



Software Technology Parks of India

9th Floor, NDCC-II, Jai Singh Road, New Delhi – 110 001

Phone: 011-23438188

Request for Proposal – “Appointment of Internal Auditor”

Software Technology Parks of India invites proposal from the leading Chartered Accountant/Cost Accountant firms for appointment as Internal Auditor for STPI-HQ and its centres/sub centres for F.Y. 2014-2015. The details of RFP are as under:

1	RFP No. & Date	STPI/HQ(F)/AUD/04/016 27 th August, 2014
2.	Scope of work/job	<i>Appointment as Internal Auditor for STPI-HQ and its centres/sub centres for F.Y. 2014-2015 Detailed scope is mentioned in Part-I of the RFP document.</i>
3	Mode of RFP	Advertisement
4.	Issue of RFP document	<i>RFP documents may either be obtained from STPI HQ at above given address on any working day between 1000 Hrs to 1700 Hrs on payment of Rs.500/- in cash or the same may be downloaded from web site www.stpi.in or www.eprocure.gov.in. In case of download a DD of Rs.500/- issued in favor of Software Technology Parks of India, payable at New Delhi may be deposited along with your offer.</i>
5.	Bid Submission	Two Bid System
6.	Earnest Money Deposit	Rs. 50,000/- in the form of Demand Draft along with the bid submission.
7.	Pre Bid Meeting	5th September, 2014 at 1200Hrs
8.	Last date & Time for submission of proposal	16th September, 2014 at 1400Hrs
9.	Date & Time for opening of Technical Bid (Form-A)	16th September, 2014 at 1500Hrs
10.	Validity of proposal	90 Days from the last date of submission of proposal.

Interested bidders may submit their proposal latest by 16th September, 2014 to “The Director Finance, Software Technology Parks of India, 9th Floor, NDCC-II, Jai Singh Road, New Delhi-110 001.

Software Technology Parks of India (STPI) was established and registered as an autonomous society under the Societies Registration Act, 1860 on June 5, 1991 under the Department of Electronics & Information Technology, Ministry of Communications & Information Technology, Govt. of India (formerly known as Department of Electronics). The objective of the society is to implement STP/EHTP Scheme, set up and manage infrastructure facilities and provide other services like technology assessment and professional training etc. Presently 54 centres of STPI are operational across the country. The registered office STPI is at Electronics Niketan, 6, CGO Complex, Lodhi Road, New Delhi-110003. Detailed profile of STPI may please be browsed from URL www.stpi.in

STPI has 9 Directorates and each directorate has its sub centre as per following details.

Directorate	Centres
Chennai	Chennai, Coimbatore, Madurai, Puducherry, Trichy, Triunaveli
Gandhi Nagar	Gandhi Nagar
Maharashtra	Nagpur, Aurangabad, Kohlapur, Mumbai, Nasik, Pune
Noida	Allahabad, Bhilai, Dehradun, Indore, Jaipur, Jammu, Jodhpur, Kanpur, Lucknow, Mohali, Noida, Shimla, Srinagar
Bangalore	Bangalore, Mysore, Hubli, Mangalore, Manipal
Bhubaneswar	Bhubaneswar, Behrampur, Patna, Ranchi, Rourkela
Guwahati including Kolkata	Guwahati (Gangtok, Imphal, Aizwal, Shillong) Kolkata (Durgapur, Haldia, Kharagpur, Siliguri)
Hyderabad	Hyderabad, Kakinada, Tirupati, Vijyawada, Vishkapatnam, Warangal
Thiruvanthapuram	Thiruvanthapuram
HQ	HQ

The books of accounts are being maintained in Tally.ERP9 at all the Directorates, whereas the books of accounts of Kolkata and its sub centre are being maintained at Kolkata.

The books of accounts of STPI are also being audited by Statutory Auditors as recommended by Comptroller and Auditor General of India. The statutory audit is based on the internal audit report submitted by the Internal Auditor. Presently, 05nos. of Statutory Auditors(Central & Branch Auditors) have been appointed to audit the above Directorates and balance sheet of each directorate along with Tax Audit Report u/s 44A is being consolidated at HQ.

Since inception STPI is maintaining consolidated books of accounts for its services, whereas w.e.f. F.Y. 2013-14 STPI is in process to segregate its books of accounts in the following services

- a) Datacom Services
- b) Statutory Services
- c) Other Services

The bidder has to commence the internal audit of books of accounts maintained for each segregated/consolidated service during the period 2014-2015.

The financial highlights of STPI for the F.Y. 2013-14 (unaudited) is as follows:

- 1. Income : Rs.168.84crore (approximate)
- 2. Expenses : Rs.101.55crore (approximate)

STPI invite sealed proposals from the bidders for **Appointment as Internal Auditor for STPI-HQ and its centres/sub centres. Detailed scope of work is given in the Part – I.**

The instructions of RFP regarding submission of proposals are given in Part-II of the RFP document.

The Eligibility of Bidders is mentioned in Part-III of the RFP document.

PART-I**Scope of Work**

- 1) The bidder has to carry out Internal Audit of STPI-HQ and its centres/sub centres as mentioned in the Directorates for the FY 2014-15.
- 2) The bidder will complete the audit of each centre at the location where segregated/consolidated books of accounts are being maintained.
- 3) The audit of each directorate has to conduct immediately after end of each quarter i.e. 1st week of next quarter and audit report will be submitted to HQ with a copy to concerned Directorate by the end of month in which audit commenced. However, audit for 01.04.2014 to 30.09.2014 will be commenced within 1st week of October and report will be submitted by the end of October'2014.
- 4) The objective of the audit is to reduce lapses, gaps etc. in implementation of system and procedure to the barest minimum and ultimately to zero.
- 5) The bidder has to ensure the compliance of all statutory and regulatory provisions.
- 6) The bidder has to establish accuracy and authenticity in books of account and related records/documents and system.
- 7) The bidder has to detect any fraud, defalcations, misappropriations etc. in the books of accounts. In case of any failure noticed the same may be reported to HQ on immediate basis.
- 8) Bidder has to provide its audit report strictly as per the formats provided by HQ.
- 9) Bidder has to verify each voucher/transaction alongwith its relevant documentary evidence recorded by the respective centre and ensure that all the transactions are properly accounted for in the books of accounts.
- 10) STPI reimburse the Central Sales Tax (CST) claims of STP/EHTP units as per the STP Scheme and guidelines of FTP Manual of Ministry of Commerce. Bidder has to

verify the claims of STP/EHTP units processed and disbursed by STPI as per the provisions of FTP Manual and other guidelines of Ministries. Bidder also has to provide the certificate/report each centre wise to HQ on verification of CST reimbursement to STP/EHTP units.

- 11) Bidder has to ensure that there is no leakage of revenue in the books of accounts and also verify the each invoice raised by the centre to parties for the services provided by STPI. However, the revenue statement may be reconciled/reported upon as per the formats provided by the HQ.
- 12) Bidder also has to verify the project income/interest income earned by STPI.
- 13) Bidder has to verify the bank reconciliation statements, statutory compliances (like TDS/Service Tax etc.) on monthly basis and report upon the shortcomings.
- 14) Bidder has to verify that all purchases, expenses have been made with the approval of Competent Authority as mentioned in financial Delegation of Power. In case of any shortcomings/violation the same may be reported separately.
- 15) Bidder will also verify the filing of quarterly/half yearly/annual returns related to various Tax authorities/Govt. agencies. In case of any shortcomings the same may be reported to HQ on immediate basis.
- 16) The Bidder will advise the centre for booking of transactions in the appropriate accounting heads as per accounting manual of STPI.
- 17) The Bidder has to verify and review the reconciliation statements prepared by respective centres.
- 18) The Bidder will physically verify the fixed deposits/bank guarantees/cash in hand/stamps/food vouchers etc. and reconcile the same with books of accounts.

- 19) Bidder has to verify and provide its comments on the ageing analysis of sundry debtors/creditors/advances/outstanding liabilities.
- 20) Bidder has to verify the recovery of employee's contribution towards Provident Fund and share of group insurance and other advances/receivables from the pay bill of employees. Bidder also has to verify the employer contribution towards ECPF and GSLIS and its remittance to STPI-ECPF Trust.
- 21) Bidder has to review the Fixed Assets records and ensure that the physical verification of Fixed Assets is being carried out annually.
- 22) Bidder has to ensure that the internal audit observations in earlier internal audit reports are being complied with.
- 23) Bidder has to strictly comply with all the formats provided by HQ for various reconciliation statements/revenue/expenses statements and reports to HQ.
- 24) Bidder will provide the necessary suggestion/guidance to the management for strengthen the internal control and also for the improvement in system.
- 25) Bidder has to verify that transactions have been recorded as per accounting policies of STPI and accounting standards of ICAI. In case any change/amendment/addition/deletion in any policy is required, the same may be communicated to HQ on immediate basis.
- 26) Bidder has to settled all its queries/points raised during audit with the concerned staff of respective directorate; however unsettled queries/points may be reported to HQ. All corrective entries need to be entered in the books of account before submission of final report to HQ.

27) STPI will provide its reply within 15 working days on the report of Internal Audit and Internal Auditor shall conduct discussion, if required.

28) Any other area/scope consider necessary as per the Internal Audit Manual of STPI for successful completion of audit

PART-II**INSTRUCTION TO BIDDEER FOR “APPOINTMENT AS INTERNAL AUDITOR FOR STPI-HQ AND ITS CENTRES/SUB CENTRES”**

1. STP will not provide any TA/DA/Conveyance, accommodation charges, out of pocket charges etc. for the internal audit of HQ, Kolkata or any Directorate.
2. The audit of each location need to be completed as per the audit schedule/scope of work mentioned in Part-I of the RFP. STPI will not compromise on the quality and timeline of audit and any lapse observed will be viewed seriously.
3. The appointment will be for the F.Y. 2014-15 and same may be renewed for a period of another one year on same charges and terms and conditions as per the discretion of STPI.
4. The audit needs to be completed at the respective premises of STPI. The audit team will be provided adequate space and systems for completion of the audit.
5. In case STPI maintains consolidated and separate books of account as mentioned above, then bidders need to audit the consolidated books and authenticate the segregation of books with consolidated books.
6. The bidder has to report to the Jurisdictional Director for the commencement of audit and also interact for its queries.
7. The RFP may be obtained from STPI-HQ, 9th Floor, NDCC-II, Jai Singh Road, New Delhi-110001 on any working day between 1000hrs to 1700hrs on cash payment of Rs.500. The RFP is also available on www.stpi.in or www.eprocure.gov.in. In case of download of RFP document from website, a demand draft of Rs.500/- need to drawn in favor of “Software Technology Parks of India” payable at “ New Delhi” and need to be submitted along with the Form A.
8. Earnest Money Deposit (EMD) of Rs.50,000/- in form of Demand draft only need to drawn in favor of “Software Technology Parks of India” payable at “ New Delhi” must be submitted along with the Form A. The EMD of successful bidder will be converted into Performance Bid Security, which will be returned after 30days of the successful completion of the awarded job, without any interest. The EMD of unsuccessful bidder will be returned within 30 days from the date of award of work, without any interest thereon.
9. The proposal should be submitted only in the prescribed format A and B along with necessary documentary evidences.

10. Form “A” & “B” along with necessary documentary evidences should be properly sealed (not stapled) in separate envelopes and should be super scribed on the top of envelope as “**Form A**” and “**Form B**” respectively. Then both the envelope “A” & “B” must be properly sealed (not stapled) in a big envelope and it should be super scribed on the top of envelope “**RFP for Appointment as Internal Auditor for STPI-HQ and its Centres/Sub Centres**”.
11. No overwriting, corrections and cutting on the form “A” & “B” are permitted. However, the cuttings, if any, must be signed by the person authorized to sign the proposal.
12. Consolidated price may quoted in Form “B”, considering the scope of work. No additional fees will be admissible and considered by STPI for payment, other than quoted at S.No. 3 of Form B.
13. All prices should be quoted in Indian Rupees.
14. STPI will pay the consolidated fees as per form “B” of the RFP document to selected bidder as per the terms of Payment mentioned in the Part-II of RFP.
15. The validity of the proposal should be 90 days from the last date of submission of proposal as specified in the RFP document. Each page of RFP should be signed and numbered.
16. The proposal should be addressed to “**The Director Finance, Software Technology Parks of India, 9th Floor, NDCC-II, Jai Singh Road, New Delhi-110 001.**”
17. The proposal may be sent through post/courier or may be submitted in person at the office of STPI at the above mentioned address on or before specified date and time. However, STPI shall not be responsible for any postal and other delay.
18. **Rejection of the proposal**
 - (a) The bidder is expected to examine all instructions, formats, terms & condition and scope of work in the bid document. Failure to furnish all information required as per RFP document or proposal submitted which is not substantially responsive to the RFP document in every aspect may result in rejection of proposal. In respect of interpretation/clarification and any matter relating to this RFP document, the decision of STPI will be final.
 - (b) Proposals not submitted in the prescribed format, will be summarily rejected.
 - (c) Proposal received without RFP cost of Rs.500/- will be summarily rejected.

- (d) Proposals submitted without EMD of Rs.50,000/-, will be summarily rejected.
 - (e) Proposals not meeting the criteria mentioned in Eligibility of bidders i.e. Part-III of the RFP document will be summarily rejected.
 - (f) The bidder will have to submit the entire requisite document as specified in the format A, failing which, the proposal is liable to be rejected.
 - (g) The proposals received after specified date & time will not be considered.
 - (h) The proposals received through Fax /Telex/photocopy/mail will not be considered.
 - (i) Unsealed proposals will be summarily rejected.
 - (j) “Form” A and “Form B” not submitted in separate envelopes, will be summarily rejected.
19. STPI reserves the right to reject any or all of the proposals or accept them in part or to reject lowest proposal without assigning any reason thereof.
20. Proposals once submitted shall not be allow to withdraw. Any default after acceptance of proposal shall be deemed to be non compliance to the terms of contract and would be liable to cancellation of contract and EMD shall be forfeited.
21. **Criteria for award of contract –**
- (i) **The proposals will be evaluated on details submitted in Form “A” & “B” of the RFP document.**
 - (ii) **Form “B” will be evaluated only of those bidders, who will meet the requirements mentioned in Part-III and form “A” of the RFP document.**
 - (iii) **Contract will be awarded to lowest proposal (L1) of Form “B”. L1 will be determined from the Total at Sl. No. 3 of form “B” of RFP document. In case of L1 rates of more than one bidder (i.e. in the case of tie), the contract will be awarded on basis of more experience of the respective bidder. The decision of the STPI in this regard shall be final and binding to the professionals.**
22. **Payment Terms:** payment will be released by HQ to successful bidder as per following schedule.
- a) 30% on submission of audit report till September.
 - b) 30% on submission of audit report till December.
 - c) 40% on submission of final audit report for the year.
 - d) Payments are subject to deduction of TDS etc. as per rules. STPI will not be liable to pay interest on account of delay payment etc.

23. **Liquidated Damages:** The bidder shall be charged with Liquidated damages @ 1% per week or part for first four weeks of delay, thereafter @ 2% per week maximum of 10% of the payment due. Subsequently, STPI retains right to terminate the contract without assigning any reason and no further payment shall be released and Performance Bid Security may also be forfeit. The bidder shall not be penalized for the delay not attributable to them. Further, STPI reserves the right to revise/change the schedule of delivery.

24. **Termination by default:** STPI may, without prejudice to any other remedy for breach of contract, by written notice of default sent to firm/company, terminate the contract in whole or part.

25. **Disputes –**

All disputes or difference whatsoever arising between the parties out of or relating to this RFP document shall be settled through arbitration proceedings as per Indian Arbitration Act. In such case, DG, STPI will be the competent authority for appointment of the Arbitrator. The settlement of all legal disputes shall be subject to jurisdiction of Delhi.

26. ***Force Majeure***

If, at any time, during the continuance of the work contract, the performance in whole or in any part by either party of obligation under the work contract shall be prevented or delayed by reasons of any war, hostile acts of the enemy, civil commotion, subrogate, fire, floods, earthquakes, explosions, epidemics, strikes and quarantine restrictions by acts of God,(herein after referred to as eventualities) then provided notice of the happening of any such eventualities is given by either party to the other within two days from the date of occurrence thereon, neither party shall, by reason of such eventualities be entitled to terminate this work contract nor shall either party have any claim of damages against the other in respect of such non performance or delay in performance. Performance of the work contract shall, however be resumed as soon as practicable after such eventuality has come to an end.

PART-III

ELIGIBILITY OF BIDDERS

1. The bidder must have experience of 15 years in the field of audit. In case of engagement of any associate's for any location, the minimum experience of each associate must be 10years in the field of audit. The experience will be verified from the date of registration with ICAI/ICWAI.
2. The bidder has to depute audit team at each Directorate for the commencement of audit and it will be headed by Chartered Accountant/Cost Accountant having the audit experience of at least 05years. Each team member must be semi qualified or qualified member of ICAI/ICWAI.
3. The bidder has to provide the profile of each team members deputed at each Directorate for Internal Audit to HQ before commencement of the audit.
4. Bidder must have their office Delhi & NCR. All audit co-ordinations will be done with HQ by the Delhi & NCR office of bidder. Bidder or its associate member's must have presence at each Directorate and Kolkata. In the case of engagement of associate's by the bidder, complete profile of the associate's need to be provided along with Form "A".
5. The bidder must have minimum Receipts/Turnover of Rs.4Crore in each financial year i.e. from FY 2010-11 to 2012-13. The receipts/turnover of any associate will not be considered. **Copy of Balance Sheet & Profit and loss account of each financial year must be enclosed.**
6. Bidder will not be blacklisted from any Government/Ministry/Department/PSU.
7. **The following documents (self attested) are required to be submitted along with proposal.**
 - a. Service Tax Registration (Undertaking must be submitted if not applicable duly specifying reason thereof).
 - b. PAN No. of bidder.
 - c. Copy of Registration with ICAI/ICWAI.
8. Bidder must have carried out one Government audit in last three years. Documentary proof need to be provided.

Note: Necessary supporting documents need to be enclosed.

FORM A

BIDDER’S DETAILS

- 1. (a) Name of the Bidder :
- (b) Postal Address :
- (i) Telephone No. :
- (ii) Fax No. :
- (iii) Email :
- 2. Date of its Establishment :
- 3. Associate’s Details :
(Attach profile of associate)
- 4. Experience of Bidder :
(Documentary Proof need to be attached)
- 5. Experience of Associate’s :
(Documentary Proof need to be attached)
- 6. Turnover of bidder in last three Financial years :
(copy of Balance Sheet and P&L A/c must be enclosed with proposal)
- 2010-2011:
- 2011-2012:
- 2012-2013:
- 5. PAN No. (Copy enclosed) :
- 6. Service Tax No. (Copy enclosed) :
- 7. Registration no. (Copy enclosed) :
- 8. Any other information :

I.....(designation).....of (Name of the bidder).....here by declare to accept the Terms & Conditions of the RFP Document for appointment as Consultant for segregation of books of accounts.

Authorized Signatroy

OFFICE SEAL

Date: _____

Place: _____

FORM B

FINANCIAL PROPOSAL

1. Service charges for audit of books of
accounts for the F.Y. 2014-15 :
as per the scope of work defined in Part-I
2. Taxes, if any :
3. Total :

Authorized Signatory

OFFICE SEAL

Date: _____

Place: _____

DECLARATION

We declare and confirm that (i) we have not been blacklisted or deregistered by any central/ state government department or public sector undertaking and none of our works had ever been terminated by client after award of contract, during last three years; and (ii) no agent, middleman or any intermediary has been, or will be engaged to provide any services, or any other item of work related to the award and performance of this Contract. We acknowledge the right of the STPI, if STPI finds to the contrary, to declare our Tender to be non-compliant and if the Contract has been awarded to declare the Contract will be null and void.

We also declare that the data provided by STPI for segregation will be used only for this purpose only and it will not be shared/accessed to any person/institution/firm/company/corporation/body etc. without the written consent of the STPI. We acknowledge the right of the STPI, if STPI finds to the contrary, STPI is entitled to claim appropriate compensation from us and the decision of STPI in this regard shall be final.

Authorized Signatory with Seal