

KIOCL LIMITED
II BLOCK, KORAMANGALA
BANGALORE 560 034

Website: www.kioclltd.com

No.KIOCL/BNG/IA/13-14/01

DATE: 19.02.2014.

NOTICE INVITING TENDER.

**(Appointment of Audit Firms for conducting Internal audit for the
Financial Year 2014-15.)**

KIOCL Limited, Bangalore invites sealed quotations from Chartered Accountants / Cost accountants Firms having establishment at Mangalore to quote for conducting Internal Audit for the Financial Year 2014-15 as per the scope enclosed in Annexure "A".

Please refer Govt. Tenders Portal NIC
<http://tenders.gov.in/departments.asp?id=215> and our above website for
terms & conditions for submission of tender and other details.

Last date for submission of **Tender is 2 PM (IST) on 18-03-2014.**

Phone: 080-25531521
Fax: 080- 25532153 / 25535941
E-mail: bf&a@kudreore.com

JT. GENERAL MANAGER (Finance)

KIOCL Limited.
(A Govt. of India Undertaking)
II Block, Koramangala,
Bangalore- 560 034.

Date:19-02-2014.

OPEN TENDER NOTICE

Sub: Appointment of Audit Firms for conducting Internal audit for the Financial Year 2014-15.

Chartered Accountants / Cost accountants Firms having establishment at Mangalore, Karnataka, are requested to quote for conducting Internal Audit of KIOCL Limited as per the scope of work (Annexure-A) enclosed for the Financial year 2014-15.

The details of the notice inviting bids are available on our website. Bidders are requested to visit our website regularly for any amendment/ addendum/ corrigendum/ extension until last date.

1. **SCOPE OF WORK:** Internal Audit of KIOCL Limited for the Financial year 2014-15 as per Annexure "A", with a option to extend the contract by one more year on the same rate, terms & conditions by mutual consent.
2. **FEES:** Fees quoted should be on lump sum basis per year, inclusive of all expenditure like Boarding, Lodging and Transportation etc. and exclusive of service tax as per Annexure "B". However, the Company will provide Transport to the Partner of the firm to attend Audit Committee Meetings if held at a place other than Mangalore.
3. **EVALUATION CRITERIA:** All price bids will be evaluated based on the lump sum fees quoted by bidder in the price bid at Annexure-B excluding service tax. The lowest bidder would be considered for appointment as Internal Auditor.
4. **PAYMENT TERMS:** Payment will be made on quarterly basis on submission of bill.

Chartered Accountants / Cost accountants Firms having establishment at Mangalore (documentary evidence to be submitted in support of the same, along with the bid) are requested to send their Bids quoted in the price bid format at Annexure-'B' and acceptance of scope of work at Annexure-'A' for the above mentioned job to reach to this office by 02.00 pm on or before 18-03-2014 and it should be addressed to: **Jt. General Manager (Finance)**, KIOCL Limited, IInd Block, Koramangala, Bangalore – 560 034. Application received after 02.00 pm on 18-03-2014 will not be considered.

KIOCL Limited reserves the right to reject any or all the tender without assigning any reasons thereof. Bids will be opened at 4.00 pm on 18-03-2014 in the presence of representatives who desires to attend the bid opening. The audit firms will be selected on L1 basis

Place: Bangalore
Date: 19-02-2014.

(Jayanth V Nikam)
Jt. General Manager (Finance).

SCOPE OF WORK (INTERNAL AUDIT)

KIOCL Limited, a Govt. of India undertaking under Ministry of Steel, Govt. of India and Mini ratna Company intends to appoint an Audit Firm for conducting internal audit for the Financial year 2014-15. The objective of Internal auditing is to assist the Audit Committee / Management in the effective discharge of their responsibilities by furnishing them with analysis, appraisals, recommendations and pertinent comments concerning the activities reviewed. Besides conducting transaction audit with adherence to legal and regulatory requirements, Internal Audit is to evaluate the adequacy of risk management and internal control system in the Company. While focusing on effective risk management and control in addition to appropriate transaction testing, the Internal Audit shall offer suggestions for mitigating current risks and also anticipate areas of potential risks. Attainment of the objectives involves inter-alia following activities:

- i. Conducting Internal Audit covering all operational areas at Mangalore (Pellet Plant Unit & Blast Furnace Unit), corporate office at Bangalore & Kudremukh location.
- ii. The frequency of audit of the activities based on the risk assessment and appropriate checklists shall be as under;

Sr. No.	Activity	Frequency
1	High-risk areas.	Every Quarter.
2	Medium-risk areas.	At least once in six months.
3	Low-risk areas.	At least once in a year.

- iii. Review adequacy and application of financial and other operating controls and make suggestions if any for improvements of the same.
- iv. Ascertaining compliance with established policies and procedures of the Company in accordance with the relevant departmental manuals and also offer suggestions for improvement.
- v. Internal Audit Plan / Programme, Internal Audit Manual and further instructions if any will also be provided by the management.

- vi. Audit shall be performed based on relevant checklists generated by the audit firms; however, sample checklists available with Internal Audit Department of our Company can be referred.
- vii. The appraisal should be in line with established internal audit practice and the standards issued by the Institute of Chartered Accountants of India from time to time.
- viii. Audit firm has to associate in the process of Quarterly and annual stock taking of finished goods, raw-materials, additives, and Furnace oil.
- ix. Partner of the Audit firm has to attend all the Audit Committee Meetings.
- x. Minimum man days per month to be deployed for conducting the Audit for location wise is as under:

Sl. No.	Particulars	Minimum Man days per month.	Man days Location-wise		
			Mangalore	Bangalore	Kudremukh
A	Audit assistants	58	40	15	3
B	Semi qualified accountants	37	26	10	1
C	Qualified Accountants	10	7	2	1

- xi. Internal audit report to be submitted to the Director (Finance) on monthly and quarterly basis.
- xii. Payment will be released through RTGS/ Bank transfer on quarterly basis on submission of bill.
- xiii. Income Tax as applicable will be deducted at source (TDS) from the Bills submitted. Service tax will be reimbursed on furnishing the service tax registration number in the invoice.
- xiv. PAYING AUTHORITY: Jt. General Manager (Finance), KIOCL Limited, IInd Block, Koramangala, Bangalore - 560034.
- xv. FRAUD PREVENTION POLICY OF KIOCL: Everyone make a note that 'fraud prevention policy ' is being followed in KIOCL, which provides a system for prevention/detection/reporting of any fraud. It also forbids everyone from involvement in fraudulent activity & that where any fraudulent activity is suspected by anyone, the matter must be reported to the 'Nodal Officer' (Chief Vigilance Officer) as soon as he/she comes to know of any fraud or suspected fraud.

ANNEXURE-"B"

PRICE-BID

NO.KIOCL/BNG/IA/13-14/01

Date:19-02-2014

Internal Audit for the financial year 2014-15

Name of the bidder:

Sl. No.	Description	Lump Sum Fee Per Annum (Rs.)
1	Internal Audit Fees for the financial year 2014-15 inclusive of all expenditure like Boarding, Lodging, Transportation etc.	`/PA (Rupees.....per annum only)
2	Service tax as applicable (Mention applicable rate in %)	

Note:

- i) The rates quoted should be exclusive of Service tax as applicable.
- ii) The rates quoted should be per annum basis.

Confirmation by the Bidder

(Signature of the Bidder with Date & Seal)