

Notice inviting Expression of Interest (EOI) by Chartered Accountants'/Cost Accountants' firms for selection and appointment as Internal Auditors for the Financial Years 2021-22 through 2023-24

EXPRESSION OF INTEREST (EOI)

Tripura State Electricity Corporation Ltd. invites Expression of Interest (EOI) from experienced Chartered Accountants' Firms/Cost Accountants' Firms having specialization in Internal Audit & Controls for selection/empanelment and appointment as Internal Auditors for the Financial Years 2021-22 through 2023-24.

The format of application along with information on selection criteria, areas of coverage, reporting requirements, terms of reference, etc are enclosed herewith. The EOI document will be hosted on the TSECL's website www.tsecl.in. Any updates to the EOI Documents shall be hosted on website. Interested firms are requested to ensure that all updates are considered while submitting the EOI.

Interested Firms may send their applications in the prescribed format along with Annexures under sealed cover [addressed to the Director \(Finance\), Tripura State Electricity Corporation Ltd. by 28th May'2021, 14:00 hours.](#)

Dated : 7th May'2021

Agartala

A. SCOPE OF WORK

1. The Scope of work of the Expression of Interest (EOI) consists of Internal Audit in respect of all the following Divisions and Circle Offices spread across in the State of Tripura and Corporate Office at Agartala.

SI No	Name of Office	Location
1	Electrical Division No. I,Agartala.	Agartala
2	Electrical Division, Dharmanagar.	Dharmanagar.
3	Electrical Division No. II,Agartala	Agartala,Bardawali
4	Electrical Division, Udaipur.	Udaipur.
5	Electrical Division, Kumarghat.	Kumarghat.
6	Electrical Division, Santirbazar.	Santirbazar.
7	Electrical Division, Ambassa.	Ambassa.
8	Electrical Division, Bishalgarh.	Bishalgarh.
9	Electrical Division, Khowai.	Khowai.
10	Electrical Division, Sonamura.	Sonamura.
11	Electrical Division, Manu.	Manu.
12	Electrical Division, Kanchanpur.	Kanchanpur.
13	Electrical Division, Amarpur.	Amarpur.
14	Electrical Division, Capital Complex.	Agartala, Capital Complex
15	Electrical Division, Mohanpur.	Mohanpur.
16	Electrical Division, Jirania.	Jirania.
17	Electrical Division, Kamalpur.	Kamalpur.
18	Electrical Division, Kailashahar.	Kailashahar.
19	Electrical Division, Belonia	Belonia
20	Electrical Division, Sabroom.	Sabroom.
21	Electrical Division, Teliamura.	Teliamura.
22	Electrical Division, Jampuijala	Jampuijala
23	Transmission Divn. 79 Tilla ,Agt.	79 Tilla ,Agartala
24	Transmission Division, Udaipur.	Udaipur.
25	Transmission Division, Kumarghat	Kumarghat
26	Gas Thermal Electrical Division, Rokhia.	Rokhia.
27	Gas Thermal Electrical Division,	Baramura.
28	Gumti Electrical Division, Jatanbari.	Jatanbari.
29	Central Civil Divn,79Tilla,Agt.	79 Tilla ,Agartala
30	System Operation, Agartala.	79 Tilla ,Agartala
31	Electrical Circle, Gomati.	Udaipur.
32	Electrical Circle- I, Agt.	Corporate Office premises
33	Generation Circle, Agt.	Corporate Office premises
34	Electrical Circle, Unakoti.	Kumarghat
35	Electrical Circle -II, Agartala.	Corporate Office premises
36	Electrical Circle, Dhalai.	Ambassa
37	Electrical Circle, Belonia.	Belonia.
38	Commercial & Tariff Division	Corporate Office building
39	Materials Management Division	Corporate Office building
40	Testing & Communication Division, Agt.	79 Tilla ,Agartala

2. All Internal Audit assignments would be carried out as per Internal Audit Programme for the year, to be circulated separately. The Management reserves the right to add any other area to the Audit Programme within the scope of work or increase the number of audit assignments.

B. DETAILS ABOUT THE COMPANY

The Tripura State Electricity Corporation Ltd is a Government of Tripura Enterprise engaged in the business of purchasing, selling, generation, transmission and distribution of electricity. Further details are available on the Company's website www.tsecl.in

C. ELIGIBILITY CRITERIA

1. The Chartered Accountants' Firms/ Cost Accountants' Firms should preferably be based in eastern part of country including Kolkata.
2. The Firms should be in existence for a minimum period of 5 (five) years and have experience of carrying out minimum two audits (statutory/Internal) during any of the three preceding financial years of the company engaged in electricity generation/transmission/distribution and having a turnover of at least Rs.250 crore. To this effect, firm should submit copies of respective contracts, along with documentary evidence in respect of satisfactory execution of each of those contracts.
3. Annual Turnover of audit firm shall be at least Rupees Twenty Lakh (Rs.20,00,000/-). For the purpose of ascertaining parameter of Turnover of the firms, average turnover for the previous three financial years shall be considered (copies of IT returns/ other documentary evidence in support thereof to be enclosed).

D. BID SUBMISSION.

Submission of offer in Two Bid System: The offer must be submitted in two parts, Part-I (Techno-Commercial Bid) & part-II (Price Bid) and shall be enclosed in separate sealed envelopes super scribing the tender no, due date and time. Both the envelopes with the respective bids shall be enclosed in a bigger envelope super scribing the Tender No, Due date & Time and addressed to **Director (Finance), Tripura State Electricity Corporation Ltd. Bidyut Bhavan, North Banamalipur, West Tripura, Agartala-799001 on or before tender 28th May'2021 at 14:00 hrs. any clarifications may be sought over email acau.tsecl@gmail.com /mobile # 9007891092 or 9051772638.**

Techno-Commercial Bid (Part-I): This part should contain the following: Details of the Firm (as per Application Format provided under sl.'E') along with self-attested copies of all supporting documents and certificates.

Note:

- i) TSECL has a right to verify / cross verification of authenticity of the documents with respect to original submitted against this tender.

- ii) The bidder is requested to ensure that all the documents asked for submitted and are clear, legible & duly signed (i.e. self-attested), as it would save considerable time without necessitating the need for furnishing tender No. of the documents again by them. The bidder is also requested not to submit unnecessary documents not asked for.

Price Bid (Part-II): In this part, bidders are requested to fill the PRICES for each of the listed items strictly in the prescribed format provided in the Tender document.

SCORING: Further to the above eligibility criteria, firms will be shortlisted based on the scores achieved as per parameter-score matrix provided below.

PARAMETER-SCORE MATRIX					
	Parameters	Value /nos.	Score	Scoring Criteria	Max Score
1	Years of existence of Firm (Min. 10 years)			1 point for every year over and above 10 years (counted from the date of constitution of the firm with one full time FCA or date of joining of the firm by the existing partner having the longest association with the firm whichever is later.	10
2	No. of Partners (at least 5)			1 point each for each partner (including FCA/FCMA partners) from 6 th partner onwards. (Eg. If there are 12 partners ,score will be 7)	10
3	No. of Partners with FCA/FCMA			2 point each for each partner	10
4	Full time CA/CMA/MBA Employees			1 point for each CA/CMA/MBA employee	10
5	CISA or CIA Qualified partner/ employees (dual qualification for the same person will be considered as one)			2 point each for each such partner/ employee	10
6	Partners/employees possessing IFRS Certification			2 point each for each such partner/ employee	10
7	Experience of Internal Audit of business of electricity purchasing, selling, generation, transmission and distribution.			3 points for each such audit period per company (falling within three financial years immediately preceding 2021-22)	10
8	Experience as Statutory Auditors in the business of electricity purchasing, selling, generation, transmission and distribution.			3 points for each such audit period per company (falling within three financial years immediately preceding 2021-22)	10
9	Experience as Statutory Auditors of companies having turnover exceeding Rs.250 crore.			2 point for each such audit period per company (falling within five financial years immediately preceding 2021-22)	10
10	Experience as Internal Auditors of listed companies having turnover exceeding			1 point for each such audit period per company (falling within five financial	10

	Rs.250 crore.			years immediately preceding 2021-22)	
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1. From amongst the firms who have responded to the EOI and satisfied all pre-qualification criteria, the firms will be allotted scores as per scoring parameter specified in above table. Based on scores achieved, top five firms will be shortlisted and invited for technical discussion and thereafter considered for evaluation of their price bid. Based on the evaluation results of the presentation (points) as well as the score achieved by the firm on parameter table above, one or more firms may be selected for appointment as Internal Auditors.
2. Tenure: the offer for carrying out assignments would initially will be given for 1(one) year i.e. for FY 2021-22. Management keeps the right to extent the tenure for further two years i.e, FY 2022-23 and 2023-24 depending upon the performance of the Chartered Accountants Firms/ Cost Accountants Firms. Management also keeps the right for pre-mature termination of the appointment for this assignment.

E. DETAILS OF THE FIRM

The Chartered Accountant Firm/Cost Accountant Firm are to provide the following information as per pro-forma given below-

'APPLICATION FORMAT'

1. Name of CA/CMA Firm:
2. Firm Composition:
(Firm Composition certificate to be attached)
3. Registration No. :
4. Date of Establishment /Registration:
5. Name & Address of Principal Office & Branch Office(s)

Office type (HO/Reg.Office/Branch)	Address	Year Establishment	of	Contact Details: In-charge Name, Tel., Tax, E-mail.

6. Particulars of Partners

SL,	Name	CA/CMA Membership No.	Members hip Status (Fellow/A ssoc)	Date of Joining in the firm as partner & Branch Office Attached to	CISA or Equiv. qualificati on.	Other qualifications job/ specialization & experience

7. Particulars of qualification assistants

SL,	Name	CA/CMA Membership No.	Members hip Status (Fellow/A ssoc)	Date of Joining firm as partner & Branch Office Attached to	CISA or Equiv. qualifn.	Other qualifications job/ specialization & experience

8. Details of semi-qualified / non-qualified assistants

SL.	Name of Assistant	Qualification (CA/CMA inter.)	Other qualifications job/Specialization & experience)

9. Income Tax PAN (please attach copy of PAN Card):

10. [GST registration](#) No. (Please attach Registration Document):

11. Internal Audit experience (immediately three preceding financial years) in Companies in electricity generation, transmission & distribution specifying nature of the assignment, year of audit and name of the company (PSU).

Name of Company	Unit/Plant	Period of Audit	Total experience (Yrs)

(Please attach documentary evidence in support of the above)

12. Internal Audit experience (immediately five preceding financial years) of companies with turnover exceeding Rs.250.00 Crore.

Name of Company	Unit/Plant	Period of Audit	Total experience (Yrs)

(Please attach documentary evidence in support of the above)

13. Statutory Audit experience (immediately three preceding financial years) in Companies in electricity generation, transmission & distribution specifying nature of the assignment, year of audit and name of the company (PSU).

Name of Company	Unit/Plant	Period of Audit	Total experience (Yrs)

14. Statutory Audit experience (immediately five preceding financial years) of companies with turnover exceeding Rs.250.00 Crore.

Name of Company	Unit/Plant	Period of Audit	Total experience (Yrs)

(Please attach documentary evidence in support of the above)

15. Readiness for Audit under Ind-AS compliance Guidelines:

(Please indicate whether any partner /qualified assistant hold 'IFRS certification' of ICAI or other Accounting Bodies like ACCA-UK etc.) Yes/No

16. Readiness for Audit under SAP environment and proficiency in extracting audit-data/information from SAP system.

Please indicate proficiency in SAP Audit, usage of CAAT/data-analytic tools like ACL, IDEA, Smartexporter.

UNDERTAKING

1. It is confirmed that all the information provided above are true and comply with requirements the EOI.
2. We confirm that we have not made any deviation from the specified terms & conditions of EOI documents. A copy of complete EOI document duly signed on all pages as a token of acceptance of all terms and conditions is attached.

Signature of Partner with Name
& Seal of Audit Firm.

F. Part II: PRICE BID

Format for Price Bid (To be given on Firm Letterhead in separately sealed cover)

We M/S....., Chartered Accountants/Cost Accountants Firm, hereby quote our professional fees at Rs.....(Rupees.....only excluding taxes)per annum for the Internal Audit Assignment to be carried out as per Audit plan given in this tender, in respect of the Tripura State Electricity Corporation Ltd. The above fees are all inclusive and no out of pocket expenses will be payable to us.

Signature of Partner with Name
& Seal of Audit Firm.

G.TERMS OF REFERENCE

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

1. Time Frame:

Internal Audit shall be conducted for the FY 2021-22 on a quarterly basis for the Corporate, Division, and Circle Offices. The Activity is required to commence in the early last month of respective quarter, audit findings firmed-up and draft report submitted within 10th of the month following the quarter-end.

2. Reporting:

On completion of the Audit of the respective Unit/Division in 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.

The preliminary audit observations shall first be discussed with Unit-in Charge pursuant to which only the audit observations are to be prepared. The salient observations of the respective audit should be discussed with the Unit/Division-in-charge so that timely corrective action may be taken and based on the outcome a draft composite Audit Report covering all the Audit Units 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.

Internal Audit Reports would be divided into the following parts:-

A. Part I : Compliance (follow-up) 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 the implementation of policies, systems, controls etc to avoid recurrence of such irregularities in future. It may be ensured that the compliance report on audit observations pointer out in reports relating to earlier audits is made and corrective actions taken on those points are furnished in the Audit Report.

B. Part II : Important observations/ Findings:

This part shall contain all such significant discrepancies observed during the current audit and observations in which, the auditor feels immediate attention of management specifying the financial implications, if any. In this part the Auditor shall 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 the Company.

3. Audit Team:

The Firm is required to deploy suitable teams for undertaking the audit (at least 2 team members for each division on continuous basis from commencement of audit till submission of draft report), after a thorough evaluation of the requirements, terms and conditions contained therein, detailed Guidelines for Internal Audit, ensuring that the size of the audit team is commensurate with the volume of work involved in the auditee Unit/Division. It should be ensured that the audit team is led at all times by a Chartered Accountant/Cost Accountant (Who may be a partner) and a person with technical qualification be included in the team when such need arises for conducting any specific audit area.

4. Extent of coverage of Internal Audit (indicative)
- (I) Compliance of Rules & Procedures, Delegation of Power of the Company
 - (II) Review of Accounting & Internal Control System and reporting of weak areas for improvement
 - (III) Verification of Sales , Debtors, Inventory Management
Review of Purchase Proposals for procurement of materials, service and works contract (sample basis) including for single vendor and resultant single vendor, purchases, rejection of incoming materials
 - (IV) Verification of Books of Accounts including Trial Balance, Ledger, Cash Book etc
 - (V) Capitalization of Assets procured during the Financial Year and Depreciation thereon/ CWIP
 - (VI) Half yearly Review of Operation & Maintenance Expenses.
 - (VII) Review and compliance with SOP for scrap disposal, Condemned Capital Assets through E-Auction transactions, and normal auction disposals
 - (VIII) Review of GST, IT, Electricity Duty Matters.
 - (IX) Transaction/compliance Audit on Travelling Expenses (TA/DA, Medical Expenses, Transport, Payroll and other administrative expenses related area.
 - (X) Review of E-procurement system
 - (XI) Audit of procurement through GeMs.
 - (XII) Revenue billing and collection system.
 - (XIII) Physical Verification of Cash and Bank
 - (XIV) Review of BRS
 - (XV) Review of different types of advance payment (salary,festival,TA,medical etc).
 - (XVI) Reconciliation of deposit work fund and Central Sponsored Schemes (CSS)
 - (XVII) Review of stale cheque details
 - (XVIII) Review of EMD/security deposit/BG
 - (XIX) Review of party-wise receivable and payable
 - (XX) Any other matter which may be decided by the Management.

H.GENERAL TERMS & CONDITONS

- (i) Firms are to fill in all relevant particulars / information in appropriate places and submit documentary evidence (attested by a partner) where specifically asked for
- (ii) 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
- (iii) Only successful firms will be intimated about their selection in due course.
- (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 Auditors will ensure that the information obtained in respect of the Unit is maintained in strict confidence and secrecy. A certificate towards maintaining

confidentiality is to be provided by the Internal Auditors at the time of acceptance of Audit Assignment

- (vi) The appointment of the Audit Firm will be initially for 2021-22 renewable every year till 2023-24 subject to satisfactory performance of the firm/s. The Company reserves the right to extend the appointment for another year if performance of the firm is found to be acceptable. The Company may rotate the Audit Units assigned to an Internal Auditor from one Unit to another within the Company in subsequent years on renewal of appointment.
- (vii) If progress/ performance of audit is not found to be satisfactory, the Company reserves the right to terminate the appointment of the Firm. In such event the respective firm(s) will be debarred in future, from getting any assignment in TSECL in the following cases :
 - (a) The Audit Firm obtains the appointment on the basis of false information/ 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 the Audit in terms of the Appointment Letter.
 - (d) If the Firm does not submit Audit Report, complete in all respects, in terms of appointment and within the specified date.
