The Audit Team including Partners will be provided Food, Lodging and Local Transportation by the Company free of cost. In case the same is not provided by SPMCIL then TA, DA, local conveyance and accommodation expenditure shall be reimbursed by SPMCIL through respective units. For the purpose of eligibility for TA/DA, local conveyance and accommodation, the partners of the firm will be considered equivalent to Chief Manager (E-5) and other audit staff will be considered equivalent to Assistant Manager (E-2) of the Company as per SPMCIL TA/DA rules.

Service Tax as applicable will be paid extra as per Service Tax Act.

### **4. QUALIFICATION CRITERIA**

The qualification criteria for empanelment is as under:

- i. Audit Firms having minimum experience of 5 years and above shall be considered for empanelment.
- ii. Audit firms should have office at any one location out of below:
  - a. Delhi/NCR
  - b. Mumbai
  - c. Kolkata
  - d. Hyderabad
  - e. Bhopal
  - f. Indore
  - g. Nashik
- iii. The Audit firms that secure 70% and above marks as per selection criteria mentioned in **Annexure E** shall be considered for empanelment.

5. **TIMELINES FOR CONDUCTING INTERNAL AUDIT**

The internal audit shall be conducted in accordance with the timelines as specified in **Annexure-F**.

6. **PAYMENT OF AUDIT FEES**

The Firm shall be eligible to 50% of the audit fee in Phase-I & 25% each in Phase-II & III. 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.

7 **GENERAL TERMS AND CONDITIONS**

- i. This EOI is only for the purpose of short-listing/empanelment of Firms and does not carry any assurance for allotment of Internal Audit assignments. Only empaneled firms will be intimated about their selection in due course.
- ii. The appointment of an Audit Firm will be made from the empaneled list of firms keeping in view, the perspective proximity of its office to the Unit. However, preference shall be given to the firm having higher marks on the basis of technical evaluation. In case of tie-up of marks among the firms in the same city, preference shall be given to the firm who is registered earlier with the Institute of Chartered Accountants of India /Institute of Cost Accountants of India.
- iii. One Audit firm shall be assigned Internal Audit only for any one of the Audit units as mentioned in Annexure – D.
- iv. The Company reserves its right to accept or reject any application/s without assigning any reasons. The decision of the Company for empanelment of the Firms will be final and binding upon the parties participating in the short-listing/empanelment.
- v. 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.
- vi. The appointment of the Audit Firm will be for three years w.e.f. 2016-17, renewable on yearly basis in 2<sup>nd</sup> and 3<sup>rd</sup> year i.e. 2017-18 and 2018-19 respectively subject to satisfactory performance of the firms.
- vii. On renewal of appointment after the first year's assignment, SPMCIL may rotate the Audit units assigned to an Internal Auditors from one unit to another within the Company at the sole discretion of the management of the company.

- viii. If progress/performance of the audit firm is not found satisfactory by Audit Committee or there are in-ordinate delays in submission of reports, the management reserves the right to terminate the appointment of the Firm.
- ix. 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 EOI.
  - 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.

**8 EARNEST MONEY DEPOSIT**

- i. The bidder firm shall be required to submit earnest money deposit (EMD) of Rs. 10,000/- along with the bid.
- ii. The EMD is required to be submitted only in the form of Demand Draft drawn on any scheduled commercial bank in India in favour of SPMCIL.
- iii. The EMD shall remain valid for a period of forty five (45) days beyond the tender validity period.

**9 SECURITY DEPOSIT**

i. The selected firm shall be required to submit security deposit of the value of 10% of the annual contract value for satisfactory execution of the work. No interest shall be payable to the firm on the amount of security deposit.

ii. The Security deposit shall be released by SPMCIL within six months from the date of satisfactory execution of the work order/contract in all respects.

iii. Forfeiture 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.

**OBJECTIVES OF INTERNAL AUDIT**

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

**Annexure - B**

**SCOPE AND EXTENT OF COVERAGE OF AUDIT**

S.No.	Scope	Periodicity/Extent of Coverage
1.	<p><b>Sales &amp; Revenue :</b> Verification of all heads of revenue along with all the supporting documents.</p>	Quarterly – 100%
	<p><b>Expenditure :</b></p>	
2.	<p><b>Procurement (pre award and execution) :</b></p> <p style="padding-left: 20px;">(a) Contracts of value upto Rs.5 lakhs (b) Contracts of value between Rs.5 lacs to Rs.10 lakhs (c) Contracts of value above Rs. 10 lakhs</p> <p>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.</p>	<p>Quarterly – 25% Half yearly – 50% Quarterly – 100%</p>
3.	<p><b>Contracts on nomination basis :</b> Verification of contract/PO awarded on nomination basis and single tender basis valuing Rs.1.5 lakh and above.</p>	Quarterly – 100%
4.	<p><b>Contractors' bills :</b> 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.</p>	Quarterly – 50%
5.	<p><b>Payroll : Verify whether</b></p> <p style="padding-left: 20px;">(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</p>	<p>Quarterly – 100%</p> <p>Quarterly – 50%</p> <p>Half yearly– 100%</p>
6.	<p><b>Human Resource &amp; Establishment:</b></p> <p style="padding-left: 20px;">(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 &amp; development</p>	<p>Half yearly – 50% Quarterly – 100% Quarterly – 100% Half yearly – 50% Half yearly – 100% Half yearly – 100%</p>

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

7.	<b>Bank reconciliations :</b> Verification of BRS of all the bank accounts including outstanding entries in the previous BRS.	Quarterly – 100%
	<b>Accounts :</b> Vouching of all vouchers (cash, bank, JVs)	Quarterly – 50%
8.	<b>Receivables:</b> Periodical age wise analysis of all receivables with respect to pricing, tenure of credit and collection.	Quarterly – 50%
9.	<b>Inventories:</b> (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.	Yearly – 50%  Quarterly – 50%
10.	<b>Fixed Assets:</b>  (a) Ensure that Verification and evaluation is in accordance with the approved capex for the year. (b) Ensure that periodical Physical verification of fixed assets is conducted by the management or by the appointed outside agency in accordance with the applicable Accounting policies. (c) Reporting the variances as per physical verification and as per Books of Account. (d) Check proper records are maintained including Fixed Assets Register and Depreciation is properly calculated and accounted for in accordance with the applicable Accounting policies.	Quarterly – 100%  Yearly – 100%  Yearly – 100%  Yearly – 100%
11.	<b>Provisions :</b> 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%
12.	<b>Guest House :</b> (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 assets	Half yearly – 50%
13.	<b>Township :</b>	

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST  
ACCOUNTANT FIRM

	<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>(c) stores management</p> <p>(d) repair and maintenance of building and roads</p>	Half yearly – 50%
14.	<p><b>Investments:</b></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>(c) Ensure that the DPE guidelines on the subject are duly complied with.</p>	Yearly – 100% (only at corporate office)
15.	<p><b>Compliance to DPE guidelines :</b></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)
16.	<p><b>CSR activities :</b></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%
17.	<p><b>Statutory Compliances :</b></p> <p>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.</p>	Quarterly – 100%
18.	<b>IFC on financial reporting</b>	Half yearly – 100%

**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.



**ANNEXURE-C**

**REPORTING REQUIREMENTS**

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.

**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 company 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:**

An element of risk based auditing shall be made a part of the scope of Internal Audit for this purpose a separate check list for testing the effectiveness of certain chosen controls shall be included in the guidelines for internal audit which will be issued along with the appointment letter. 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 company'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 at Annexure-B 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.

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

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.

**Annexure - D**

**MAN-DAYS REQUIREMENT & PROPOSED AUDIT FEES**

S.No.	Name of the units	Minimum man day requirement			Audit fees (per annum in Rs)
		Partners	Qualified Assistants	Assistants (including at least one semi qualified assistant)	
1	IGM, Mumbai	20	40	100	4,80,000
2	IGM, Kolkata	20	40	100	4,80,000
3	IGM, Hyderabad	15	30	75	3,60,000
4.	IGM, Noida	15	30	75	3,60,000
5	CNP, Nashik	35	60	125	7,00,000
6	BNP, Dewas	35	60	125	7,00,000
7	ISP, Nashik	35	60	125	7,00,000
8	SPP, Hyderabad	10	30	50	2,80,000
9	SPM, Hoshangabad	35	60	125	7,00,000
10	Corporate office, Delhi	10	20	50	2,40,000
	<b>TOTAL</b>	<b>230</b>	<b>430</b>	<b>950</b>	<b>50,00,000</b>

1. The fees mentioned above are for all the three phases viz, Phase-I, Phase-II & Phase-III. The rates for partners are @ Rs. 6000 per day, for qualified assistants @ Rs. 4000 per day and for assistants @ Rs. 2000 per day.
2. The suggested allocation of manpower by audit firm amongst phases will be as follows
  - i. Half year ended September : 40%
  - ii. Quarter ended December : 30%
  - iii. Quarter ended March : 30%
3. The audit fees for financial year 2016-17 & 2017-18 will remain the same as mentioned in above table, however for financial year 2018-19 the same will be increased suitably based on the increase in the volume of turnover subject to a maximum by 25%.
4. The man-days requirement is exclusive of travel time.
5. For better monitoring of audit assignment, units are required to 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.
6. The bill of fees should be duly accompanied by details of man power deployed in each phase on the audit assignment.

**Annexure – E**

**SELECTION CRITERIA (POINT ALLOCATION) FOR EMPANELMENT OF  
AUDIT FIRMS**

S. No	Particulars	Points to be allocated	Maximum Points	Supporting Documents
1	Year of Establishment of the Audit Firm/Limited Liability Partnership Firm	a) 25 Years or more - 10 points b) 15 - 24 years -5 points c) Less than 15 years- 2 points. Cut off date shall be last day of the month previous to month in which bids are invited.	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 & 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 are with the Firm for a minimum period of five year as on date of application	a) 1 (One) for each Partner who is ACA/ACMA b) 2 (Two) for each Partner who is FCA/FCMA	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 & 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) More Than 10 CAs – 10 points b) 5 - 10 CAs – 5 points c) Less than 5 CAs but more than 3 CAs – 2 points	10 (ten)	Copy of details filed with the ICAI/ICostAI.
4	Experience of the Firm in SAP enabled environment preferably under Central/State Government as Statutory/Internal Auditor	3 (Three) per year of Audit (fraction of the year to be ignored)	15 (Fifteen)	Copies of appointment orders for statutory audit/internal audit/PSU/Govt./Scheduled Bank/others in evidence of experience along with certification in SAP .

NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST ACCOUNTANT FIRM

5	Experience of the Firm in Internal Audit of Public Sector Undertakings	4 (Four) per PSUs for minimum period of three years	20 (Twenty)	Copies of appointment orders for statutory audit/internal audit/PSU/Govt./Scheduled Bank/others in evidence of experience.
6	Average Turnover of the internal audit clients during F.Y. 13-14, 14-15, & 15-16	i. Upto Rs. 1000 Cr.- 5 points ii. Above Rs. 1000 Cr. to Rs. 2500 Cr.- 10 points iii. Above Rs. 2500 Cr. to Rs. 5000 Cr.- 15 points iv. Above Rs. 5000 Cr.- 20 points	20 (twenty)	Copies of audited financials for all the clients for F.Y. 13-14, 14-15 & 15-16 to be enclosed.
7	Turnover of audit firm in F.Y. 2015-16	a) More than Rs. 200 Lacs = 15 points b) Rs. 100 – 200 Lacs = 10 points c) Less Than Rs. 100 Lacs = 5 points	15 (Fifteen)	The audited annual accounts of audit firm for F.Y 2015-16

Notes:

1. 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.
2. Only those Chartered Accountants/Cost Accountant firms who secure at least 70% marks required to be qualified for empanelment shall qualify for empanelment for conducting internal Audit.
3. The first 20 (Twenty) Chartered Accountants/Cost Accountants firms who achieved highest marks as per selection criteria shall be empaneled for conducting internal Audit for Financial Year 2016-17, 2017-18 and 2018-19.
4. In case, the number of Chartered Accountant/Cost Accountant firms qualified for empanelment as per prescribed technical evaluation criteria falls short of the stipulated 20, then the company at its sole discretion may decide as follows :
  - i. Lower the criteria of qualifying marks below 70% so as to empanel stipulated 20 firms of Chartered Accountant/Cost Accountant or/and
  - ii. May assign internal audit of more than one unit to a firm of Chartered Accountants/Cost Accountants subject to maximum internal audit of two units to a single firm on the basis of higher score in the technical evaluation criteria provided the firm has their office located within a radius of 50 kms of both units.

**Annexure – F**

**TIMELINES FOR CONDUCTING INTERNAL AUDIT**

S.No.	Particulars	2016-17	2017-18	2018-19
<b>A</b>	<b>Internal audit for half year ended September (Phase – I)</b>	<b>Due Date</b>	<b>Due Date</b>	<b>Due Date</b>
i.	Submission of draft Audit report	15.01.2017	31.10.2017	31.10.2018
ii.	Discussion with Head of the Unit (only by partner and qualified assistant)	20.01.2017	15.11.2017	15.11.2018
iii.	Submission of Final Audit report	31.01.2017	30.11.2017	30.11.2018
<b>B</b>	<b>Internal audit for quarter ended December (Phase – II)</b>			
i.	Submission of draft Audit report	15.02.2017	31.01.2018	31.01.2019
ii.	Discussion with Head of the Unit (only by partner and qualified assistant)	21.02.2017	07.02.2018	07.02.2019
iii.	Submission of final Audit report	28.02.2017	15.02.2018	15.02.2019
<b>C</b>	<b>Internal audit for quarter ended March (Phase – III)</b>			
i.	Submission of draft Audit report	20.04.2017	20.04.2018	20.04.2019
ii.	Discussion with Head of the Unit (only by partner and qualified assistant)	25.04.2017	25.04.2018	25.04.2019
iii.	Submission of final Audit report	30.04.2017	30.04.2018	30.04.2019

Note:

1. For Financial Year 2016-17, the timelines to conduct internal audit have been delayed for Phase – I due to delay in empanelment of internal auditor.
2. 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.

**GENERAL INSTRUCTIONS TO AUDIT FIRMS AND DOCUMENT LIST**

(A) Instruction to Audit Firms:

1. Format of Application must be completely filled in. Incomplete applications will be rejected out-rightly.
2. Please ensure that date of opening of Registered Office, Branch Office, entrance dates of all Partners into the firm, date of joining firm as qualified & semi-qualified assistants should be invariably indicated in the application
3. All bids will be evaluated on the basis of the documents furnished along with applications 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 Criteria as per Annexure-E, please avoid attaching unsolicited information/documents to processing applications expeditiously.
5. All submitted documents should be signed by a Partner with his name and under the seal of the firm.
6. Application must be submitted under sealed cover super scribing the EOI Notice No. & date and the words “Application for Empanelment of Chartered Accountant Firm/Cost Accountant Firm for FY 2016-17, 2017-18 and 2018-19” thereon. The name and address of the firm must also be indicated on the body of the envelope.
7. Application may be submitted in by hand or by post/courier to the office of Addl. General Manager (Finance), Security Printing and Minting Corporation of India Limited, Corporate Office, 16<sup>th</sup> Floor, Jawahar Vyapar Bhawan, Janpath, New Delhi-110001. SPMCIL does not take any responsibility for loss of application in transit. Applications sent through Telegram, Telex, Fax or E-mail will not be considered.
8. Any application 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 applications/EOIs:

Interested audit firms are advised to go through contents of the EOI documents carefully and submit all attested copies of the following documents in proper sequence along with the EOIs 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 EOIs.



NOTICE INVITING OPEN TENDER FOR EMPANELMENT OF CHARTERED ACCOUNTANT FIRM/COST  
ACCOUNTANT FIRM

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 orders for statutory audit/internal audit/PSU/Govt./Scheduled Bank/others in evidence of experience.
4. Copy of PAN Card.
5. Copy of Service Tax Registration.
6. A cancelled cheque form of the Bank to which Fee payments will be made.
7. A copy of complete EOI document duly signed and sealed as a token of acceptance of all terms and conditions.