

### Bid Document/ बिड दस्तावेज़

Bid Details/बिड विवरण	
Bid End Date/Time/बिड बंद होने की तारीख/समय	04-08-2023 18:00:00
Bid Opening Date/Time/बिड खुलने की तारीख/समय	04-08-2023 18:30:00
Bid Offer Validity (From End Date)/बिड पेशकश वैधता (बंद होने की तारीख से)	60 (Days)
Ministry/State Name/मंत्रालय/राज्य का नाम	Ministry Of Steel
Department Name/विभाग का नाम	Mstc Limited
Organisation Name/संगठन का नाम	Mstc Limited
Office Name/कार्यालय का नाम	Mstc Limited
Item Category/मद केटगरी	Financial Audit Services - Audit report; Audit Firm, CA Firm, CAG Empaneled Audit or CA Firm
Contract Period/अनुबंध अवधि	1 Year(s) 1 Day(s)
Minimum Average Annual Turnover of the bidder (For 3 Years)/बिडर का न्यूनतम औसत वार्षिक टर्नओवर (3 वर्षों का)	6 Lakh (s)
Years of Past Experience Required for same/similar service/उन्हीं/समान सेवाओं के लिए अपेक्षित विगत अनुभव के वर्ष	3 Year (s)
MSE Exemption for Years of Experience and Turnover/ अनुभव के वर्षों से एमएसई छूट	No
Startup Exemption for Years of Experience and Turnover/ अनुभव के वर्षों से स्टार्टअप छूट	No
Document required from seller/विक्रेता से मांगे गए दस्तावेज़	Experience Criteria,Bidder Turnover,Additional Doc 1 (Requested in ATC),Additional Doc 2 (Requested in ATC),Additional Doc 3 (Requested in ATC),Additional Doc 4 (Requested in ATC) *In case any bidder is seeking exemption from Experience / Turnover Criteria, the supporting documents to prove his eligibility for exemption must be uploaded for evaluation by the buyer
Bid to RA enabled/बिड से रिवर्स नीलामी सक्रिय किया	No
Type of Bid/बिड का प्रकार	Two Packet Bid

Bid Details/बिड विवरण	
<b>Time allowed for Technical Clarifications during technical evaluation/तकनीकी मूल्यांकन के दौरान तकनीकी स्पष्टीकरण हेतु अनुमत समय</b>	5 Days
<b>Payment Timelines</b>	Payments shall be made to the Seller within <b>15</b> days of issue of consignee receipt-cum-acceptance certificate (CRAC) and on-line submission of bills (This is in supersession of 10 days time as provided in clause 12 of GeM GTC)
<b>Evaluation Method/मूल्यांकन पद्धति</b>	Total value wise evaluation

#### EMD Detail/ईएमडी विवरण

Required/आवश्यकता	No
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#### ePBG Detail/ईपीबीजी विवरण

Required/आवश्यकता	No
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#### Splitting/विभाजन

Bid splitting not applied./बोली विभाजन लागू नहीं किया गया

#### MII Compliance/एमआईआई अनुपालन

MII Compliance/एमआईआई अनुपालन	Yes
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1. The minimum average annual financial turnover of the bidder during the last three years, ending on 31st March of the previous financial year, should be as indicated above in the bid document. Documentary evidence in the form of certified Audited Balance Sheets of relevant periods or a certificate from the Chartered Accountant / Cost Accountant indicating the turnover details for the relevant period shall be uploaded with the bid. In case the date of constitution / incorporation of the bidder is less than 3-year-old, the average turnover in respect of the completed financial years after the date of constitution shall be taken into account for this criteria.

2. Years of Past Experience required: The bidder must have experience for number of years as indicated above in bid data sheet (ending month of March prior to the bid opening) of providing similar type of services to any Central / State Govt Organization / PSU / Public Listed Company. Copies of relevant contracts / orders to be uploaded along with bid in support of having provided services during each of the Financial year.

3. Estimated Bid Value indicated above is being declared solely for the purpose of guidance on EMD amount and for determining the Eligibility Criteria related to Turn Over, Past Performance and Project / Past Experience etc. This has no relevance or bearing on the price to be quoted by the bidders and is also not going to have any impact on bid participation. Also this is not going to be used as a criteria in determining reasonableness of quoted prices which would be determined by the buyer based on its own assessment of reasonableness and based on competitive prices received in Bid / RA process.

#### Additional Qualification/Data Required/अतिरिक्त योग्यता /आवश्यक डेटा

**Number of Years of firm/company's existence as per ICAI certificate:AS PER TENDER DOCUMENTS**

**Number of years of experience as on date of which at least XX years should be in internal/external audit of companies, PSUs and centrally funded institutions.:AS PER TENDER DOCUMENTS**

**Number of full-time partners/experienced and qualified professionals in full time employment at senior level with experience in handling similar or relevant projects:AS PER TENDER DOCUMENTS**

**Number of partners/ qualified professionals in full time employment with DISA/CISA qualificationAS PER TENDER DOCUMENTS**

**Number of XX fulltime CA's required and YY professional audit staff:AS PER TENDER DOCUMENTS**

**This Bid is based on Quality & Cost Based Selection (QCBS) . The technical qualification parameters are :-**

Parameter Name	Max Marks	Cutoff Marks	Qualification Methodology Document
AS PER TENDER DOCUMENTS	100	70	<a href="#">View File</a>

**Total Minimum Qualifying Marks for Technical Score: 70**

**QCBS Weightage(Technical:Financial):70:30**

**Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )**

**Technical Specifications/तकनीकी विशिष्टियाँ**

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER I
Type of Industries/Functions	AS PER TENDER DOC CLUSTER I
Frequency of Progress Report	AS PER TENDER DOC CLUSTER I
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER I
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

**Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़**

**Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी**

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

**Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )****Technical Specifications/तकनीकी विशिष्टियाँ**

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER II
Type of Industries/Functions	AS PER TENDER DOC CLUSTER II
Frequency of Progress Report	AS PER TENDER DOC CLUSTER II
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER II
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

**Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़****Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी**

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
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S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

## Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )

### Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER III
Type of Industries/Functions	AS PER TENDER DOC CLUSTER III
Frequency of Progress Report	AS PER TENDER DOC CLUSTER III
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER III
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

### Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

### Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
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S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

## Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )

### Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER IV
Type of Industries/Functions	AS PER TENDER DOC CLUSTER IV
Frequency of Progress Report	AS PER TENDER DOC CLUSTER IV
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER IV
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

### Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

### Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
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S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

## Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )

### Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER V
Type of Industries/Functions	AS PER TENDER DOC CLUSTER V
Frequency of Progress Report	AS PER TENDER DOC CLUSTER V
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER V
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

### Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

### Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
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S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

## Financial Audit Services - Audit Report; Audit Firm, CA Firm, CAG Empaneled Audit Or CA Firm ( 1 )

### Technical Specifications/तकनीकी विशिष्टियाँ

Specification	Values
<b>Core</b>	
Scope of Work	Audit report
Type of Financial Audit Partner	Audit Firm , CA Firm , CAG Empaneled Audit or CA Firm
Type of Financial Audit	Internal Audit
Category of Work under Financial Audit	AS PER TENDER DOC CLUSTER VI
Type of Industries/Functions	AS PER TENDER DOC CLUSTER VI
Frequency of Progress Report	AS PER TENDER DOC CLUSTER VI
MIS Reporting for Financial Audit support	Yes
Frequency of MIS reporting	AS PER TENDER DOC CLUSTER VI
State	NA
District	NA
<b>Addon(s)/एडऑन</b>	
Post Financial Audit Support	NA

### Additional Specification Documents/अतिरिक्त विशिष्टि दस्तावेज़

### Consignees/Reporting Officer/परेषिती/रिपोर्टिंग अधिकारी

S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
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S.No./क्र. सं.	Consignee Reporting/Officer/ परेषिती/रिपोर्टिंग अधिकारी	Address/पता	To be set as 1	Additional Requirement/अतिरिक्त आवश्यकता
1	Ghanshyam Prasad	700156,MSTC Limited, Plot no CF-18/2, Street no175, Action Area 1C, New Town, Kolkata 700156, North 24 parganas, 700156	1	N/A

## Buyer Added Bid Specific Terms and Conditions/क्रेता द्वारा जोड़ी गई बिड की विशेष शर्तें

### 1. Generic

OPTION CLAUSE: The buyer can increase or decrease the contract quantity or contract duration up to 25 percent at the time of issue of the contract. However, once the contract is issued, contract quantity or contract duration can only be increased up to 25 percent. Bidders are bound to accept the revised quantity or duration

### 2. Buyer Added Bid Specific ATC

Buyer uploaded ATC document [Click here to view the file.](#)

## Disclaimer/अस्वीकरण

The additional terms and conditions have been incorporated by the Buyer after approval of the Competent Authority in Buyer Organization, whereby Buyer organization is solely responsible for the impact of these clauses on the bidding process, its outcome, and consequences thereof including any eccentricity / restriction arising in the bidding process due to these ATCs and due to modification of technical specifications and / or terms and conditions governing the bid. Any clause(s) incorporated by the Buyer regarding following shall be treated as null and void and would not be considered as part of bid:-

1. Definition of Class I and Class II suppliers in the bid not in line with the extant Order / Office Memorandum issued by DPIIT in this regard.
2. Seeking EMD submission from bidder(s), including via Additional Terms & Conditions, in contravention to exemption provided to such sellers under GeM GTC.
3. Publishing Custom / BOQ bids for items for which regular GeM categories are available without any Category item bunched with it.
4. Creating BoQ bid for single item.
5. Mentioning specific Brand or Make or Model or Manufacturer or Dealer name.
6. Mandating submission of documents in physical form as a pre-requisite to qualify bidders.
7. Floating / creation of work contracts as Custom Bids in Services.
8. Seeking sample with bid or approval of samples during bid evaluation process.
9. Mandating foreign / international certifications even in case of existence of Indian Standards without specifying equivalent Indian Certification / standards.
10. Seeking experience from specific organization / department / institute only or from foreign / export experience.
11. Creating bid for items from irrelevant categories.
12. Incorporating any clause against the MSME policy and Preference to Make in India Policy.
13. Reference of conditions published on any external site or reference to external documents/clauses.
14. Asking for any Tender fee / Bid Participation fee / Auction fee in case of Bids / Forward Auction, as the case may be.

Further, if any seller has any objection/grievance against these additional clauses or otherwise on any aspect of this bid, they can raise their representation against the same by using the Representation window provided in the bid details field in Seller dashboard after logging in as a seller within 4 days of bid publication on GeM. Buyer is duty bound to reply to all such representations and would not be allowed to open bids if he fails to reply to such representations.

This Bid is governed by the [General Terms and Conditions/सामान्य नियम और शर्तें](#), conditions stipulated in Bid and [Service Level Agreement](#) specific to this Service as provided in the Marketplace. However in case if any condition specified in General Terms and Conditions/सामान्य नियम और शर्तें is contradicted by the conditions stipulated in Service Level Agreement, then it will over ride the conditions in the General Terms and Conditions.

In terms of GeM GTC clause 26 regarding Restrictions on procurement from a bidder of a country which shares a land border with India, any bidder from a country which shares a land border with India will be eligible to bid in this tender only if the bidder is registered with the Competent Authority. While participating in bid, Bidder has to undertake compliance of this and any false declaration and non-compliance of this would be a ground for immediate termination of the contract and further legal action

in accordance with the laws./जेम की सामान्य शर्तों के खंड 26 के संदर्भ में भारत के साथ भूमि सीमा साझा करने वाले देश के बिडर से खरीद पर प्रतिबंध के संबंध में भारत के साथ भूमि सीमा साझा करने वाले देश का कोई भी बिडर इस निविदा में बिड देने के लिए तभी पात्र होगा जब वह बिड देने वाला सक्षम प्राधिकारी के पास पंजीकृत हो। बिड में भाग लेते समय बिडर को इसका अनुपालन करना होगा और कोई भी गलत घोषणा किए जाने व इसका अनुपालन न करने पर अनुबंध को तत्काल समाप्त करने और कानून के अनुसार आगे की कानूनी कार्रवाई का आधार होगा।

---Thank You/धन्यवाद---

Signature Not Verified

Digitally Signed.  
Name: GHANSHYAM  
PRASAD

Date: 10-Jul-2023 10:53:22



**एमएसटीसी लिमिटेड  
(भारत सरकार का उपक्रम)**

**MSTC LIMITED**

**(A Govt. of India Enterprise)**

**CIN: L27320WB1964GOIO26211**

रजि. कार्यालय: प्लॉट नंबर सीएफ 18/2, गली नंबर 175, एक्शन एरिया, 1सी, न्यू टाउन  
कोलकाता – 700 156, प. ब. भारत

फोन: 91-33-234000-00/11/12/13

Regd. Office: Plot No. CF18/2, Street No. 175, Action Area 1C, New  
Town, Kolkata – 700 156, W.B. INDIA

Phone: 91-33-234000-00/11/12/13

[www.mstcindia.co.in/www.mstcecommerce.com](http://www.mstcindia.co.in/www.mstcecommerce.com)

**TENDER DOCUMENT**

**APPOINTMENT OF INTERNAL AUDITORS FOR MSTC LIMITED  
FOR THE FINANCIAL YEAR 2023-24**



## **Section 1: Invitation for Proposal**

### **1.1. Introduction**

#### **About MSTC Limited:**

MSTC Limited is a Mini Ratna Category-I PSU under the administrative control of the Ministry of Steel, Government of India. The company was set up on 9<sup>th</sup> September 1964 to regulate export of surplus ferrous scrap in the early 1970's due to growth of scrap using Industries in India, scrap becomes a deficit item and role of MSTC was redefined as that of a canalizing agency for import of ferrous scrap.

From being a small, canalized agency, MSTC has emerged as a major player in the country for promoting e-Commerce and Trading. It has developed and utilized an immensely popular tool for transacting business over the internet in almost transparent and fair manner by its e-Auction portal namely, [www.mstcecommerce.com](http://www.mstcecommerce.com). This portal provides a virtual marketplace for domestic sellers and buyers to do business in metal scrap (ferrous/non-ferrous), surplus stores, machineries, obsolete spares, vehicles, minerals, and agriculture & forest produce etc. The methodology adopted includes open tender, public auction, and e-auction. It has also developed an e-Procurement portal and end-to-end e-Procurement services.

### **1.2. Invitation to Bidders**

MSTC Limited invites bids in sealed cover through two bid system i.e. Part-I (Technical Bid) and Part-II (Financial Bid) from Chartered Accountants OR Cost Accountants Firm/ LLP registered in India meeting all the conditions in the eligibility criteria (mentioned in Para 2.10, 2.11 & Annexure-II) on Quality and Cost Based Selection basis (QCBS) for conducting Internal Audit for the financial year 2023-24 with an option to extend the contract by one more year on the same rate, terms & conditions by mutual consent.

- I. The Tender Document can be downloaded from the website of MSTC/CPP.
- II. MSTC may, at its own discretion, extend the date for submission of proposals.

## **Section 2: Instructions to Bidders/Consortium of Bidders (ITB)**

### **2.1. Conflict of interest**

- I. The selected Firm should provide professional, objective, and impartial service and hold MSTC's interest paramount.
- II. The selected Firm shall not deploy former employees who have served MSTC in the last six months.
- III. The selected Firm shall not downstream or outsource any part of the scope of the work.
- IV. Non-disclosure of such an association will lead to termination of the Agency.

### **2.2. Validity of Proposal**

The following will be considered for the validity of the proposals deemed submitted:

- I. Proposals shall remain valid for a period of 60 days from the date of opening of the Price Bid.
- II. MSTC reserves the right to reject a proposal valid for a shorter period as non-responsive.
- III. In exceptional circumstances MSTC may solicit the Bidder's consent to an extension of the period of validity. The request and the response thereto shall be made in writing.

### **2.3. Right to Accept or Reject any Proposal**



MSTC reserves the right to annul the Tender Document process, or to accept or reject any or all the proposals in whole or part at any time without assigning any reasons and without incurring any liability to the affected Bidder(s) or any obligation to inform the affected Bidder(s) of the grounds for such decision.

#### **2.4. Fraud & Corruption**

It is required that the Bidders submitting Proposal and Agency selected through this Tender Document must observe the highest standards of ethics during the process of selection and during the performance and execution of the Work Order.

For this purpose, definitions of the terms are set forth as follows:

- I. "Corrupt practice" means the offering, giving, receiving, or soliciting of anything of value to influence the action of MSTC or its personnel in Work Order executions.
- II. "Fraudulent practice" means misrepresentations of facts, in order to influence a selection process or the execution of a Work Order and includes collusive practice among Bidders/Consortium of Bidders (prior to or after Proposal submission) designed to establish Proposal prices at artificially high or non-competitive levels and to deprive MSTC of the benefits of free and open competition.
- III. "Unfair trade practice" means supply of services different from what is ordered on or change in the Scope of Work.
- IV. "Coercive practice" means harming or threatening to harm, directly or indirectly, persons or their property to influence their participation in the selection process or execution of the Work Order.
- V. MSTC will reject a proposal for award, if it determines that the Bidder recommended for award has been determined to have been engaged in corrupt, fraudulent, or unfair trade practices.
- VI. MSTC will declare a Firm ineligible, either indefinitely or for a stated period of time, for awarding the Work Order, if it at any time determines that Firm has engaged in corrupt, fraudulent, and unfair trade practice in competing for, or in executing the Work Order.

#### **2.5. Clarifications & Amendments of Short Tender Document**

- I. During the process of evaluation of Proposals, MSTC may, at its discretion, ask Bidders / Consortium of Bidders for clarifications on their proposal. The Bidders / Consortium of Bidders are required to respond within the prescribed timeframe.
- II. MSTC may for any reason modify the Tender Document from time to time. The amendment(s) to the Tender Document would be clearly spelt out and the Bidders/ Consortium of Bidders may be asked to amend their proposal due to such amendments.

#### **2.6. Earnest Money Deposit (EMD)**

No EMD is required for submission of the Tender Documents

#### **2.7. Preparation of Proposal**

The Bidder must comply with the following instructions during preparation of Proposals:

- I. The Bidder is expected to carefully examine all the instructions, guidelines, terms and conditions and formats of the Tender Document. Failure to furnish all the necessary information as required by the Short Tender Document or submission of a proposal not substantially responsive to all the requirements of the Short Tender Document shall be at Bidder's own risk and may be liable for



rejection.

- II. The Proposal and all associated correspondence shall be written in English and shall be in a clear and legible language.
- III. No Bidder is allowed to modify, substitute, or withdraw the Proposal after its submission.

## 2.8. Submission of Proposal

Bidders shall submit their Proposals on or before the last date and time for receipt of proposals mentioned in Data Sheet.

Proposals shall be submitted in two parts. Each page of all parts should be page numbered and in conformance to the eligibility qualifications should be clearly indicated. The proposals should not contain any irrelevant or superfluous documents.

The two parts of the Proposal should be as per following:

**Part-I: Techno-Commercial bid will be opened electronically on specified date and time as given in the NIT. Bidder(s) can witness electronic opening of bid.**

**Part-II: Price bid will be opened electronically of only those bidder(s) whose Part I Techno-Commercial Bid is found to be Techno-Commercially acceptable by MSTC. Such bidder(s) will be intimated the date of opening of Part II Price bid, through valid email confirmed by them.**

## 2.9. Evaluation of Proposals

The Bid will be opened as per the schedule mentioned in the Data Sheet. MSTC may constitute an Evaluation Committee to evaluate the Proposals submitted by Bidders for detailed scrutiny. Subject to terms mentioned in the Tender Document, a two-stage process, as explained below, will be adopted for evaluation of proposals submitted by the specified date and time.

## 2.10 Eligibility

Scrutiny of the Proposals for eligibility will be done to determine whether:

- a) The Chartered Accountants or Cost Accountants Firm/ LLP registered in India shall be in existence for a minimum period of ten (10) years and have Annual Turnover of audit firm/LLP shall be at least Rupees Ten Crore (₹ 10,00,00,000) of which at least Rupees Five Crore (₹ 5,00,00,000) must be from Listed companies (Self Certificate). For the purpose of ascertaining the parameter of Turnover of the bidder, average turnover of the bidder for the previous three financial years shall be considered.  
The Firms/LLPs associated with MSTC during the previous financial year of 2022-23 in the capacity of either Auditors or Consultants are not eligible to submit their bid. In the techno commercial bid, the bidder shall submit a 'Certificate of Compliance' certified by a Chartered Accountant / Cost Accountant to the effect of the above. Those Audit Firms/LLPs, who will secure 70% marks or above as per Annexure-II would be technically qualified bidders and the price bid will be opened only for them.
- b) This empanelment is for the purpose of only short listing of firms/LLPs and would not carry any assurance of allotment of Internal Audit assignments from the MSTC.
- c) The offices of MSTC are divided into cluster-wise which are as following: -

Cluster I	Head Office (Kolkata) and Marketing Department (Kolkata)
Cluster II	ERO (Kolkata), Hyderabad and Bhubaneswar
Cluster III	NRO (New Delhi), Lucknow and Jaipur
Cluster IV	WRO (Mumbai) and Vadodara

Cluster V	SRO (Chennai) and Bangalore
Cluster VI	Ranchi, Guwahati, Trivandrum, Chandigarh, Raipur, Vizag, Patna, and Bhopal

- d) Firms/LLPs need to quote for the entire audit work of each cluster comprising of individual Offices/Units of MSTC falling under that region. The work can be allocated on the basis of clusters as above.
- e) A firm/LLP, which has been held guilty by The Institute of Chartered Accountants of India / The Institute of Cost Accountants of India disciplinary process in the last 10 years or who is under investigation or has been charge sheeted or punished for any legal default with imprisonment will not be considered for appointment of Internal Auditor.
- f) The Company reserves the right to accept or reject any application/s without assigning any reasons thereof. The decision of the Company for empanelment of the Firms will be final and binding upon the parties participating in the short- listing.

## 2.11. Evaluation of Technical Proposal

The Technical evaluation shall be based on the parameters mentioned in the Table below.

***NOTE: The Technical Proposal must not include any financial information regarding the Price which has to be submitted separately, failing which the Proposal will be rejected.***

SI No.	Particulars	Details (Supporting Documents where applicable are required to be uploaded)
1.	Name of the Firm/LLP with Registration no. and date of Registration	
2.	Registered Office Address & date of establishment	
3.	Branch Office Address & date of establishment	
4.	Contact No. of the Partners	
5.	Annual Turnover of audit firm/LLP shall be at least Rupees Ten Crore (₹ 10,00,00,000) of which at least Rupees Five Crore (₹ 5,00,00,000) must be from Listed companies	
6.	Fax Number, Email address & Website	
7.	Name, Membership No., and date of Joining of existing partners with the Firm/LLP having the longest association.  <b>Ref: Selection criteria at SI No. 1</b>	
8.	Name and Membership No. of the full-time partners and full-time qualified persons having more than ten (10) years' experience in practice in the firm /LLP whether ACA/FCA or ACMA/FCMA as on 01.04.2023  <b>Ref: Selection criteria at SI No. 2(A)(i)</b>	
9.	Name and Membership No. of the full-time partners and full-time qualified persons having more than ten (10) years' experience in practice in the firm as on 01.04.2023 having DISA/CISA.  <b>Ref: Selection criteria at SI No. 2(A)(ii)</b>	
10	Name, Membership No. and joining date of full-time qualified assistants who is an ACA/FCA or ACMA/FCMA  <b>Ref: Selection criteria at SI No. 3</b>	
11	Year wise experience of the firm in conducting Statutory /Internal Audit in last 10 years: (a) Name of PSU/Govt. Companies (b) Other large companies having turnover at least ₹ 500 Crore  <b>Ref: Selection criteria at SI No. 4</b>	

Further, the following documents are required to be submitted online:

1. Self-attested copy of membership certificate of Partners and full-time qualified persons issued by The Institute of Chartered Accountants of India or The Institute of Cost Accountants of India
2. Self-attested copy of Certificate of Practice of Partners and full-time qualified persons issued by Institute of Chartered Accountants of India or The Institute of Cost Accountants of India
3. Self-attested copy of Registration Certificate of PCA/PCMA/Firm/LLP issued by Institute of Chartered Accountants of India or The Institute of Cost Accountants of India





4. Self-attested copy of PAN Card of PCA/PCMA/Firm/LLP.
5. Self-attested copy of GST Registration Certificate (if applicable)
6. Self-attested copy of work order issued of Statutory/Internal Audit issued by PSU/Govt. Companies.

In the absence of the above documents the offer will be rejected. The documents uploaded online to the offer must be serially numbered and duly signed by the bidder with an official seal.

**The above technical proposal also includes**

1. MSTC may, at its discretion, call for additional information from the Bidder(s). Such information has to be supplied within the set-out timeframe, otherwise the Evaluation Committee shall make its own reasonable assumptions at the total risk and cost of the Bidders/ Consortium of Bidders and the Proposal is liable to be rejected. Seeking clarifications cannot be treated as acceptance of the proposal.
2. For verification of information submitted by the Bidders /Consortium of Bidders, the Committee may visit Bidder's offices at its own cost. The Bidders shall provide all the necessary documents, samples, and reference information as desired by the Committee. The Bidders shall also assist the Committee in getting relevant information from the Bidders / Consortium of Bidders references, if desired.
3. Those Audit Firms/LLPs who will secure 70% marks and above as per Annexure-II would be technically qualified bidders.
4. The bidder has to submit a covering letter as per Annexure IV.
5. The Integrity Pact as per Annexure VI has to be signed by the bidder and uploaded.
6. Only technically qualified Proposals shall be considered for financial bid Opening.

**2.13. Evaluation of Financial Proposal**

Financial Bids of only those bidders whose Technical Score is more than 70% shall be opened. The Quality and Cost Based Selection (QCBS) of Bids shall be adopted and a final combined score will be arrived at by applying relative weightage to the score of technical criteria which will be 70% and score of financial bids which will be 30%. The proposal with the highest weighted combined score shall be selected for initially one-year term. Subsequently, based on satisfactory performance, extension may be provided with the approval of Competent Authority.

Example for Quality and Cost Based Selection (QCBS) is given hereunder:

Bidder	Technical Score (Assumed) = X	Financial Bid (Assumed) = Y	Financial Score ( $L*100/Y$ ) = Z	Total Score ( $X*0.70 + Z*0.30$ )
A	90	7	85.71	88.71
B	80	7	85.71	81.71
C	70	6 (L)	100	79

In the above case, Bidder 'A' will be selected on the basis of highest score as per QCBS method. He will be paid Rs.7/- as per his quote even if his financial bid is higher or equal than other bidders.



MSTC will correct any computational errors. When correcting computational errors, in case of discrepancy between a partial amount and the total amount (Inclusive of taxes), or between word and figures, the former will prevail.

Bidders are requested to visit our website regularly for any amendment/addendum/corrigendum/extension until the last date.

## **ANNEXURE-I**

### **SCOPE OF WORK FOR INTERNAL AUDITORS**

The Internal Audit will be carried out of the following offices/units of the Company as per agreed audit plan:

Cluster	Offices/Units	Frequency of Audit/visit	Submission of report
Cluster I	Head Office	Quarterly	By 15th day from the end of the quarter
	Marketing Dept.	Quarterly	By 15th day from the end of the quarter
Cluster II	ERO (Kolkata), Hyderabad, Bhubaneswar	Quarterly	By 15th day from the end of the quarter
Cluster III	NRO (New Delhi), Lucknow, Jaipur	Quarterly	By 15th day from the end of the quarter
Cluster IV	WRO (Mumbai), Vadodara,	Quarterly	By 15th day from the end of the quarter
Cluster V	SRO (Chennai), Bangalore	Quarterly	By 15th day from the end of the quarter
Cluster VI	Ranchi, Guwahati, Trivandrum, Chandigarh, Raipur, Patna, Bhopal, and Vizag	Half yearly	By 15th day from the end of August and February

The illustrative (but not exhaustive) list of tasks to be performed for Internal Audit is given as under: -

#### **A. The following would be the scope covered for Head Office:**

FUNCTIONS	AREAS	REVIEW OF SUB – PROCESSES
E-COMMERCE	E-AUCTIONS PROCUREMENT & SALES	-Bidders Registration -Work Order/Agreements with Principals if any -Invoicing & Accounting -Helpdesk
MARKETING	1) 110% BANK GUARANTEE BUSINESS 2) CASH-N-CARRY BUSINESS 3) ASSOCIATESHIP BUSINESS	-Selection of Customer and fixation of exposure -Memorandum of Agreements - Procurement documentation including insurance and due diligence - Payment status -Service Charge Billing, Accounting & Collection. -Settlement of accounts with Customers -Compliance review of procedures as per Risk Management Policy (RMP) -Review of Stock Verification Reports. - Debtors follow up action. - Review of proposal files - Risk Management System - Stock verification - Adequacy of Internal Control -Bank Guarantee checking (100%)

OPERATIONAL	FIXED ASSETS	<ul style="list-style-type: none"> <li>-Procurement of Assets</li> <li>-Capitalization of Assets</li> <li>-Updating and Maintaining Fixed Assets Register</li> <li>-Calculation and Accounting of Depreciation</li> <li>-Sale/Disposal/Transfer/Write-off of Assets</li> <li>-Obtaining and Monitoring Asset Insurance</li> <li>-Physical verification process</li> <li>-Repairs &amp; Maintenance of Assets</li> <li>-Process of Identification of idle assets if any</li> <li>-Verification of Title Deeds and relevant records</li> </ul>
	HR & PAYROLL	<ul style="list-style-type: none"> <li>-Updating and maintenance of Employee records</li> <li>-Recruitment &amp; Selection</li> <li>-Separation/Transfer Process</li> <li>-Attendance &amp; Leave Records – Salary payment</li> <li>-Preparation and adhering to Training activities</li> <li>-Performance Related Pay (PRP)</li> <li>-Deduction &amp; Deposit of Provident Fund</li> <li>-Approving and Recovery of Employee Loans &amp; Advances</li> <li>-Payroll Processing</li> <li>-Process of Fixation and calculation of arrears as per revision of pay scale if any</li> </ul>
	CASH & BANK	<ul style="list-style-type: none"> <li>-Cash Payments &amp; Receipts</li> <li>-Bank Payments &amp; Receipt</li> <li>-Custody of Physical cash &amp; Cheque books, If any</li> <li>-Physical Verification Process</li> <li>-Obtaining &amp; Monitoring Cash Insurance and Security</li> <li>-Verification of Bank Reconciliation Statement</li> <li>-Defining and adhering to Cash Levels &amp; Holding</li> <li>-Short Term Deposits and related interest review</li> <li>-Short Term Bank Loan and related interest Repayment adherence</li> <li>-Global Pre-Bid EMD Payment Gateway</li> </ul>
	BUDGET	<ul style="list-style-type: none"> <li>-Budgeting Analysis – Capital &amp; Revenue</li> </ul>

	ADMINISTRATION	<p>Review of following</p> <ul style="list-style-type: none"> <li>-Car Hire</li> <li>-Repair &amp; Maintenance</li> <li>-Guest House</li> <li>-Travel &amp; Tours</li> <li>-Office Rent</li> <li>-Security Service</li> <li>-Printing &amp; Stationery</li> <li>-Courier Service</li> <li>-Communication Charges</li> <li>- Procurement of Services</li> </ul>
REGULATORY	<p>LAW DEPARTMENT</p> <p>EDP DEPARTMENT</p> <p>HINDI DEPARTMENT</p> <p>CORPORATE SOCIAL RESPONSIBILITY (CSR) DEPARTMENT</p> <p>STATUTORY COMPLIANCES</p> <p>SECRETARIAL DEPARTMENT</p>	<ul style="list-style-type: none"> <li>-Review of status of legal pending cases</li> <li>-Empanelment of Lawyers and their payments</li> <li>-Review of IT General Controls around data access, data and physical security, backup, help desk</li> <li>- Procurement of Assets &amp; Services</li> <li>-Compliance to Regulatory requirements of Annual program for transacting the official work of the union in Hindi issued by the Department of Official Language</li> <li>-Review of CSR activities as per CSR Committee guidelines</li> <li>-Timely deposit of dues and returns, i.e., TDS, TCS, Corporate Tax, GST</li> <li>- SEBI (LODR)</li> <li>Review of the following: <ul style="list-style-type: none"> <li>-Systems and procedures to comply with the Provisions of the Companies Act,2013 and DPE Guidelines on Corporate Governance</li> <li>-System for maintaining statutory registers, agenda, and minutes</li> <li>-Transfer of Dividend amount to a separate bank account and dispatch of dividend Warrants within the specified period</li> <li>-System of dividend payment and reconciliation between dividend amounts payable and actual dividend paid</li> <li>-Transfer of unpaid dividend to IE &amp;PF Within the specified period3</li> <li>-Dispatch of Annual Reports within the Specified period</li> </ul> </li> </ul>

OTHERS	CORPORATE COMMUNICATIONS	<ul style="list-style-type: none"> <li>- Corporate Advertisement release process and their payments</li> <li>- Empanelment of Advertisement agencies</li> <li>- Review of activities and expenditure thereon</li> <li>- Procurement of services for Corporate Events</li> </ul>
	CORPORATE PLANNING	<ul style="list-style-type: none"> <li>- Review of Proposal files – projects, process, and implementation</li> <li>- Engagement of experts</li> </ul>

**B. The following would be the scope covered for Regional and Branch Offices:**

<b>FUNCTIONS</b>	<b>AREAS</b>	<b>REVIEW OF SUB-PROCESSES</b>
E-COMMERCE	E-AUCTION/ E-SALES E-PROCUREMENT/ PROJECTS	<ul style="list-style-type: none"> <li>-Selling Agency Agreements with Principals/ Clients</li> <li>-Bidders Registration for specific projects if any</li> <li>-E-auctions, e-Procurement, e-Sale</li> <li>- Invoicing &amp; Collections</li> <li>-Compliance review of procedures mentioned in e-Commerce Manual version 3.0</li> <li>-Internet Payment Gateway</li> <li>- Payments to principals/ Refunds</li> <li>-Compliance to E-Commerce manual</li> </ul>
OPERATIONAL	<p>FIXED ASSETS</p> <p>HR</p> <p>CASH &amp; BANK</p>	<ul style="list-style-type: none"> <li>-Procurement of Assets</li> <li>-Capitalization of Assets</li> <li>-Updating and Maintaining Fixed Assets Register</li> <li>-Sale/Disposal/Transfer/Write-off of Assets</li> <li>-Obtaining and Monitoring Asset Insurance</li> <li>-Physical verification process</li> <li>-Repairs &amp; Maintenance of Assets</li> <li>-Process of Identification of idle assets if any</li> <li>- Monitoring of actual expenses vis-à-vis budget</li> <li>-Separation/ Transfers and handing over/ exit formalities</li> <li>-Attendance &amp; Leave Records</li> <li>- Approving and Recovery of Employee Loans</li> <li>- Cash Payments &amp; Receipts</li> <li>- Bank Payments &amp; Receipt</li> <li>- Custody of Physical cash &amp; Cheque books</li> <li>- Physical Verification Process- Obtaining and Monitoring Cash Insurance &amp; Security</li> <li>- Verification of Bank Reconciliation Statement</li> <li>- Defining and adhering to Cash Levels &amp; Holding</li> <li>- Short Term Deposits and related interest review</li> <li>-Internet payment gateway, Payments to Sellers and Buyers refund</li> </ul>

	BUDGET	-Budgetary Analysis – Capital & Revenue
	ADMINISTRATION	<b>Review of following contracts and expenses:</b> -Car Hire -Repair & Maintenance -Travel & Tours -Office Rent -Security Service -Printing & Stationery -Courier Service -Communication Charges -Procurement of other goods & services
REGULATORY	LAW DEPARTMENT  STATUTORY COMPLIANCES	-Review of status of legal pending cases -Payment to Lawyers  -Timely deposit of dues and returns, i.e., TDS, TCS, Corporate Tax, GST

In addition to above following areas had to be covered and reported by the audit:

1. Adherence to Delegation of Powers given to sanctioning authorities.
2. Suggest ways for improvement including automation in existing Systems and Procedures.
3. Adequacy of Internal Control/ Internal Financial Control over financial reporting, instances of failure and scope of improvements.

**ANNEXURE-II**  
**FORMAT FOR TECHNICAL EVALUATION**

Selection Criteria for Engagement of Internal Auditors			
SL. No.	SELECTION CRITERIA	BASIS OF MARKS	MAXIMUM MARKS
1	<p>Experience of the Firm:</p> <p>The minimum experience is ten (10) years for a Firm/LLP to be eligible and for each year's experience they would get 1.5 marks. Shall be reckoned from the date of joining of an existing partner with the Firm and having the longest association with the firm.</p>	<p>1.5 per year exceeding 10 years. (Fraction of the year to be ignored)</p>	15
2(A)(i)	<p>Number of full-time partners / full time qualified persons having more than ten (10) years' experience in practice in the firm/Limited Liability Partnership who is in the firm as on 01.04.2023 and continuing thereafter.</p>	5 marks for each partner	30
2(A)(ii)	<p>Number of full-time partners / full time qualified person having more than ten (10) years' experience in practice in the firm/ Limited Liability Partnership having DISA/CISA who is in the firm as on 01.04.2023 and continuing thereafter.</p>	5 marks for each partner having DISA/CISA	15





3	Number of full-time qualified assistants who is an ACA/FCA or ACMA/FCMA	2 marks for every qualified assistant	20
4	Experience of the firm in conducting Statutory/Internal Audit in PSU/Govt. Companies including concurrent audit in PSU Banks, large companies with turnover of at least ₹ 500 Crore each year during the last 10 years	2 marks per year of audit	20
<b>TOTAL MARKS</b>			<b>100</b>



**ANNEXURE-III**

**PRICE-BID**

(On letter head of Firm/LLP/Proprietorship/Individual)

**PROFORMA FOR COMMERCIAL/PRICE BID (For conducting Internal Audit of MSTC Ltd for the Financial Year 2023-24)**

Sl. No.	Particulars	Rate (₹)	Amount in words
1	<b>Fees for Audit work for the FY 2023-24</b>		
	Cluster I – Head Office (Kolkata) and Marketing Department		
	Cluster II – ERO (Kolkata), Hyderabad and Bhubaneswar		
	Cluster III – NRO (New Delhi), Lucknow and Jaipur		
	Cluster IV – WRO (Mumbai) and Vadodara		
	Cluster V – SRO (Chennai) and Bangalore		
	Cluster VI – Ranchi, Guwahati, Trivandrum, Chandigarh, Raipur, Patna, Vizag, and Bhopal		
	(Firms/LLPs need to quote for Cluster-wise. One firm may quote for individual Cluster or for all the Clusters)		
2	Out of Pocket Expenses Payable at actual subject to MSTC Travelling rules		<b>Not to be Quoted</b>
3	GST as applicable on fees (in %)		
	<b>TOTAL AMOUNT</b>		

Signature:\_\_\_\_\_

Name & Designation of the Authorized Signatory:\_\_\_\_\_

Seal of the Firm/LLP/Proprietorship/Individual:\_\_\_\_\_

Date:

\_\_\_\_\_

Place:\_\_\_\_\_



**ANNEXURE-IV**

**(On letterhead of Firm/LLP/Proprietorship/Individual)**  
**Format of Covering letter**

Date:

To

Addl GM (F&A)

MSTC Limited

Plot No.CF-18/2, Street No.175, Action Area 1C, New Town,  
Kolkata - 700156

**Sub: Quotation for.....**

Dear Sir,

We enclose herewith the Particulars and Details of the Firm, Techno-Commercial bid, and price bids in connection with the above assignment.

We also state as follows:

- a. We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.
- b. The prices quoted by us in the price bid are valid for 60 days from the date of opening of the bid. We confirm that this proposal will remain binding upon us.
- c. Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.
- d. We agree to bear all costs incurred by us in connection with the preparation and submission of the offer and to bear any further pre-contract costs.
- e. We understand that MSTC is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.
- f. I confirm that I have authority of .....(name of the firm) to submit the proposal and to negotiate on its behalf.

Thank you,

(Name of Authorised Signatory) and membership no.

Name of Firm/LLP

**ANNEXURE-V**  
**LIST OF REGIONS/BRANCHES of MSTC LIMITED**

Sr.No.	Region	Address
1	Head Office	Plot no.CF-18/2, Street No.175, Action Area 1C, New Town, Kolkata
2	Eastern Regional Office (ERO)	Plot no.CF-18/2, Street No.175, Action Area 1C, New Town, Kolkata
3	Western Regional Office (WRO)	607-608 Raheja Centre, Nariman Point, Mumbai-400021
4	Northern Regional Office (NRO)	30/31A Jeevan Vikas Building, 1st Floor, Asaf Ali Road (opp. Hamdard) New Delhi-110002
5	Southern Regional Office (SRO)	ISPAT Bhavan, 3rd Floor, No.5, Kodambakkam High Road, Chennai - 600 034
6	Branch Office (Bangalore)	19/5&19/6, 3RDFLOOR KAREEMTOWER, CUNNINGHAM ROAD BANGALORE-52
7	Branch Office (Vizag)	4th FLOOR JEEVAN SAMRIDDHI, D No 42-1-45/1/1, NEW INVESTMENT BUILDING, THIKKANA ROAD, VISHAKAPATNAM, ANDHRA PRADESH - 530004
8	Branch Office (Vadodara)	21, Kamalanjali Apartment, 2nd Floor, Opp. Tube Company, Old Padra Road, Akota Vadodara-390020
9	Branch Office (Hyderabad)	No 5-9-13, 7th Floor, Taramandal Complex, Saifabad, Between Sahara Manzil and Samrat Complex, Hyderabad, Telangana 500004.
10	Branch Office (Bhopal)	1st Floor, Tilhan Sangh Bhawan, 1 Area Hills MPOILFED Building Bhopal-462004.
11	Branch Office (Bhubaneswar)	MSTC Limited, 2nd Floor, IPICOL House-Annexe Building, Bhubaneswar - 751022, ODISHA
12	Branch Office (Chandigarh)	Telephone Exchange Building, 2nd Floor, Sector-5, Panchkula-134109
13	Branch Office (Guwahati)	BSNL Exchange Building, Beltola Basistha Road, Wireless Guwahati, ASSAM-781038
14	Branch Office (Jaipur)	Room No. 114, First Floor, BSNL Building, Lal Kothi, Behind Nagar Nigam, Jaipur, 302015
15	Branch Office (Lucknow)	Ground Floor, CWC Regional Office Complex, Vibhuti Khand, Gomti Nagar, Lucknow - 226010, Uttar Pradesh
16	Branch Office (Raipur)	Hall No 6 & 7, 3rd floor, Udyog Bhawan, Telibandha, Ring Road 1, Raipur, 492006
17	Branch Office (Ranchi)	Exploration Building, 4th floor, CMPDI Campus, Gondwana Place, Kanke Road, Ranchi-834 031, Jharkhand
18	Branch Office (Trivandrum)	1st Floor, BSNL CTO Building, Opp Kerala State Secretariat, Mahatma Gandhi Rd, Statue, Thiruvananthapuram- 695001
19	Branch Office (Patna)	MSTC LTD, 3rd Floor, DCM cum MRT Building SBPDCL, Road No-01, D P Rai Path, Near R Block, Patna, Bihar, PIN-800001



## **ANNEXURE-VI**

### **INTEGRITY PACT**

**Between** MSTC LTD, hereinafter, referred to as "MSTC", and ..... hereinafter referred to as "The Vendor/Service Provider/Buyer"

#### **Preamble**

WHEREAS, MSTC is acting as an agent for the purpose of disposal/sale/booking/procurement of various commodities.

And

WHEREAS MSTC values full compliance with all relevant laws and regulations, and the principles of economical use of resources, and of fairness and transparency in its relations with its principals.

In the pursuance, thereto, the following clauses of the Integrity Pact will be applicable, and this document shall be deemed to be an integral part of the Agency Agreement between us.

In order to achieve this goal, MSTC may seek cooperation of the renowned international Non-Governmental Organization "Transparency International" (TI). Following TI's national and international experience, MSTC may appoint an external independent Monitor who will monitor the tender/auction/e-auction/e-sale/e-booking process and the execution of the contract for compliance with the principles mentioned above.

#### **Section - 1 Commitments of MSTC**

MSTC commits itself to take all measures necessary to prevent corruption and to observe the following principles: -

- a) No employee of MSTC, personally or through family members, will in connection with the tender for, or the execution of a contract demand, take a promise for or accept, for him/herself or third person, any material or immaterial benefit which he/she is not legally entitled to.
- b) MSTC will, during the tender/auction/e-auction/e-sale/e-booking process, provide to all Buyer(s)/Vendor(s) the same information and will not provide to any Buyer/Vendor confidential/additional information through which the Buyer/Vendor could obtain an advantage in relation to the tender/auction/e-auction/e-sale/e-booking process or the contract execution.
- c) MSTC will exclude from the process all known prejudiced persons.

If MSTC obtains information on the conduct of any of its employees which is a criminal offence under the relevant Anti-Corruption Laws of India, or if there be a substantive suspicion in this regard, MSTC will inform its Vigilance Office and in addition can initiate disciplinary actions.

## **Section - 2 Commitments of the Buyer/Vendor**

The Buyer/Vendor commits himself to take all measures necessary to prevent corruption. He commits himself to observe the following principles during his participation in the tender/auction/e-auction/e- sale/e-booking/e-procurement process and during the contract execution.

IP-2

- i) The Buyer/Vendor will not, directly or through any other person or firm, offer, promise or give to MSTC, to any of MSTC's employees involved in the tender/auction/e-auction/e-sale/e-booking process or the execution of the contract or any third person any material or immaterial benefit which he/she is not legally entitled to, in order to obtain in exchange an advantage during the tender process or the execution of the contract.
- ii) The Buyer/Vendor will not enter with other Buyer(s) into any illegal agreement or understanding, whether formal or informal. This applies in particular to prices, specifications, certifications, subsidiary contracts, submission or non-submission of bids or actions to restrict competitiveness.
- iii) The Buyer/Vendor will not commit any criminal offence under the relevant Anti-Corruption Laws of India; further the Buyer/Vendor will not use improperly, for purposes of competition or personal gain, or pass on to others, any information provided by MSTC as part of the business relationship, regarding plans technical proposals and business details, including information contained or transmitted electronically.
- iv) The Buyer/Vendor will, when presenting his bid, disclose any and all payments he has made, is committed to or intends to make to agents, brokers or any other intermediaries in connection with the award of the contract.
- v) The Buyer/Vendor will not instigate third persons to commit offences outlined above or be an accessory to such offences.

## **Section - 3 Disqualification from tender process and exclusion from future contracts**

If the Buyer, before contract award, has committed a serious transgression through a violation of Section 2 above or in any other form such as to put his reliability or credibility as Buyer into question, MSTC is entitled to disqualify the Buyer from the tender/auction/e-auction/e-sale/e-booking process or to terminate the contract, if already signed, for such reason.

- i) If the Buyer/Vendor has committed a serious transgression through a violation of Section 2 above such as to put his reliability or credibility into question, MSTC is entitled also to exclude the Buyer/Vendor from future contract award processes. The imposition and duration of the exclusion will be determined by the severity of the transgression. The severity will be determined by the circumstances of the case, in particular the number of transgressions, the position of the transgressors within the company hierarchy of the Buyer and the amount of the damage. The exclusion will be imposed for a minimum of 6 months and maximum of 3 years.
- ii) If the Buyer/Vendor can prove that he has restored/recouped the damage caused by him and has installed a suitable corruption prevention system, MSTC may revoke the exclusion prematurely.
- iii) A transgression is considered to have occurred if in light of available evidence, no reasonable doubt is possible.

## **Section - 4 Compensation for Damages**

1. If MSTC has disqualified the Buyer from the tender/auction/e-auction/e-sale/e-booking process prior to the award according to Section 3 above, MSTC is entitled to demand from the Buyer liquidated damages equivalent to 3% of the value of the offer.
2. If MSTC has terminated the contract according to Section 3, or if MSTC is entitled to terminate the contract according to Section 3, MSTC shall be entitled to demand from the Vendor liquidated damages equivalent to 5% of the contract value.

3. If the Buyer/Vendor can prove that the exclusion of the Buyer from the tender/auction/e-auction/e-sale/e-booking process or the termination of the contract after the contract award has caused no damage or less damage than the amount of the liquidated damages, the Buyer/Vendor has to compensate only the damage in the amount proved. If MSTC can prove that the amount of the damage caused by the disqualification of the Buyer before contract award or the termination of the contract after contract award is higher than the amount of the liquidated damages, it is entitled to claim compensation for the higher amount of damages.

#### **Section - 5 Previous Transgression**

1. The Buyer declares that no previous transgressions occurred in the last 3 years with any other company in any country conforming to the TI approach or with any other Public Sector Enterprise in India that could justify his exclusion from the tender process.
2. If the Buyer makes incorrect statement on this subject, he can be disqualified from the tender process or the contract, if already awarded, can be terminated for such reason.

#### **Section - 6 Equal treatment of all Buyer(s)/Vendor(s)**

1. The Buyer/Vendor undertakes to demand from all subcontractors(s) a commitment consistent with this Integrity Pact, and to submit it to MSTC before contract signing.
2. MSTC will enter into agreements with identical conditions as this one with all Buyer(s), Vendor(s).
3. MSTC will disqualify from the tender process all Buyer(s) who do not sign this Pact or violate its provisions.

#### **Section - 7 Criminal Charges against violating Buyer(s)/Vendor(s)**

If MSTC obtains knowledge of conduct of a Buyer, Vendor or of an employee or a representative or an associate of a Buyer, Vendor which constitutes corruption, or if MSTC has substantive suspicion in this regard, MSTC will inform the Vigilance Office.

#### **Section - 8 External Independent Monitor**

1. MSTC may appoint a competent and credible External Independent Monitor for this Pact. In such a case the task of the Monitor is to review independently and objectively whether and to what extent the parties comply with the obligations under this agreement.
2. The Monitor is not subject to instructions by the representatives of the parties and performs his functions neutrally and independently. He reports to the Chairperson of the Board of MSTC.
3. The Monitor has the right of access without restriction to all Project documentation of MSTC. The Vendor will also grant the Monitor, upon his request and demonstration of a valid interest, unlimited access to his project documentation. The Monitor is under contractual obligation to treat the information and documents of the Buyer/Vendor with confidentiality.
4. MSTC will provide the Monitor with sufficient information about all meetings among the parties related to the project provided as meetings could have an impact on the contractual relations between MSTC and the Vendor. The parties offer the Monitor the option to participate in such meetings.
5. As soon as the Monitor notices, or believes to notice, a violation of this agreement, he will inform the Management of MSTC and request the Management to discontinue or heal the violation, or to take other relevant action. The Monitor can in this regard subject to non-binding recommendations. Beyond this, the Monitor has no right to demand from the parties that they act in a specific manner, refrain from action, or tolerate action.
6. The Monitor will regularly submit a written report to the Chairperson of the Board of MSTC and, should the occasion arise, submit proposals for correcting problematic situations.

7. If the Monitor has reported to the Chairperson of the Board a substantiated suspicion of an offence under relevant Anti-Corruption Laws of India, and the Chairperson has not within reasonable time, taken visible action to proceed against such offence or reported it to the Vigilance Office, the Monitor may also transmit this information directly to the Central Vigilance Commissioner, Government of India.

#### **Section - 9 Pact Duration**

This Pact begins when both parties have legally signed it. It expires for the Vendor 12 months after the last payment under the respective contract, and for all other Buyers 6 months after the contract has been awarded.

#### **Section - 10 Other Provisions**

1. This agreement is subject to Indian Law. Place of performance and jurisdiction is the Corporate Office of MSTC.
2. Changes and supplements as well as termination notices need to be made in writing. Sideagreements have not been made.
3. If the Vendor is a partnership or a consortium, this agreement must be signed by all partners or consortium members.
4. Should one or several provisions of this agreement turn out to be invalid, the  
The remainder of this agreement remains valid. In this case, the parties will strive to come to an agreement on their original intentions.

<hr style="border: none; border-top: 1px solid black; margin-bottom: 5px;"/> <div style="display: flex; justify-content: space-between;"><div style="width: 45%;"><p>For MSTC</p><p>Place: _____</p><p>Date : _____</p></div><div style="width: 45%;"><p>For Buyer/Vendor</p><p>Witness 1: _____</p><p>Witness 2: _____</p></div></div>	
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