

# M.P. POORV KSHETRA VIDYUT VITARAN CO. LTD. JABALPUR

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TENDER SPECIFICATION NO. DISCOM/EZ/PUR/1480

(E-Tender No.355028\_1)

DUE FOR OPENING ON: - 25.07.2024

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FOR

## Outsourcing of CA/ICWA firm for the Revenue Audit and System & Expenditure audit of HO of the Company

**THE CHIEF GENERAL MANAGER (S&P)**

M. P. Poorv Kshetra Vidyut Vitaran Co. Ltd,  
Block No.8<sup>th</sup>, 3<sup>RD</sup> Floor Shakti Bhawan,  
Jabalpur (MP) 482008

Phone No.: 0761-2666040, 2702473, 2702442, 2702411.

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## M.P. Poorv Kshetra Vidyut Vitaran Co. Ltd.

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CIN : U40109MP2002SGC015120 Tel- 0761-2666040, Extn. 270-2473/2442, Fax 0761-2660048  
Website : [www.mpez.co.in](http://www.mpez.co.in), email: [cepurez@yahoo.in](mailto:cepurez@yahoo.in)

No. CGM/S&amp;P/EZ/GM-II/III/ 993

Jabalpur, dtd :08.07.2024

### Notice Inviting Tender

Online tenders are invited for Outsourcing of CA/ICWA firm for the Revenue Audit and System & Expenditure audit of field offices / Corporate office of the Company. The Bids will be received online on the portal <https://mptenders.gov.in> up to date & time as per key dates. The tender will be opened in the office of undersigned as mentioned in tender time schedule (key dates) in presence of bidders duly authorized representative who may like to be present at the time of opening of tender :-

Sl. No	TS No. (For e-Tendering) Discom-EZ/Pur	Name of item	Approx. Value (Rs. in Lakhs)	Tender Fee (in Rs)	Due date & time of opening of tender (*)
1	TS-1479 (e-Tender No. 2024_PKVVC_355026_1)	Outsourcing of CA / ICWA firm for the revenue audit and system and expenditure audit of different offices of the Company	51.84	2360	25.07.2024
2	TS-1480 (e-Tender No. 2024_PKVVC_355028_1)	Outsourcing of CA / ICWA firm for HT revenue audit and system & expenditure audit of all offices of the Corporate Office of MPPKVCL	3.36	590	25.07.2024

\* For updated / extended due dates for opening of tender (EMD in Cover-1 & Techno-commercial bid in Cover-2) please refer to the online key dates.

NOTE: -

- (1) Other details can be seen in the complete tender documents available on new implemented e-portal <https://mptenders.gov.in>.
- (2) Tender Documents can be downloaded from main portal <https://mptenders.gov.in> free of cost. However, for participation in the tender, the bidder shall have to pay non-refundable tender fee. In case, the tender is dropped without opening, the tender fees shall be refunded after deduction of necessary portal charges.
- (3) The Micro & Small Enterprises (MSEs) of Madhya Pradesh registered with District Industries Centre (DIC)/Khadi & Village Industries Commission (KVIC)/ Khadi & Village Industries Board (KVIB)/Coir Board/NSIC/Directorate of Handicraft and Handlooms / Udyog Aadhar Memorandum(UAM)/UDYAM or any other body specified by Ministry of Micro, Small & Medium Enterprises of Madhya Pradesh on the date of opening of tender for the tendered item(s) shall be exempted from payment of tender fee. In support of above the bidders shall be required to upload the requisite documents on the portal of MP Tender, failing which their techno commercial bid shall



- not be considered for opening.
- (4) The bid data should be filled in and the bid seals of all the envelopes and the documents which are to be uploaded by the bidders should be submitted online only as per time schedule (Key Dates).
  - (5) The relevant portion of tender which tenderers have to fill online would be available on above website on date mentioned against each tender. The company reserves the right to reject any or all the tenders or accept any tender in full or part as considered advantageous to the company, whether it is lowest or not, without assigning any reason whatsoever it may be.
  - (6) Since the bidders are required to sign their bids online using class III – Digital Certificates only, hence they are advised to obtain the same at the earliest. For further information, bidders are requested to contact Madhya Pradesh State Electronic Development Corporation Ltd, State IT Centre, 2nd Floor, 47-A, Arera Hills, Bhopal-462011, Telephone No. 0120-4001002/ 4200462/ 4001005, E-mail: [support-proc@nic.in](mailto:support-proc@nic.in).
  - (7) Bidders intending to participate in the Tender are required to get themselves trained on the e-Procurement System.
  - (8) The required amount of EMD shall be accepted through online payment only.
  - (9) The Bidders are required to invariably upload the valid documentary evidence of submission of online EMD (or EMD Exemption Certificate if applicable) in Cover-1 without which online offer i.e., Cover-2 & 3 shall not be opened.
  - (10) No offer will be accepted without valid Earnest Money Deposit, unless exempted by the Company. If on opening of tender, it is revealed that EMD amount is inadequate / any other discrepancy is noticed, the tender shall be rejected.
  - (11) The corrigendum or addendum to the Bidding Documents, if any, as well as any change in due date(s) of opening of tender will be published on the website <https://mptenders.gov.in> & also Company's website [www.mpez.co.in](http://www.mpez.co.in) but will not be published in newspaper. Hence participant bidders are advised to regularly visit the websites until the bid opening. The Company shall not be responsible in any way for any ignorance of the bidders about the corrigendum or addendum or change in the due date(s).
  - (12) Last date for submission of Online Bid documents {Cover-1 (EMD) & Cover-2 (Techno Commercial Bid)} shall be as per online key dates. The same shall be opened as per key dates. The date of opening of EMD & Techno commercial bid shall be the date of opening of tender for all the purpose.
  - (13) The tender document will be available on portal <https://mptenders.gov.in>. The interested bidders are advised to regularity visit the portal for the purpose.
  - (14) Only online bids will be considered as valid.

Sd/-  
**Chief General Manager (S & P)**  
**Corporate Office**  
**MPPKVCL, Jabalpur**

**SAVE ELECTRICITY**



### KEY DATES & BASIC TENDER INFORMATION

Particulars	Details
Name of Work	Outsourcing of CA / ICWA firm for the HT revenue audit and system expenditure audit of all offices of Corporate office of the Company
Tender Specification Number	<b>DISCOM/EZ/PUR/1480/E-TS-355028</b>

#### Key Dates:-

Sr. No.	Tender Stage	Particulars	Date & Time
1.	Publishing of tender date	Tender Purchase-online	08.07.2024, 17:00 Hrs
2.	Document download start date		08.07.2024, 17:15 Hrs
3.	Bid Submission Start Date		08.07.2024, 17:30 Hrs
4.	Bid Submission End Date		23.07.2024, 17:00 Hrs
5.	Bid Opening Date		25.07.2024, 15:00 Hrs
6.	Financial Bid(Cover-3) Open Date	Cover-3 (Price Bid)	Will be informed later

#### BASIC TENDER INFORMATION :-

(1) Bidders shall submit tender online in following three parts. No physical submission of document/bid is required :-

- i. **Part-I (Cover- 1)** – The bidders shall require to deposit EMD online as specified in clause -3 Annex-I of the tender specification and to upload a scan copy of the same in Cover( 1). In case of exemption from payment of EMD as allowed in Clause-3 (iii) Annex-I of the tender, bidders shall upload a scan copy of the duly notarized documents as required in above clause.
- ii. **Part-2 (Cover –2)** - the bidders shall require to upload following documents digitally signed in Cover-(2) which shall form Commercial and Technical bid.
  - a. **Schedule-II-** Bidders background
  - b. **Schedule-III**– CA Certificate against Financial requirement of the tender
  - c. **Schedule-IV**– Undertaking
  - d. Documents against qualifying requirement of the tender
  - e. Duly filled all schedules (except price schedules) with supporting documents

**In case of erroneous/ non-submission/ missing of any of the document required as per the provision of the bidding document. The purchaser will have full right to reject the bid or evaluate the bid with the documents submitted as the case may be. The purchaser may however ask the bidder for a clarification of its bid.**



- i. Part-3 (Cover-3) The bidders shall quote their rates online only in schedule-I and shall be kept in Cover- (3) .
- (1) The date of opening of financial/ price bid shall be informed separately. The bidders may please keep them updated of price bid opening from the e-portal.
- (2) In case of any of above date(s) is declared as holiday/local holiday, then the date(s) will be shifted to next working day.

**Chief General Manager (S & P)**  
**M.P.P.K.V.V.Co.Ltd., Jabalpur**

**SAVE ELECTRICITY**

## **INSTRUCTIONS FOR ONLINE BID SUBMISSION:**

The bidders are required to submit soft copies of their bids electronically on the MP TENDERS Portal, using valid Digital Signature Certificates. The instructions given below are meant to assist the bidders in registering on the MP TENDERS Portal, prepare their bids in accordance with the requirements and submitting their bids online on the MP TENDERS Portal.

More information useful for submitting online bids on the MP TENDERS Portal may be obtained at: <https://mptenders.gov.in/nicgep/app>

### **REGISTRATION**

- 1) Bidders are required to enroll on the e-Procurement module of the Central Public Procurement Portal (URL: <https://mptenders.gov.in/nicgep/app>) by clicking on the link “**Online bidder Enrollment**” on the MP TENDERS Portal **which is free of charge**.
- 2) As part of the enrolment process, the bidders will be required to choose a unique username and assign a password for their accounts.
- 3) Bidders are advised to register their valid email address and mobile numbers as part of the registration process. These would be used for any communication from the MP TENDERS Portal.
- 4) Upon enrolment, the bidders will be required to register **their valid Digital Signature Certificate (Class II or Class III Certificates with signing key usage)** issued by any Certifying Authority recognized by CCA India (e.g. Sify / nCode / eMudhra etc.), with their profile.
- 5) Only one valid DSC should be registered by a bidder. Please note that the bidders are responsible to ensure that they do not lend their DSC’s to others which may lead to misuse.
- 6) Bidder then logs in to the site through the secured log-in by entering their user ID / password and the password of the DSC / e-Token.

### **SEARCHING FOR TENDER DOCUMENTS**

- 1) There are various search options built in the MP TENDERS Portal, to facilitate bidders to search active tenders by several parameters. These parameters could include Tender ID, Organization Name, Location, Date, Value, etc. There is also an option of advanced search for tenders, wherein the bidders may combine a number of search parameters such as Organization Name, Form of Contract, Location, Date, Other keywords etc. to search for a tender published on the MP TENDERS Portal.
- 2) Once the bidders have selected the tenders they are interested in, they may download the required documents / tender schedules. These tenders can be moved to the respective ‘My Tenders’ folder. This would enable the MP TENDERS Portal to intimate the bidders through SMS / e-mail in case there is any corrigendum issued to the tender document.
- 3) The bidder should make a note of the unique Tender ID assigned to each tender, in case they want to obtain any clarification / help from the Helpdesk.

### **PREPARATION OF BIDS**

- 1) Bidder should take into account any corrigendum published on the tender document before submitting their bids.
- 2) Please go through the tender advertisement and the tender document carefully to understand the documents required to be submitted as part of the bid. Please note the number of covers in which the bid documents have to be submitted, the number of documents - including the names and content of each of the document that need to be submitted. Any deviations from these may lead to rejection of the bid.
- 3) Bidder, in advance, should get ready the bid documents to be submitted as indicated in the tender document / schedule and generally, they can be in PDF / XLS / RAR / DWF/JPG formats. Bid documents may be scanned with 100 dpi with black and white option which helps in reducing size of the scanned document.



- 4) To avoid the time and effort required in uploading the same set of standard documents which are required to be submitted as a part of every bid, a provision of uploading such standard documents (e.g. PAN card copy, annual reports, auditor certificates etc.) has been provided to the bidders. Bidders can use “My Space” or “Other Important Documents” area available to them to upload such documents. These documents may be directly submitted from the “My Space” area while submitting a bid, and need not be uploaded again and again. This will lead to a reduction in the time required for bid submission process.

#### **SUBMISSION OF BIDS**

- 1) Bidder should log into the site well in advance for bid submission so that they can upload the bid in time i.e. on or before the bid submission time. Bidder will be responsible for any delay due to other issues.
- 2) The bidder has to digitally sign and upload the required bid documents one by one as indicated in the tender document.
- 3) Bidder should prepare the EMD as per the instructions specified in the tender document. The bidder has to submit EMD by making Online payment on mp tenders portal until unless not exempted from EMD.
- 4) Bidders are requested to note that they should necessarily submit their financial bids in the format provided and no other format is acceptable. If the price bid has been given as a standard BoQ format with the tender document, then the same is to be downloaded and to be filled by all the bidders. Bidders are required to download the BoQ file, open it and complete the white coloured (unprotected) cells with their respective financial quotes and other details (such as name of the bidder). No other cells should be changed. Once the details have been completed, the bidder should save it and submit it online, without changing the filename. If the BoQ file is found to be modified by the bidder, the bid will be rejected.
- 5) The server time (which is displayed on the bidders’ dashboard) will be considered as the standard time for referencing the deadlines for submission of the bids by the bidders, opening of bids etc. The bidders should follow this time during bid submission.
- 6) All the Documents submitted by the bidders would be encrypted using PKI encryption techniques to ensure the secrecy of the data. The data entered cannot be viewed by unauthorized persons until the time of bid opening. The confidentiality of the bids is maintained using the secured Socket Layer 128 bit encryption technology. Data storage encryption of sensitive fields is done. Any Bid Document that is uploaded to the server is subjected to symmetric encryption using a system generated symmetric key. Further this key is subjected to asymmetric encryption using buyers/bid openers public keys. Overall, the uploaded tender documents become readable only after the tender opening by the authorized bid openers.
- 7) The uploaded Tender Documents become readable only after the tender opening by the authorized bid openers.
- 8) Upon the successful and timely submission of bids (i.e. after Clicking “Freeze Bid Submission” in the portal), the portal will give a successful bid submission message & a bid summary will be displayed with the bid no. and the date & time of submission of the bid with all other relevant details.
- 9) The bid summary has to be printed and kept as an acknowledgement of the submission of the bid. This acknowledgement may be used as an entry pass for any bid opening meetings.



### ASSISTANCE TO BIDDERS

- 1) Any queries relating to the Tender Document and the terms and conditions contained therein should be addressed to the Tender Inviting Authority for a tender or the relevant contact person indicated in the tender.
- 2) Any queries relating to the process of online bid submission or queries relating to MP TENDERS Portal in general may be directed to the 24x7 MP TENDERS Portal Helpdesk.

Contractors / Vendors / Bidders / Suppliers are requested to visit e-procurement portal of Govt. of Madhya Pradesh (<https://www.mptenders.gov.in>). The details and relevant links are available in the Bidders Manual Kit on the right pane of website which is furnished here-

S.No	Particulars	Downloads
1	Notice to Bidders	<a href="#">Notice to bidders v906.pdf</a>
2	Registration of Bidders	<a href="#">Bidder Registration Manual Updated v906.pdf</a>
3	Uploading of My Documents	<a href="#">MyDocument Updated v906.pdf</a>
4	Online e-Bid Submission	<a href="#">Three Cover Bid Submission New v906.pdf</a> <a href="#">Two cover bid submission new v906.pdf</a> <a href="#">Four cover bid submission new v906.pdf</a> <a href="#">Single Cover bid submission New v906.pdf</a>
5	Online Bid Withdrawal	<a href="#">bid withdrawal updated v906.pdf</a>
6	Online Bid Re-submission	<a href="#">Bid Resubmission Updated v906.pdf</a>
7	Clarifications (Tender Status, My Archive...)	<a href="#">Enquiry Updated v906.pdf</a>
8	Trouble Shooting	<a href="#">troubleshoot document v906.pdf</a>
9	BoQ Preparation Guidelines	<a href="#">ItemWise BOQ New v906.pdf</a> <a href="#">Percentage BOQ Updated v906.pdf</a> <a href="#">ItemRate BOQ Updated v906.pdf</a>

**Chief General Manager (S & P)**  
**M.P.P.K.V.V.Co.Ltd., Jabalpur**

# *PART-1*

## ANNEXURE-I

### IMPORTANT INSTRUCTIONS TO THE BIDDERS & CONDITIONS

#### 1 INTRODUCTION

Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (MPPKVCL) Jabalpur, one of the successor Companies of MP State Electricity Board, with its head office at Shakti Bhawan, Rampur Jabalpur is a Power Distribution Company incorporated under the provisions of the Companies Act, 1956(now companies Act, 2013).

MPPKVCL Jabalpur (herein after referred to as a company) is engaged in the distribution & retail supply of electricity to its consumers. It has its office of operations spread in the specified area, 4 regional offices, 21 circles, 59 O&M divisions, and 58 STC,STM other divisions and around 475 Distribution centers/ Zones. Organizational structure of the Company is as below :-



Understanding the need of audit into a organisation the Company intends to workout revenue audit and system and expenditure audit of its all offices in groups as per scope of work detailed in **Annexure-III**.

Online tenders are therefore invited by the Chief General Manager(S&P), MP Poorv Kshetra Vidyut Vitran Co. Ltd., Jabalpur to outsource CA/ICWA firm for the Revenue Audit and System & Expenditure audit of different office of the Company for the financial year 2022-2023 and 2023-2024

The bidders are requested to kindly go through the various Annexures of the tender specification. It may be noted that no conditions or stipulations to the contrary or which are inconsistent will be accepted. Bidders are requested to ensure that all such schedules along with questionnaire (duly filled-in), are submitted along with their offer. The bidders should also note that in absence of any of the schedules, their offer is likely to be rejected.

Here are some of the very important instructions which every bidder should read carefully for compliance before submitting his bid.

#### 2 VALIDITY OF BIDS:-

Offers should be kept open for acceptance for at least 180 days from the date of opening. Those who do not agree for a validity of 180 days will do so at their own risk and no request for extending the validity is likely to be made from this office. However, if due to any circumstances, beyond control, renderers are advised to extend the validity, they shall not be permitted to revise their rates, offer any rebate or concession while extending the validity which may materially result in any reduction or increase in the computed prices of their original offer.

### 3 EARNEST MONEY –

The bidder shall deposit the Earnest Money vis-à-vis the value of the tender offered as per the table given below:-

Value of Item	Earnest Money
Upto INR 50,000.	Nil
Above INR 50,000.	@1%, subject to minimum INR 1,000 and maximum INR 1 lac.

- i. **No offer will be accepted without Earnest Money Deposit, unless exempted by the Purchaser.** If on opening of tender any discrepancy in EMD amount is noticed, the offer shall be rejected.
- ii. The required amount of EMD shall be accepted through online payment only. The Bidders are required to invariably upload the valid documentary evidence of submission of online EMD (or EMD Exemption Certificate if applicable) in Cover-1 without which online offer i.e., Covers-2 & 3 shall not be opened.
- iii. **The following are exempted from payment of EMD:**  
The Micro & Small Enterprises (MSEs) of Madhya Pradesh registered with District Industries Centre (DIC)/Khadi & Village Industries Commission (KVIC)/ Khadi & Village Industries Board (KVIB)/Coir Board/NSIC/Directorate of Handicraft and Handlooms / UDYAM or any other body specified by Ministry of Micro, Small & Medium Enterprises on the date of opening of tender for the tendered item(s). The SSI units of MP registered with DIC shall be exempted from payment of EMD on production of valid competency certificate. In support of above the bidders shall be required to upload the requisite documents on the portal of MP Tender, failing which their techno commercial bid shall not be considered for opening.
- iv. **Forfeiture of Earnest Money Deposit:**  
The EMD may be forfeited:-
  - a) If a bidder withdraws or revokes its bid during the period of bid validity specified by the bidder;
  - b) If a bidder modifies its bid in any manner after its opening but before the validity of the bid expires;
  - c) If a bidder does not accept the arithmetical corrections of its bid price;
  - d) In the case of successful bidder, if the bidder fails to furnish the performance security within the prescribed time.
  - e) In case, the bidder withdraws his offer during the validity period, after placement of order, the EMD shall be forfeited.
- v. **Return of earnest money to bidders.**
  - a) EMD shall be returned to the unsuccessful bidders, as soon as possible, after the tender is decided.
  - b) EMD of bidders on whom the orders have been placed, shall be returned on acceptance of security deposit.

### 4 OBJECTIVE OF THIS ASSIGNMENT

- Compliance to the applicable Provisions, of section 138 of the Companies Act, 2013 and orders and Rules made there under that requires conducting Internal Audit in the Company.
- Focus on regular Internal Audit of the office(s) to assess, review, recommend and comment in respect of effectiveness and efficiency of accounting, financing, operation & maintenance functions and procedural compliance at its Offices of Operations ;
- To make management aware, as soon as practical and at an appropriate level of responsibility, of material weaknesses in the design or operation of accounting and internal control systems, that may have come to the notice of auditor in course of audit.
- Establish an effective internal audit and control system.



- Achieve the objectives specified in the Corporate and Operational Plans.
- To ensure that requirements under Company's Auditor Report (CARO) regarding Internal Control and Internal audit are complied with, in a manner that also assists management's objective of ensuring, as far as practicable, orderly and efficient conduct of its business. This shall also include adherence to management policies, safeguarding of assets, Prevention and detection of fraud and error, accuracy and completeness of the accounting records and timely preparation of reliable financial information.

## 5 ELIGIBILITY CRITERIA :-

The Bidder should be a partnership firm, registered under Partnership Act, 1932 or a Consortium of not more than two (02) such partnership firms, with one of the firm acting as the **Consortium Leader**. Consortium can participate in the Bidding Process for the assignment if any Member of the Consortium has purchased/downloaded the tender document.

5.1 The Bidder or the Consortium Leader should fulfill the following criteria to be eligible:

- The bidding is open for CA/ ICWAI firms registered with the Institutes of CA of India or ICWAI (Institute of Cost and Works Accounts of India) and with the Comptroller and Auditor General of India.
- The Consortium of Chartered Accountant/ Cost Accountant Firms is allowed. A Memorandum of Understanding among the Consortium Firms needs to be entered specifying which firm is the Consortium Leader, and this document is to be submitted with the Technical Proposal. Moreover, one firm can be a part of only one consortium. Firms cannot enter different consortiums for different groups.
- All Internal Audit Reports/ Deliverables or any other correspondence shall be sealed and signed by the any Partner of the Consortium Leader Firm only. Any report/ correspondence by any other firm which is signed or sealed by any other firm shall not be entertained by MPPKVVCL, Jabalpur. Further, the only point of contact for MPPKVVCL shall be Consortium Leader. All communications shall be done only between the Company and the Consortium Leader.
- The firm/ **Consortium Leader** firm should have been in existence for minimum 10 years period as on 01.04.23
- Firm/ **Consortium Leader** firm should be a partnership firm consisting of at least Five partners as on 01.04.23. At least three partners of the firm/ **Consortium Leader** firm must be Fellow Members of the Institute of Chartered Accountant of India or Institute of Cost and Work Accountant of India. (Copy of partnership deed required).
- The average annual turnover of the partnership firm/ **Consortium Leader** firm should be at least 50 Lakh during the last three financial year i.e. FY, 2020-21, 2021-22 and 2022-23
- Agreement date of Consortium, any date prior to opening date of technical bid. (Copy of agreement required).
- Working experience in Electricity Distribution Company will be preferred.



- Earlier audit work allotted by MPPKVCL Jabalpur to CA/ICWA firm, which is not completed. Bid of those firms will be out rightly rejected without consideration.
- In support of above, bidder shall require to submit certificate from third party (i.e CA Firms) in **Schedule-III:-**
- General Information as in **Schedule-II.**

## 6 SUBMISSION OF BID :

Bidders shall submit tender online in following three parts. No physical submission of document/bid is required :-

- Part-I (Cover- 1)** – The bidders shall require to deposit EMD online as specified in clause -3 Annex-I of the tender specification and to upload a scan copy of the same in Cover( 1). In case of exemption from payment of EMD as allowed in Clause-3 (iii) Annex-I of the tender, bidders shall upload a scan copy of the duly notarized documents as required in above clause.
- Part-2 (Cover –2)** - the bidders shall require to upload following documents digitally signed in Cover-(2) which shall form Commercial and Technical bid.
  - Schedule-II-** Bidders background
  - Schedule-III–** CA Certificate against Financial requirement of the tender
  - Schedule-IV–** Undertaking
  - Documents against qualifying requirement of the tender
  - Duly filled all schedules (except price & discount schedules) with supporting documents

**In case of erroneous/ non-submission/ missing of any of the document required as per the provision of the bidding document. The purchaser will have full right to reject the bid or evaluate the bid with the documents submitted as the case may be. The purchaser may however ask the bidder for a clarification of its bid.**

- Part-3 (Cover-3) The bidders shall quote their rates online only in schedule-I and shall be kept in Cover- (3) .
- A. The bidders are expected to be fully conversant with all the clauses of the bid document before submitting the bid. However, prospective bidder(s) regarding any clarification on bidding document may notify the purchaser in writing. Post award of contract any interpretation to any clause of the bid document shall not be entertained.

## 7 STRUCTURE OF AUDIT PARTY

- The selected bidder shall be responsible to undertake all the correspondence for internal audit related work and and coordination with other CA/ICWA firm till the completion of audit of all offices of Corporate Office of the Company. The firm shall require to checking of all the reports submitted by other firms and issue them to concerning offices for compliance after consultation with Dy. Director/Accounts officer (Audit). For the purpose at least two staff shall be deployed by the bidder in the office of CFO, MPPKVCL Jabalpur for 4 months from the date of issue of direction given by this office.
- Deployed staff shall report to Dy. Director/Accounts officer (Audit) about the progress of work.



- Deployed staff shall prepare office wise audit file, office wise MIS for recovery amount, scrutiny of audit report submitted by CA/ICWA firms and issue them to concerning offices for compliance. Any other work allotted by Dy. Director/Accounts officer (Audit).
- If selected bidder has not deployed staff/done work allotted to them, company will initiate appropriate action against firm as per clause 25 of Annexure-I.
- The selected bidder firm shall be required to depute audit team consisting of one (1) Audit Officer (CA/ICWA) and minimum two (2) Audit Assistants for the audit of Auditee Offices, covering the entire scope of audit
- The Audit Officer should have at least two (2) years post qualification experience. (The experience will be considered from the date of the issuance of mark sheet)
- The Audit assistants/staff either C.A/ICWAI (Inter) with at least one (1) year of post qualification experience or B.com/M.com with First Division and having at least two (2) year post qualification experience. (The experience will be considered from the date of the issuance of mark sheet)
- All the documents of the audit team shall be verified by the Company at the time of issue of ID card to the audit team by company.
- The successful Bidder shall have to nominate Team leader who should be a Fellow Chartered Accountant (FCA)/Fellow Cost and Work Accountant (FC&WA) responsible for the supervision and overall monitoring of the team.
  - It shall arrange all necessary information for the audit team from time to time.
  - Effectively supervise and control the audit.
  - Effectively discuss the audit points with the Officer In charge and obtain detailed and meaningful explanation.
  - Ensure the work shall be as per the Scope of Internal Audit and completion of the Audit as per the schedule.

## 8 SUBMISSION OF PROPOSAL & SELECTION PROCEDURE

**If L-1 offer is received from more than one bidder, then award of contract will be allotted as per following manner:-**

- **Award of contract shall be allotted to that firm/consortium firm having higher experience in Electricity Distribution Company.**

**If both firm/consortium firms has equal experience:-**

- **Award of contract shall be allotted to that firm/consortium firm having higher experience Electricity Distribution Company as well as higher turnover.**

**If both firm/consortium firms has equal experience & turnover:-**

- **Award of contract shall be allotted to that firm/consortium firm having maximum partners.**

## 9 SNAP BIDDING:-

- i. In case the Purchaser opts for snap bidding, then all the initial Price Bids shall be discarded by the purchaser and shall invite all the bidders, who were technically qualified, to submit the new Price Bids as per terms and conditions of the bidding document. The timeline for submission and price bid opening of such price bids shall be intimated separately to all such Bidders by the Purchaser. Bidders



submitting new Price Bids electronically shall follow the electronic bid submission procedures specified in the bid document for resubmission of Price Bids.

The quoted price in the Price bid shall not be allowed to be increased above the L-1 rates. If any bidder bids above the lowest evaluated price during the initial bidding, his bid shall be treated as non-responsive and bidder shall not be considered for award.

- ii. In case any of the invited technically qualified bidder does not submit new Price Bid during the snap bidding then he shall not be considered for any further evaluation by the Purchaser.
- iii. Re-submitted new Price bids shall be again evaluated by the Purchaser as per terms and conditions of the bidding document. The Purchaser shall evaluate the price bids and derive the lowest evaluated bid (L1). However, in case, even after submission of new price bids by the bidders, the Purchaser has right to reject the lowest Evaluated Bid Price. If the bid is rejected by the purchaser then the entire bidding process shall be annulled.

## 10 CONTRACT AWARD PROCEDURE

The selected bidder shall be issued a Letter of Award (LoA) by MPPKVCL, Jabalpur.

The selected bidder shall accept the Letter of Award unconditionally, within seven (7) days from the date of issue of the LoA and Upon acceptance of the LoA, the selected bidder shall be required to sign up an agreement with Chief Financial Officer, MPPKVCL Jabalpur on a non judicial stamp paper of Rs 500/- within Three (3) days of acceptance of LoA, containing overall terms and conditions which shall be binding on the firms. Draft of the Agreement is given as **Annexure –IV**.

Cost of the stamp and revenue stamp affixed on the agreement shall be borne by the applicant. MPPKVCL, Jabalpur shall not reimburse these costs.

## 11 COMMENCEMENT OF SERVICES

The selected bidders shall commence the Audit work of Corporate offices for the FY 2022-23 to 2023-24 within seven (7) days from the date of issue of order or as per direction given by this office.

If the selected bidder:

- Fails to accept the LoA within the prescribed time;
- Fails to complete the contractual formalities within the stipulated time period; or.
- Fails to commence the work within prescribed time period.

Then in such cases, MPPKVCL, Jabalpur reserves the right to cancel the offer made to such firm, forfeits it's EMD and may also blacklist the bidder.

The selected bidder shall not sublet the work of Internal Audit to any other party. Any violation of this provision would make the contract liable for termination.

## 12 COMPLETION OF SERVICES OF A GROUP

The selected bidders shall complete and submit the audit of all the offices of the awarded group for Financial Year 2022-23 to 2023-24 **by 4 months** from the date of issue of order or as per direction given by this office.

The selected bidder shall be responsible to undertake all the correspondence and coordination with other CA/ICWA firm till the completion of audit of all offices of Corporate Office. The firm shall require to check all the reports submitted and issue them to concerning offices for compliance. For the purpose at least two staff shall be

deployed by the bidder in the office of CFO, MPPKVVCL Jabalpur for 4 months from the date of order.

If selected bidders have not done work allotted to them, Company will initiate appropriate action against firm as per clause no.25.

### **Audit of 2022-23 to 2023-24 Summary of Total Offices to be audited**

S. No	Circle/Group	Audit Unit
1	<b>Corporate office</b>	HEAD IT
2		CGM (HUMAN RESOURCE AND ADMINISTRATION)
3		CHIEF FINANCIAL OFFICER
4		CGM (WORKS)
5		CGM (STORE & PURCHASE)
6		CGM COMMERCIAL (Expenditure and revenue audit of HT consumers)
7		Chief (C S & A)/ Head (C S & A)
8		CGM (ENFORCEMENT)
9		CGM (RURAL PROJECT)
10		CGM (RDSS)
11		CGM (O&M)

## **13 PERFORMANCE STANDARDS**

- The auditor shall be responsible for the completion of audit for all the offices as per the Scope of Work in the tender Document.
- The Auditor shall follow all SIA (Standards of Internal Audit).
- The auditor is expected to apply reasonable degree of care and diligence while performing the audit. He should ensure that the work is progressing and being performed in compliance with the agreement.
- In case of any negligence found on the part of auditor or the work is not carried out in accordance with the terms & conditions of the tender or scope of work is not adhered to by the auditor, MPPKVVCL reserves the rights reject the audit report and payment will not be released by the Company. The Performance review parameters as laid down in **Annexure-IV** shall form the basis of determination of the performance standard of the Auditors, but MPPKVVCL's decision shall be final in this regard.
- Substantial Failure of the selected bidder to perform the agreement may even cause to terminate the agreement. In this event, the Company may require the bidder firm to reimburse the monies paid (based on the identified portion of the unacceptable work received) and shall seek charges for associated damages.

## **14 TERMS AND CONDITIONS**

- The selected bidder firm during the tenure and execution of the work shall **report to the management of the Company on need basis.**
- Meetings between successful bidder and Management during audit period shall be held on need basis it can either be called by bidder or called by Company management.



- The successful bidder firm shall be required to report the outcome of their activities to the Chief Finance Officer.
- The successful bidder firm shall maintain a record/document of the activities being undertaken by them during the course of the Internal Audit of the Auditee Office. A summary of the work undertaken, completed and items pending shall be submitted to the Chief Finance Officer at the end of audit of each Auditee office. This shall form basis for the performance review of the bidder firm. Such record should be readily available for inspection at all times.
- The successful bidder firm is authorized to review all areas of the organization and shall have full and free access to all activities, records, property and personnel of the organization.
- The successful bidder firm is responsible for periodically evaluating the adequacy and effectiveness of the system of internal control and the quality of performance in carrying out assigned responsibilities throughout the Company.
- The successful bidder firm is obliged to maintain complete secrecy and not to disclose any matter which comes to its knowledge while conducting Internal Audit, to any third party, which may affect the interest of the Company adversely.
- It may be ensured that this assignment is carried out only through employees of successful bidder. If it comes to our notice that the assignment has been carried out by any other firm/persons, the employer shall have to cancel the order.
- The successful bidder firm shall be responsible for data collection for the purpose of Audit. It should ensure that the data collected and analyzed justifies the findings and recommendations as provided by the auditor.
- The successful bidder firm shall ensure the adequacy and effectiveness of the Company's system of Internal Controls, any deficiency in the controls and other procedures to ensure the same should be brought to the knowledge of the senior management along with necessary steps to be taken to rectify the same.

## 15 TERMS OF REPORTING

### **Deliverables:**

Reporting and Deliverables shall form an important part of this assignment. Following points shall be considered.

**Internal Audit report should be prepared and submitted office wise as per scope of HTrevenue and system & expenditure**

The Reporting Formats may be modified by the Company during the Audit as per actual requirement. The TAR & TAN along with Annexures, Half Margins and all other related details shall be submitted to the CFO ` MPPKVCL Jabalpur immediately completion of the audit of the concerned office in Hard & Soft copy.

The Internal Audit Report shall be prepared covering all the aspects covered up during audit in different sections. Thus, in one visit to an auditee office, the audit for the financial year 2022-23 to 2023-24 shall be taken up and completed in all respect.

Internal Audit Report shall be sealed and signed by the any Partner of the bidder Firm only.

Internal Audit report shall contain: -

- All the original copies of half margins bearing signature, seal and remarks of the



officer incharge “recovery pointed out by the audit accepted/ recovery pointed out by the audit not accepted (giving reasons for not acceptance)”.

- Certificate of completion of audit along with certified copy of attendance of audit team.
- Details of the Half margins issued to auditee office.
- Soft copy of the audit report.
- Acknowledgement/receipt of auditee office for submission of hard copy of audit report to CFO EZ.

The audit report not containing the documents as per requirement stated above or if any other irregularities are found in connection with the improper/incomplete submission of the audit report, Payment shall not be released.

## 16 Action Plan, Execution and Distribution of Audit Reports:

- The successful Bidder Firm in consultation with CFO EZ shall be required to prepare and submit its **Action Plan** for the Audit of all the Auditee Offices of HO, as per the Scope of Work mentioned in the document falling under his purview as Internal Auditor,
- Chief Financial Officer, MPPKVCL shall reserve the right to change the Action Plan at any point of time.
- Non-cooperation at any point of time during the audit tenure shall be brought to the notice of the O/o CFO-EZ.
- The Audit Party shall have to visit the Auditee Office during only office hours of working day for the Internal Audit as per the schedule programme.
- The Team Leader shall be responsible for the supervision and satisfactory completion of the internal audit of the company.
- The Audit shall be completed in the prescribed time schedule.
- However in the event of non completion of the work in the stipulated time period due to unforeseen conditions, the auditor firm will be required to apply for grant of additional time period. Request of extension of time period desired by the auditor firm shall be considered only if reasonable and justified ground exists at the sole discretion of CFO, MPPKVCL, Jabalpur.
- **Successful bidder after completion of Audit should prepare Executive summary of the work performed during the audit and present the same before the audit committee.**
- Copies of Internal Audit Report Singed by OIC of audtee office personally to be submitted in the office designated below and not to be sent through courier:
- **FOR System & Expenditure audit:–**
- One Copy – To Auditee office Incharge for recovery purpose/Compliance along with Annexure and all other related details.
- One Copy –To Chief Financial Officer MPPKVCL along with Annexure, Half Margins and copy of the acknowledgement of the Auditee office & its all other related details in Hard & Soft copy.
- After completion of the audit of the auditee office auditor firm shall obtain a certificate of completion of audit mentioning audit period of the audit completed along with attendance of the audit team mentioning name of each member and the duration of the audit as mentioned, Incharge of the office Head in case of audit of System & Expenditure Audit , This certificate shall be



produced to the Chief Financial Officer MPPKVVCL MPPKVVCL, Jabalpur in original along with The TAR & TAN and other Annexures.

- **Successful bidder after completion of Audit should prepare Executive summary of the work performed during the audit and present the same before the audit committee.**

## 17 OFFICE SPACE AND STATIONERY

The Company shall provide all sitting arrangements including furniture and office equipment, stationery etc. free of cost to the auditors for its bona-fide use only.

## 18 CONFIDENTIALITY

The Internal Auditor should maintain complete secrecy of records. He shall treat confidential information as confidential and shall not disclose any matter which comes to its knowledge while conducting Internal Audit to any third party. He shall undertake to effect and maintain the same adequate security measures to safeguard the confidential information from unauthorized access, use and misappropriation.

## 19 TERM OF AGREEMENT (CONTRACT PERIOD)

**Outsourcing of CA/ICWA Firm would be appointed as Internal Auditors for FY 2022-23 to 2023-24 commencing from the date of acceptance of LOA which may be further extended with or without increase in audit fee as per sole discretion of the company.** The company reserve the right to appoint another CA/ICWA firm to get the work done in the event of failure of the selected CA/ICWA firm to commence the work within the prescribed time or terminate the Agreement any time before the expiry of the Contract Period if the progress of work is not commensurate with the time completion schedule or the audit is not found satisfactory to the objectives of the assignment or for any other reasons seems fit to the company.

## 20 PRICES/CHARGES FOR THE AUDIT:-

The Bidder shall require to quote firm/fixed charges / fee for revenue audit and expenditure audit as per scope of work detailed in Annexure-II for maximum of two groups of offices separately. The charges / fee quoted by them should be firm and inclusive of all TA/DA/Lodging, Boarding and all other charges, except GST. The prices shall require to be quoted by the Bidder strictly in **Price Schedule-I** of the tender specification.

## 21 PAYMENT :

- 100% Payment of accepted fee shall be paid generally within 45 days from the date of acceptance of Audit Report & presentation of Executive summary to the audit committee, alongwith all deliverables complete in all respect for the FY 2022-23 to 2023-24.
- If CA/ICWA Firm fails to perform the audit of any office of that group as per the scheduled programme, Payment of that group shall not be released by company and initiate appropriate action against firm as per clause no.25.
- The MPPKVVCL shall not be liable to pay interest for delay in payment beyond stipulated time.



The CA firm shall require to submit their bills in triplicate along with deliverable to the office of Chief Financial Officer, MPPKVVCL Jabalpur where the bills shall be verified and forwarded to the Sr. Account Officer (JC) MPPKVVCL for release of payment

## 22 **Penalty for Delay in Completion of work as per Schedule:**

If work is not completed by bidder firm in stipulated time period, then penalty @1% per week subject to maximum 10% of the total value of incomplete portion of the work of that group shall be imposed. However, in the event of non-completion of the work in the stipulated time period due to unforeseen conditions, the auditor firm will be required to apply for grant of additional time period. Request of extension of time period desired by the auditor firm shall be considered only if reasonable and justified ground exists at the sole discretion of Chief General Manger (Pur) MPPKVVCL, Jabalpur in consultation with Chief Financial Officer, MPPKVVCL, Jabalpur

## 23 **PERFORMANCE SECURITY**

The successful bidder needs to submit a Performance Security equivalent to three percent (3%) of the Total Quoted Fees in the form of a DD/BG drawn from a scheduled bank in favor of MPPKVVCL, payable at Jabalpur, within seven (7) days from the date of acceptance of the LOA by the Successful Bidder which shall be validated for 24 month from LOA and same shall be refunded within six (06) months after the successful completion of the assignment

Failure to commence the audit as per the program issued by MPPKVVCL shall entail the forfeiture of performance security and cancellation of the LOA and initiate action against firm as per clause no.25.

## 24 **PERIODIC ASSESSMENT**

The Chief Financial Officer of the Company should periodically assess whether the purpose, authority and responsibility, as defined in this charter, continue to be adequate to enable the internal audit function to accomplish its objectives. The changes, if any, required should be recommended to senior Management.

## 25 **CANCELLATION OF ORDER/AWARD**

The Discom-EZ may upon written notice of default terminate the contract if in the opinion of the Discom the CA firms fails to comply with any of the provision of the contract/TS or fails to perform their obligation. In the event of such termination the Discom-EZ shall forfeit their performance security deposit and also blacklist/debar them for further business with the MPPKVVCL for a declared period on breach of the contract.

## 26 **UNSATISFACTORY PERFORMANCE –**

Even on fulfillment of all the criteria it may please be noted that:-

- (i) Offers of those bidders who have been debarred / black listed for future business with our company/ MPSEB and its successor companies may be summarily rejected.
- (ii) In case of those bidders whose past performance has not been found to be satisfactory against previous tenders of MPSEB/Companies formed on restructuring of MPSEB, they may not be considered for order.

## 27 **SETTLEMENT OF DISPUTES AND ARBITRATION**

If any dispute of any kind whatsoever shall arise between the Purchaser and the Supplier in connection with or arising out of the Purchase Order, the parties shall seek



to resolve any such dispute or difference in opinion, to the extent possible, amicably by mutual consultation. If the parties have failed to resolve their dispute or difference by such mutual consultation, then the dispute shall be referred in writing by either party to and settle by Arbitral Tribunal comprising of three Arbitrators, one to be appointed by each party and third Presiding arbitrator to be appointed by both the arbitrator as per provision of Indian Arbitration and Conciliation Act 1996 as amended from time to time.

The arbitration shall be conducted as per provision of Arbitration and Conciliation Act 1996 and as amended from time to time and of the rules made there under. The Arbitrators or the Presiding as the case may be, are bound to give a detailed speaking award assigning reasons for the findings. The decision of Arbitral Tribunal shall be final and binding up on the both parties.

Supplies under the Purchase Order shall be continued by the Supplier during the arbitration proceedings, unless otherwise, directed in writing by the purchaser or unless the matter is such that the work cannot possibly be continued until the decision of the Arbitrator or of the Presiding, as the case may be, is issued.

The arbitration proceeding if any shall be strictly held at the head quarter of Purchaser at Jabalpur.

## **28** JURISDICTION

Any dispute or difference, arising under, out of, or in connection with this tender/ Purchase order shall be subject to exclusive jurisdiction of competent court at Jabalpur only.

- 29** The Discom-EZ reserves the right to accept/reject wholly and partly any tender without assigning any reason, whatsoever. No correspondence in this regard shall be entertained by the Discom -EZ.

**Chief General Manager (Purchase)  
M.P.P.K.V.V.Co.Ltd., Jabalpur**

## ANNEXURE- II

### Detailed list of offices for revenue Audit and Expenditure Audit for FY 2022-23 to 2023-24

S. No	Circle/Group	Audit Unit
1	<b>Corporate office</b>	HEAD IT
2		CGM (HUMAN RESOURCE AND ADMINISTRATION)
3		CHIEF FINANCIAL OFFICER
4		CGM (WORKS)
5		CGM (STORE & PURCHASE)
6		CGM COMMERCIAL (Expenditure and revenue audit of HT consumers)
7		Chief (C S & A)
8		CGM (ENFORCEMENT)
9		CGM (RURAL PROJECT)
10		CGM (RDSS)
11		CGM (O&M)

30

**Chief General Manager (Purchase)**  
**M.P.P.K.V.V.Co.Ltd., Jabalpur**



## ANNEXURE-III SCOPE OF WORK

The selected bidder shall be responsible to undertake all the correspondence for internal audit related work and and coordination with other CA/ICWA firm till the completion of audit of all the group of field offices. The firm shall require to checking of all the reports submitted by other firms and issue them to concerning offices for compliance after consultation with Dy. Director/Accounts officer (Audit). For the purpose at least two staff shall be deployed by the bidder in the office of CFO, MPPKVCL Jabalpur for 4 months from the date of issue of direction given by this office.

The selected bidder firm is required to exercise such tests of accounting records, internal checks and control and other necessary audit of the accounts as per general principles and standard of audits (SIA) of the Institute of Chartered Accountant of India. In conducting the Audit the Internal Audit Manual of the Company should also be referred. The Auditor should pay attention to the following areas while auditing:

The Scope has been classified into following:

- Internal Audit of System and Expenditure: Yearly at all departments of corporate offices as given in Annexure 1
- Revenue Audit of HT Consumer: Yearly at CBC.
- Internal Audit of Books of Accounts: Yearly at office of CFO.
- Consolidation of all audit reports of Internal Audits:Yearly

The Auditor should submit Internal Audit Report for HT revenue audit and System and expenditure audit of all offices of corporate office as per the scope below.

The scope of auditor will also include:-

- Preparation of half margins in prescribed format for obtaining various information / records & issuing the same to officer in charge of Auditee Office and after receipt of the same, carrying out the audit of the record and if any mistake is pointed out the half margin of audit observation shall be issued for obtaining reply of officer in charge of the Auditee Office. If the officer in charge of the Auditee Office agreed with the observation pointed out, then this will be treated as audit Para. If the Officer in charge of the Auditee Office does not agree with the observation pointed out, then such Half Margins should be included under separate audit para giving remarks by the audit team.
- A Test Audit Report (TAR) & Test Audit Note (TAN) shall be prepared including all audit Paras in the prescribed Performa as per Annexure-11. If individual audit recovery of Rs. 1000/- or more is pointed out it should be covered under TAR and If individual audit recovery is less than Rs. 1000/- it should be covered under TAN.
- After completion of internal audit of an office, the report for the same shall be submitted to that office and an acknowledgement of the submission shall be taken from office in charge. At the same time, a copy of the report shall also be submitted to the o/o CFO-EZ.

**It is however emphasized that the coverage in the scope of services as indicated above and detailed below is indicative and not exhaustive.** The Auditor shall also necessarily refer to the existing Internal Audit Manual and its amendments from time to time to decide on the scope of work for the Auditee Offices. The scope can also be decided with discussion with the Internal Auditor at the Corporate Office.



Apart from the audit observations, auditor will be required to indicate discrepancies / inadequacies in the system or procedures so as to initiate steps for improving the system and making it more efficient. The audit team will also be required to educate the dealing staff so as to avoid repetition of routine procedural / technical errors.

- Further all other incidental / necessary activities for the completion of audit & resolution of matters arising during the audit shall deem to be included in the scope of services. In case of judicial proceeding(s) initiated by Discom pursuant to the audit for the period, the auditor shall reasonably assist the Discom office by acting as a witness and providing evidences required as related thereto.

**Following are the broad areas of system and expenditure audit at HO:**

### **1) SCOPE OF HT REVENUE AUDIT**

High tension (HT) Revenue unit contribute huge chunk of revenue for the company. The HT Billing is done at the HQ (Central Billing Cell). The Auditor has to verify 100% of the Revenue from HT consumers.

Each HT consumer has executed a HT agreement with the company. The Auditor has to read the terms and conditions of the HT agreement.

#### **Review of Internal Control**

Ensure that the laid down system of Internal Control is properly implemented. Since the number of consumers is low and the value of transactions is high there shall be a system of 100% verification in almost all the activities. Further the Internal Check shall be more objective rather than the repetition of the same Check.

#### **Important features of HT Billing**

- Voltage of Supply
- Contracted Maximum Demand / Recorded Maximum Demand
- Load Factor (for the purpose of allowing Incentive to consumers)
- Restriction on Lights and Fans Consumption
- Billing of Colony consumption at a separate rate
- Minimum off-take and Billing (in case of consumption less than specified level)
- Import and Export of Electricity (in case of Billing of consumers having Captive Power Plants)

#### **Important areas to focus**

- Check whether the meter readings in respect of the HT consumers are being taken through AMR or not
- Check whether action for temporary disconnection to the consumer is issued in the event of default of the payment of the bills on time by the consumer.
- Ensure that the application of tariff is correct.
- In-correct categorization of HT consumers.
- Verify the General terms and conditions of the tariff.
- Correspondence with the consumer and company is to be verified.
- Ensure that the subsidy claim is correctly lodged.
- In case of Increase / Decrease in Load whether supplementary agreement has been carried out.
- Increase/ Decrease in Load and its impact on Billing
- Termination of Agreement and sanction by competent authority



- Lighting Load whether segregated or not?
- Metering of Colony consumption.
- Whether Security Deposit is as per the MPERC Regulations 2004 as amended from time to time.
- Check on Test Basis whether Interest on Security Deposit as calculated by RMS is correct?
- Check the Status of PDC, arrears adjustment, security deposit adjustment, actions taken for recovery etc.
- Levy of SLDC Charges in case of Persons operation Capital Power Plants ( CPPs) and export of energy to the DISCOM / State Grid.
- Monthly Reconciliation of HT Revenue Receipt.

### **Review of Agreements**

- Service Agreement with the consumer shall be reviewed at periodic intervals as there may be changes in the business of the consumer or there may be changes in the Tariff conditions / principles of categorization for Billing.
- Citizen Charter as prescribed is followed and all commercial activities relating to issue of New Service Connections, metering, meter reading, billing, collection, realizing bad debts, disconnections, reconnections, customer complaint, vigilance checking, compounding, filing of theft cases in special courts and follow up to be commented upon. In case of any adjustment given in the bills against own generation of wind energy, verification of such calculation and terms of PPA.

### **2) Commercial**

- Claiming of subsidy from Govt. of MP.
- Transmission & Distribution loss of company.
- Writing off energy charges and surcharges.
- Revenue of company.
- Petition for determination of tariff order.
- Energy audit of company
- Verification of TC & PP bills
- Follow up MPERC regulation
- Franchise

### **3) SANCTIONS & BUDGETS:**

- 100% checking for the full period at the end of the Year, along with Administrative/ Financial Approval, detailed estimation being technically sanctioned by the Competent Authority.
- Sanctioned estimates to be verified with reference Market rates or Company's latest cost data.
- Budget allocated to field as well as utilized by the concerned.
- Excess spending over the budget allocation and Regularization of excesses.
- The Work Orders must have Administrative approval and Technical Sanction and the proposal must be justified on the basis of Budgeted Provision.
- Check for updating of record of transformer failure,

### **4) PURCHASE ORDER:**

- The orders placed by the offices should be as per the Budget provision & check should be kept on the items reserved for Corporate Office purchases.
- Purchase should be as per DOP

- Waiver of L.D charges by Competent Authorities to be critically reviewed with reference to the existing circumstances.
- There should be a comparative price analysis review on the basis of tender & Quotations & other price information.
- Distress purchase/ wrong intending/ Excess quantity procurement etc. should be reported.
- Checking Tender Registers, Contractors' Bill Registers and even Registers containing Registration of Contractors.
- Competent Authority to sanction the Contract & amendments issued, if any, must contain his approval.
- Examine the EMD Payable and the mode of payment.
- Verify and ensure that the quantity of materials purchased is commensurate with actual field requirement to ensure that there is no over stocking / stock-out.
- Is a copy of bank guarantee submitted by supplier enclosed for verification and necessary action?
- Are the purchases supported by indents from the field or with a Management decision?
- Review of process of Tendering and Ordering system.
- Review of procedure for purchase (refer Purchase Manual)
- Any changes in terms & condition of TS.
- BG submission & acceptance as per order/MSME
- Payment clause & penalty clause is to be checked.
- Any changes in Tender conditions

## **5) ESTABLISHMENT- SALARIES & WAGES:**

- Whether Service Manual of the company maintained or not
- Test Checking of Pay Bills with reference to rules & Proprietary aspects- at least for a month in every phase of Internal Audit.
- Verification of Wage Sheets, Attendance Records- particularly of Leave Salary/ OT & other Allowances & Accounting of leave records at least for a month in the phase of Internal Audit.
- Increments, revisions and Grade fixation etc. to be verified.
- 100% checking of Payment of Pension, Gratuity & Other Retirement Benefits, Statutory Deductions & their timely deposits.
- Calculation & Accounting of Interest on Loans & Advances & its recovery as per applicable rules.
- Contract employees payment to be audited to see 'ghost works'
- Proper transfer of employees from one place to another.
- Verify the Service Books maintained for all the staff.
- Verify the TA bills to see whether the claims admitted are in accordance with the rules.
- Verify the Register of Superannuation up-to-date and superannuation notices issued in time.
- Pre / Post-check of pay fixations
- Verify whether all the appointments are as per the appointment letters issued by Corporate Office and are within the time allowed for joining and if there is any delay, permission letter from higher authorities.
- In the case of contract appointments agreements has to be verified.
- Whether records are maintained cadre-wise as well as employee-wise and the service registers has to be maintained by duly entering all the information time to time.
- Verify cadre-wise appointment details like Date of joining, Date of leaving/retiring from the current place of working and the No. of vacancies due to above transfers and retirements.

Verification of Probationers Register: The following are to be verified.

- a. List of probationary employees in each department;
- b. Date of commencement of probation;
- c. Date of completion;
- d. Date of passing of qualifying tests.

### **6) Projects/Turnkey Projects:**

- 100% checking of Capital Expenditure with reference to proper sanction of Competent Authority.
- Checking of works completed but not transferred to fixed assets.
- Delay in finalization of final bills.
- Review of DPR and non-DPR capital works.
- Review of loan tie up and loan servicing for capital works.
- Review physical progress and financial progress in projects.
- Review of delay in completion of project formalities.
- Review of payment of commitment charges, if any.
- Review of Capital items financed out of internal resources when loan tie up was possible.
- The final bills to be settled as expeditiously as possible.
- Delay in project executes to be reviewed.
- Delay in capitalization to be seen and reported.
- Reasons for pending WCRs to be analyzed/reported.
- Calculation of LD & their recovery
- Advance adjusted or not
- Recovery of Interest on unadjusted advance
- Status of terminated contract & their closer

### **7) STORES & MATERIAL ACCOUNTING:**

- Checking receipts, acceptances & issue of Material and their Reconciliation & Accounting, at all stores.
- Non- Moving /Slow Moving items to be brought to the notice of management.
- Release of stores Receipt notes, acceptance of material after test results etc. to be checked.
- Review of sale of scrap / utilization of slow moving items and verify the accounting of the same.
- Verify the pricing aspect in GRN according to ESAAR, 1985
- Checking of E-way bill and E-invoices in case of material supplied and received is kept at store as per GST Act during audit period.

### **8) CASH AND BANK:**

- Verification of Cash, Cash Book & its Auditing.
- Bank reconciliation.

## 9) Passing of Bills

- Whether all formalities completed or not as per order.
- Calculation of penalty
- Calculation of PV
- Checking of payment of GST to vendor in case where registration is cancelled or inactive.

## 10) STATUTORY COMPLIANCES:

- Violation of TDS at the time of payment towards Rent, Consultancy charges, Professional fees, etc.
- Appropriate recovery towards WCT, IT, VAT etc. and its timely, payment.
- Claiming VAT set off (input credit).
- Violations of any other law e.g. non-payment of wages as per minimum wages Act, ESI recovery & timely remitting of P.F by contractors for which Company is responsible as a Principal Employer.
- Recovery of Service Tax.
- Attending meeting with Statutory Auditors as & when required.
- Physical presence of Internal Auditors at the time of annual inventory. You have to give your comments and be a party to sign the verification report. You can suggest the methods/procedures to improve upon current practices of inventory verification.
- Is there an adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale. Whether there is a continuing failure to correct major weaknesses in internal control. This would be in compliance to clause No. 4 (IV) of Companies (Auditor's Report) order, 2003.
- Comments on compliance report submitted by the individual office for previous Internal Audit Report.
- Auditors shall also attend to any other work specifically assigned by the Management or commented by the statutory auditors in their report (CARO) regarding Internal Audit.
- Compliance of MPERC regulations.
- Compliance of GST, Returns, E- Invoice and E-Way Bills.

## 11) Audit of Expenses

- Check whether schedule of authority is compiled to for sanction of expenses;
- Check whether the expenses are adequately supported with evidence thereof;
- Check whether proper accounting is done of expenses incurred & controls are monitored to prevent payment being made for more than once;
- To check that expenses incurred have been as per allocation made in the budget for the relevant period. In other cases verify whether approval have duly been obtained;
- To ensure that classification of expenses has been done under correct expense head;
- To ensure that expenditure has been incurred with due regard to financial propriety e.g. supplies in excess of requirements have not been obtained, the expenditure has been incurred only for legitimate purposes etc.;
- To ensure that expenditure has not been unnecessarily incurred to prevent the lapse of budget allotment and the charges incurred during the year have not been met from the budget allotment for the next year without approval of the competent authority.

## 12) VERIFICATION OF STORES

The inventory in the Distribution Company includes the materials bought for capital works and maintenance works. The peculiarity of some of the items of inventory is that they can be used for both the Capital Works and Maintenance Works.

Scope of the Audit of the Stores and Pricing in the Stores includes (but not limited to):

- Review of the Internal Controls in the Stores;
- Audit of Pricing of Issues;
- Review of valuation of Inter-store transfers;
- Review of age-wise analysis;
- Review of system of level of inventory;
- Periodic physical verification of inventory.

## 13) INTERNAL AUDIT OF BOOKS OF ACCOUNTS AT HO

Scope of work as detailed hereunder is an attempt to outline road map in broad term with the objective of management to ensure compliance to Generally Accepted Accounting Practices / Principles as well as requirement of the Companies Act, 1956 (now Companies Act 2013) / Income Tax Act / Accounting Standards published by the Institute of Chartered Accountants of India besides accounting policies adhered to by the Company. This also includes timely reconciliation of various suspense heads of accounts and maintenance of proper subsidiaries duly reconciled with the books of accounts. The selected bidder firm shall work as facilitator for accomplishing the aforesaid objective and shall not confine to reporting aspect only.

- Accounting Standards issued by the ICAI are being followed keeping in view the accepted accounting policies of the management
- The monthly trial balances incorporating all advice of transfer debits / advice of transfer credits, Inter Company Transactions, Store Issue Notes, Store Receipt Notes, DCB and other adjustment vouchers are submitted timely and properly.
- Reverse entries for outstanding liabilities have been passed at the beginning of the year.
- The provisions, including provisions for outstanding liabilities, pension, gratuity, contributory provident fund, NPS etc. are properly made and booked under proper head of accounts.
- Pre-paid expenses are properly accounted for.
- Credits on account of receipt against deposit works are transferred on completion of the work to consumer contribution and debit under work in progress is transferred to fixed assets on the basis of completion reports.
- Advice of transfer Debits / Advice of transfer credits and Inter Company Transfer have been originated well in time and are responded after due verification from the concerned timely.
- There are no minus balances under any head of accounts and if existed, steps taken to clear minus balances.
- Party wise list of debtors / creditors.
- All receipts and expenditure relating to the period have been properly booked under correct head of accounts.
- MIS & Accounts are tallying in respect of ED/Cess etc.
- Proper and timely adjustments are being made in the books of accounts in respect of realization by adjustment.

- Year wise fixed asset-cum-depreciation register is prepared.
- Stores ledger balances are tallying with the balances appearing in the books of accounts.
- Valuation of closing stores inventory / scrap / obsolete / retrieved material and accounting thereof should commensurate with the accounting as per AS read with accounting policies of the Company.
- All material issued for capital works should be booked under CWIP and proper monthly record of CWIP scheme wise, estimate wise is prepared by accounting unit.
- Capital works completed should be got transferred to fixed assets.
- All pay orders relating to deduction at source viz. CPF / EPF / NPS / Income Tax / GST / WCT / Entry Tax etc. are sent within stipulated time period.
- The outstanding observations of previous Statutory Auditors are cleared.
- Required subsidiaries are properly maintained and reconciled with books of accounts.
- Reconciliation of Bank Accounts,
- The Audit report should be prepared immediately after audit of trial balance of the RAO and should be submitted to the Chief Finance Officer immediately.

#### **14) CHECKLIST FOR AUDIT OF BORROWINGS AND GRANTS**

- Verify the Funding options available for the project (capital expenditure), if Internal Accruals are insufficient then only borrowings would be justified.
- Ensure that the conditions attached to borrowings are not prejudicial to the interests of the company.
- Ensure that all the loan covenants are appraised to the Board for according proper sanction.
- The following factors are very vital for any borrowing.
  - Rate of interest (simple or compounding);
  - Tenure of the loan;
  - Moratorium period;
  - Documentation charges & commitment charges;
  - Pre-payment charges;
  - Interest on overdue installments;
  - Penal interest for failure to adhere to certain conditions.
- Ensure that the Policy framework for inter-corporate borrowings formulated by the Investments / Borrowings committee of the management is duly adhered to.
- While selecting a funding agency ensure that the recommendations of the Committee / Board are followed.
- In case of Borrowings in Foreign Funding agencies (ECBs) ensure that the provisions of Foreign Exchange Management Act and the guidelines of Reserve Bank of India are followed.
- Ensure that AS-11 on “Accounting for Foreign Exchange Transactions” is complied with while accounting for the Borrowings in foreign exchange and their end use.
- In case of Grants-in-aid Check whether the same is treated as Equity and the procedure for issue and allotment of shares is duly followed.
- Documentation, Hypothecation / pledging of assets and creation of charge etc.;
- Servicing the Borrowings (Payment of Interest / Principal);

- Payment terms and other conditions attached thereto.
- Compliance with Accounting Standards.

### **15) CHECKLIST FOR AUDIT OF INFORMATION SYSTEMS AND ELECTRONIC DATA PROCESSING**

- Enquire about the access options available to each user of the system (SAP / BMS etc.).
- Ensure that the Number of Users and the Number of Logins are matching and in case of unmatched Logins check whether the accounts are active and if so ensure that those accounts are immediately de-activated.
- Is there a document containing the Approved Privileges matrix for each user department?
- Check whether the privileges attached to a user account are in line with the duties & responsibilities assigned to the user considering the job profile of the user.
- Ensure that there is a system of auto time out in case of no use of the system for a specified period.
- Verify whether there is a System of de-activation of user accounts in the event of no use for a specified period.
- Verify whether the accounts of all users who were transferred / expired / resigned / retired are de-activated.
- Check whether the unused user Id and password / PIN are under Safe Custody of the Systems Administrator and in case of missing User Ids and Password / PIN ensure that the same are deactivated immediately.
- Ensure that the Data Input is through an application / program only.
- Whether the log for users accessing the Data Server is generated and the same is reviewed by the Data Base Administrator (DBA).
- Ensure that Data Entry & Data Modifications are not permitted for data captured through Spot Billing Machines (SBM) / AMR Devices / Card Readers / Scanners.
- Check whether there is a check to ensure that the Data ported from the SBM / AMR is not over written with another set of data either manually or through SBM or through an application.
- Ensure that Modifications to Data ported from the SBM / AMR has valid authorisation from the concerned Officer responsible for readings and the Data Base Administrator.
- Check whether Data Integrity Controls are deployed in the application to reject any junk / unwanted data.
- Disaster Recovery and Management:
  - Ensure that backup of the data is taken at periodic intervals?
  - Check whether the backup has been tested before being placed in a safe vault.
  - Check whether the backup is placed at an offsite location.
- Is there any record maintained where a log file is maintained for the frequency of backup taken and place of storage of the backup data?



**16) SUGGESTIONS/ RECOMMENDATIONS FOR  
ENHANCING OVERALL/ INTEGRATED EFFICIENCY:**

- Analysis of risk in technical as well as financial ones. Internal control with reference to existing risk.
- Any 'whistle blowers' found in the course of audit to point towards 'fraud' in the transaction during any time.

*Chief General Manager (S & P)  
Corporate Office  
MPPKVCL, Jabalpur*



## ANNEXURE-IV

(DRAFT)

### OVERALL AGREEMENT TERMS AND CONDITIONS

**THIS AGREEMENT** is made on \_\_\_\_\_  
**BETWEEN:**

- (1) **Madhya Pradesh Poorv Kshetra Vidyut Vitaran Company Limited (MPPKVCL) Jabalpur** ( referred as **"MPPKVCL"** or **"Company"** hereinafter) having its Head Office at Jabalpur; and
- (2) **M/s \_\_\_\_\_, Chartered Accountants** (referred as the **"Vendor"** or **"Firm"** hereinafter) having its Head Office at .....

#### **INTRODUCTION:**

- A. Whereas the MPPKVCL wants the Vendor to provide certain **"Outsourcing of Internal Audit of various offices at HQ under MPPKVCL, Jabalpur for the Financial year 2022-23 to 2023-24 "** related services (as outlined under the heading 'Scope of work' in the Tender document, or mentioned herein under) and the Vendor is willing to provide such services all on the terms and conditions set out in this Agreement.
- B. And, whereas the Vendor has knowledge and experience in the provision of services in the area of **" Internal Audit of various Organisations/Companies "** of the size and type of MPPKVCL. The Vendor acknowledges that MPPKVCL has relied on such knowledge and experience in selecting the Vendor to provide such services.

And therefore, **IT IS AGREED** as follows:

#### **1. DEFINITIONS AND INTERPRETATION**

1.1. In this agreement unless otherwise specified or the context otherwise requires:

- 1.1.1. where reference is made to a statutory provision this includes all subsequent enactments, amendments and modifications relating to that provision and any subordinate legislation made from time to time under it;
- 1.1.2. a "law" includes common or customary law and any bye-law, regulation, legislation, decree, judgment, order, ordinance, statute, treaty or other legislative measure in any jurisdiction or any present or future directive, regulation, request, requirement or guideline (the compliance with which is in accordance with the general practice of persons to whom the directive, regulation, request, requirement or guideline is addressed);
- 1.1.3. a document in an "agreed form" is a reference to a document in a form approved by both parties and for the purposes of identification signed by the relevant Authorised Representatives on behalf of each party; and
- 1.1.4. reference to "the parties" or to "a party" will be to MPPKVCL and/or the Vendor unless otherwise expressly provided and shall include that party's assignees;

#### **2. TERM**

- 2.1. This Agreement will come into force on the Signature Date and will, subject to the terms of this Agreement, continue for a period till satisfactory completion of work **"Outsourcing of Internal Audit of various offices at HQ under MPPKVCL, Jabalpur for the Financial year 2022-23 to 2023-24 "** from the Signature Date.
- 2.2. At any time during the Term, the parties may (in their absolute discretion) by mutual agreement, extend the Term by such additional period as they see fit and on terms and conditions substantially similar to those included herein.

#### **3. SERVICES**

- 3.1. From the Service Start Date the Vendor shall provide the Services in accordance with the terms of this Agreement and Letter of Award (LoA) and will ensure that with effect from the Service Start Date, a team of persons is available to provide the Services. This team will as of the Service Start Date include the employees of the Vendor.
- 3.2. The Vendor agrees that it will follow and comply with any reasonable instructions, directions or requests given or issued which are consistent with the terms of this Agreement by MPPKVCL's relevant Authorised Representative in writing or, where it was reasonably impracticable to do so in writing, given orally and subsequently confirmed in writing by such Authorised Representative in connection with the performance of the Services.



3.3. The Vendor shall as soon as reasonably practicable notify MPPKVCL whenever the vendor becomes aware of and has reasonable grounds to believe that any failure on the part of MPPKVCL to carry out its obligations and responsibilities under this Agreement will have a detrimental effect on the performance or quality of the Services or cost (to MPPKVCL). The same shall apply to the vendor also.

#### 4. MPPKVCL RESPONSIBILITIES

4.1. MPPKVCL shall:

- 4.1.1. Use all reasonable endeavours to make available such staff of MPPKVCL as are reasonably required on a timely basis to liaise with the Vendor in relation to the provision of the Services;
- 4.1.2. Provide to the Vendor on a timely basis such information and documentation as the Vendor may reasonably require to provide the Services;
- 4.1.3. Provide the Vendor on a timely basis, taking into account MPPKVCL 's standard policies and procedures, with such access to the information as is reasonably required to provide the Services;
- 4.1.4. Provide answers on a timely basis to queries, consents and approvals requested by the Vendor to enable the Vendor to provide the Services.

#### 5. SERVICE LEVELS

5.1. The Vendor shall perform the Services in accordance with the Service Levels listed as part of the scope of services in the Letter of Award /Tender document.

5.2. If the Vendor fails to meet the Service Levels as per the scope of services, the Vendor shall as soon as reasonably practicable:

- 5.2.1. identify the cause of such failure;
- 5.2.2. take such action as is reasonably required to minimise the impact of the failure and to prevent it from recurring;
- 5.2.3. where possible, correct the failure; and
- 5.2.4. Advise MPPKVCL, of the status of the remedial efforts being undertaken for meeting the service levels as per scope of work.

#### 6. CHARGES

In consideration for the provision of the Services, MPPKVCL shall pay to the Vendor the Charges as detailed in the Letter of Award(LoA).

#### 7. INVOICING AND PAYMENT

**7.1. The Vendor shall invoice MPPKVCL for the Charges as laid out in the Letter of Award(LoA)/order which shall be issued to the successful bidder firm.**

7.2. 100% Payment of accepted fee shall be paid generally within 45 days from the date of acceptance of Audit Report & Executive summary by the audit committee, alongwith all deliverables complete in all respect for the FY 2022-23 to 2023-24.

7.3. If CA/ICWA Firm fails to perform the audit of any office of that group as per the scheduled programme, Payment of that group shall not be released by company and initiate appropriate action against firm as per clause no.25.

7.4. In case of dispute on any invoice, the dispute resolution procedure, as outlined below, shall apply.

7.5. For avoidance of any doubt, it is herein specifically agreed that the Vendor's obligations to provide the Services shall in no way be affected by any dispute in relation to the Charges or payment thereof.

7.6. Whenever under this Agreement any sum of money shall be recoverable from or payable by the Vendor to MPPKVCL, this may be deducted from any sum then due, or which at any time may become due, to the Vendor under this Agreement.

## 8. REGULATORY REQUESTS

- 8.1.** If the Vendor receives requests for information from Regulatory Authorities which relate to the Services or any other obligation of the Vendor under this Agreement, it shall inform MPPKVCL's Authorised Representative promptly in writing and shall provide reasonable assistance to MPPKVCL in dealing with the requests.
- 8.2. The Vendor will only release such information to the Regulatory Authority after:
- 8.2.1. providing a copy of the information to MPPKVCL; and
  - 8.2.2. receiving MPPKVCL's written consent to the release,
- 8.3. Except that the Vendor shall not be obliged to obtain MPPKVCL's prior consent or provide a copy of the information in advance where it is prevented from doing so by law or the relevant Regulatory Authority.

## 9. FORCE MAJEURE

- 9.1. Force Majeure Event** means any event beyond the reasonable control of the affected party. Force Majeure Event includes, but is not limited to, acts of God, expropriation or confiscation of facilities, any form of government intervention, war, hostilities, rebellion, terrorist activity, local or national emergency (including an emergency service to a hospital), sabotage or riots, and floods, fires, explosions or other catastrophes. Force Majeure does not include:
- 9.1.1.** Strikes or other industrial action by employees of MPPKVCL or the Vendor; or
  - 9.1.2.** Any act or omission of either party's employees, agents, or subcontractors (except to the extent that person is affected by a Force Majeure Event).
- 9.2. Neither party shall be responsible for failure to, or delay in, carrying out any of its duties under this Agreement to the extent to which this is caused by a Force Majeure Event (as defined in **Clause 9.1**).
- 9.3. Should a Force Majeure Event occur, the affected party shall:
- 9.3.1. Take all reasonable steps to overcome and mitigate the effects of the Force Majeure Event as soon as reasonably practicable, including actively managing any problems caused or contributed to by third parties and liaising with them;
  - 9.3.2. On becoming aware of the Force Majeure event promptly inform the other in writing of the details and provides information of the Force Majeure Event and information about which Services have been affected to the extent that such information is known, together with, if practicable, an estimate of the period during which the Force Majeure Event will continue; and
  - 9.3.3. Notify the other as soon as it becomes aware that the Force Majeure Event has stopped.
- 9.4. If the Force Majeure Event continues for more than 15 calendar days, the unaffected party may terminate this Agreement by giving 15 calendar days written notice without cost or liability to the other party (except in respect of antecedent breaches).
- 9.5. Nothing in this **Clause-9** shall suspend MPPKVCL's obligation to pay the Charges in accordance with this Agreement in respect of any portion of the Services provided by the Vendor to MPPKVCL not affected by a Force Majeure Event.

## 10. EMPLOYEES of the VENDOR

- 10.1. The vendor would deploy persons for provision of the Services to MPPKVCL ensuring that they are suitably qualified, skilled and experienced in the work which they are to perform;
- 10.2. The Vendor will obtain the written approval of MPPKVCL prior to appointing any replacement for any Employee of the Vendor (such approval not to be unreasonably withheld or unduly delayed by MPPKVCL), except that the Vendor shall be able to replace any Employee without MPPKVCL's prior written approval where a Employee leaves the employment of the Vendor, is prevented from fulfilling his duties due to sickness or will no longer be involved in the Services due to natural career progression. Save as otherwise agreed with the MPPKVCL in writing, the Vendor will, at its own cost and expense, use all reasonable endeavours to ensure that, where possible, the Employee who is being replaced imparts appropriate knowledge and experience concerning the Services to the replacement for the Employee.
- 10.3. Without prejudice to the provisions of **Clause 10.2**, before appointing a replacement for any Employee, the Vendor shall:
- 10.4. notify MPPKVCL of the proposed appointment;



- 10.5. introduce the individual to appropriate representatives of MPPKVVCL (and, if reasonably requested provide an opportunity for MPPKVVCL's Authorised Representative for Services to interview the individual); and
- 10.6. provide MPPKVVCL 's Authorised Representative for Services with a resume and other information about the individual reasonably requested by MPPKVVCL (including, without limitation, a summary of such person's expertise and previous experience);

AND the Vendor shall provide such replacement for any Employee as soon as reasonably practicable.

#### **10.7. The Vendor shall:**

- 10.7.1. ensure that its persons engaged in the provision of the Services to MPPKVVCL are suitably qualified, skilled and experienced in the work which they are to perform;
  - 10.7.2. ensure that while any of its Employees are on MPPKVVCL's premises they will conform to MPPKVVCL's standard codes of conduct (including policies regarding occupational health and safety requirements, building access, physical security and dress codes) or procedures as have been communicated in advance to the Vendor in writing but only to the extent that such compliance does not place the Vendor in breach of any other provision of this Agreement.
- 10.8. MPPKVVCL may, for reasons of incompetence, poor performance or misbehaviour or any such reason (MPPKVVCL at all times acting reasonably), request the replacement of any Employee of the vendor. MPPKVVCL shall notify the Vendor giving written reasons as why it is requesting a replacement to be made. MPPKVVCL and the Vendor shall promptly discuss any such request and, if the Vendor is unable to satisfy MPPKVVCL's concerns within a time period of three days, the Vendor shall replace that Employee as soon as reasonably practicable, but not later than seven calendar days in any case. The Vendor shall use reasonable endeavours to ensure that the Employee who is being replaced imparts appropriate knowledge and experience concerning the Services to the replacement Employee. The Vendor shall not be excused from performance of its obligations under this Agreement as a result of the replacement of any Employee.
- 10.9. The vendor is expected to provide services of the employees as mentioned in the para **9.4** of the Tender documents on continuous basis on all working days. However, if any employee remains on leave the vendor must inform of such leaves in advance to the Joint Director (F&A) or any officer nominated by him, and alternate arrangement shall be made by the vendor.

#### **11. CONFIDENTIALITY**

- 11.1. Each party undertakes to treat all Confidential Information as confidential and to use such Confidential Information solely for the purposes of this Agreement. Each party shall not, without the prior written consent of the other, divulge such Confidential Information to any person.
- 11.2. Each party undertakes to effect and maintain the same adequate security measures to safeguard the Confidential Information from unauthorised access, use and misappropriation as it maintains with its own similar information that it does not wish publicly to disclose, publish or disseminate.
- 11.3. Each party undertakes to notify the other promptly of any unauthorised use, copying or disclosure of Confidential Information and to provide all reasonable assistance required to terminate such unauthorised use or disclosure (or both).
- 11.4. Neither party shall make any announcement about nor disclose the existence or any terms of this Agreement without the prior written consent of the other. Notwithstanding the foregoing, either party may advertise or otherwise make known that the Vendor provides services to MPPKVVCL pursuant to this Agreement without the prior written consent of the other party.
- 11.5. The foregoing obligations as to confidentiality shall remain in full force and effect notwithstanding any termination or expiry of this Agreement.

#### **12. DISPUTES**

- 12.1. This Clause does not prevent either party commencing or pursuing court proceedings to protect the rights of confidentiality and in respect of the Confidential Information of that party and is without prejudice to either party's right to terminate this Agreement.
- 12.2. The Dispute will be dealt with by the parties pursuant to the following escalation procedures (the "Escalation Procedures"):
  - 12.2.1. In the first instance, the Dispute will be referred to the Chief Financial Officer for resolution;
  - 12.2.2. If the Chief Financial Officer cannot resolve the Dispute within 15 Business Days (or such other period as may be agreed between the parties), the Dispute will then be escalated to the MD (MPPKVVCL);
- 12.3. The parties acknowledge and agree that all disputes arising out of or in connection with this Agreement (the "**Dispute**") shall be dealt with in accordance with the procedure set out in the **Clause 11.2**. For the avoidance of doubt, any communications between the



parties arising out of or in connection with Clause 11.2 will be without prejudice and will be treated as confidential.

**13. TERMINATION**

- 13.1. MPPKVCL may terminate this Agreement in its entirety or as it relates to one or more discrete parts of the Services on written notice with effect from the date specified in the notice if the Vendor commits any material breach of this Agreement which in the case of a breach capable of remedy has not been remedied within seven calendar days of service upon the Vendor of a written notice specifying the breach and requiring it to be remedied. For the purposes of this Clause, breach shall be capable of remedy if the Vendor can or will be able within the prescribed period of time to comply with the provisions in question in all material respects other than as to the time of performance.
- 13.2. In addition to any other rights it has under this Agreement, MPPKVCL may terminate this Agreement in its entirety, or as it relates to one or more discrete parts of the Services, at will, at any time after the expiry of the one month from the Signature Date, on giving the Vendor not less than one month's written notice.

**14. CONSEQUENCES OF TERMINATION**

- 14.1. The Vendor acknowledges that it is critical for MPPKVCL to have continuity of the Services. To ensure the orderly transfer of the Services either back in house to MPPKVCL or to a Replacement Service Provider, MPPKVCL relies significantly on the Vendor fulfilling its obligations under this Agreement.
- 14.2. The Vendor is an independent contractor and nothing in this Agreement shall be deemed to constitute a partnership or any employment relationship between the parties nor shall anything in this Agreement be deemed to constitute one party the agent of the other for any purpose.

**15. Other Terms & conditions as stipulated in Tender documents of Tender Specification NO. DISCOM/EZ/AUDIT/**

**IN WITNESS WHEREOF** each of the parties has duly executed this Agreement as of the date first written above.

<b>SIGNED</b> by	[		]	
duly authorised for and on behalf of <b>MPPKVCL</b>				<b>Witness</b>
				1.) _____
				2.) _____

<b>SIGNED</b> by	[		]	
duly authorised for and on behalf of the <b>Vendor</b>				1.) _____
<b>Date:</b>				2.) _____

# *PART-2*



### SCHEDULE-I

#### “PRICE BID FOR THE corporate office”

S N	Particulars	HT Revenue audit & System and Expenditure audit of all the offices of HO for FY 2022-23 to 2023-24 Fees in Rs.
1	Audit Rates/Fees for two year including all T.A. /D.A., Lodging, Boarding, out of pocket expenses etc. complete as per all Terms and conditions mentioned in the Tender Document.	
2	GST (Rate and amount)	
3	Total Quoted Fee including tax for audit.	

(To be signed by an authorized signatory of the Bidder Firm along-with seal of firm)  
Title of Authorized Signatory

Name of Firm

Date and Place

NOTE : (i) Quoted price should be FIRM

## SCHEDULE-II

### Bidders Background

#### (A) Details of the Bidder Firm

S. No.	Particulars	Information	Enclosures
1	Name of the Firm		Latest Partnership Deed
2	Address of the Head Office of the Firm ( Phone No., Email id, fax, Mobile No., Address)		
3	Firm Registration No. (as mentioned in the constitution certificate)		Latest constitution certificate of the Firm issued by ICAI
4	Firm's PAN No		
5	Date of Establishment of Firm		-do-
6	Date of Formation of Partnership Firm in case initially established as Proprietorship Firm		-do-
7	Whether the Head Office is in Jabalpur		-do-
8	Whether any Office of Operation is in the Circle/ Region of the Group.		-do-
9	No. of Branches of the Firm		
10	Address of Branches with the Date of Opening		
11	Number of Partners		
12	Number of Full-time Partners with the firm		
13	Name of the Partners in the firm along with their membership number issued by ICAI, and the year of association with the firm and their PAN no.		
14	No. of CA on the role of the bidder		
15	No. of other paid staff on the role of bidder		
16	No. of Articles Trainees		
17	Team Leader to be assigned on the assignment with their qualification		Biodata with experience of the Team Leader
18	No. and name of the Professionals to be provided by the bidder on the assignment.		Biodata of the Audit Officers to be assigned on the assignment.

#### (B) Credentials of the Bidders

1. A brief "Profile" of the Firm's Practice and experience giving the following details clearly:

- **Details of the assignment / projects undertaken by the bidder in the last 10 years with the following information**

1	Assignments undertaken.
2	Form of organization (Partnership/ Proprietary/Company).
3	Nature of Operation of the organization
4	Experience/Completion Certificates of Statutory / Internal Audit from at least three clients out of the Clients as mentioned above.

- **Curriculum Vitae of the Individual Experts, Team Leader and the Audit Officers proposed on the engagement.**



**SCHEDULE -III**

**ON THE LETTER HEAD OF THE CHARTERED ACCOUNTANT/ICWAI FIRM  
CERTIFICATE  
TO WHOM SO EVER IT MAY CONCERN**

This is to certify that “M/s \_\_\_\_\_” PAN : \_\_\_\_\_ GSTIN : \_\_\_\_\_ having its registered / Head office address \_\_\_\_\_ and (hereinafter referred to as Firm) have participated in the Tender No. \_\_\_\_\_ of MPPKVCL, Jabalpur.

For **IMPORTANT INSTRUCTIONS TO THE BIDDERS** of Clause -5 of Annexure-I of the Tender Conditions the detail of the bidder firm participating in the above said tender are as follows”

- a) The CA/ICWA firm/Consortium leader firm is registered with ICAI/ICWAI (Reg. No.....) and with the Comptroller and Auditor General of India.
- b) The bidder firm/Consortium leader firm existence is \_\_\_\_\_days\_\_\_\_\_month\_\_\_\_\_years (as on 01/04/2023).
- c) .....No of partners as on 01/04/2023 of the bidder firm/Consortium leader firm and .....no of Fellow Members of the Institute of Chartered Accountant of India or Institute of Cost Accountant of India.
- d) Average Annual turnover of the bidder firm for the last three financial year ending as on March, 2023 is Rs. \_\_\_\_\_ (Figures are in Rs.....)
- e) .....Year working experience in Electricity Distribution Company. (Name of Discoms)
- f) **It is certified that the bidder firm fulfills the all the criteria as required under Clause-5 of Annexure-I of the tender document no..... dated .....**
- g) Above information has been extracted from the Books of Accounts/Audit Report maintained by the bidder firm, certificate/document issued by Institute of Chartered Accountant of India or Institute of Cost and work Accountant of India.
- h) It is also certified that I am not a partner or associate of the bidder firm and I am not directly or indirectly participating in the instant tender bidding process.



I am aware that the Company (MPPKVVCL, Jabalpur) is relaying this certificate as a valid proof of Technical and Financial Capability of the bidder firm.

For, \_\_\_\_\_  
Chartered Accountant Firm,  
FRN No. \_\_\_\_\_

CA. \_\_\_\_\_  
(Designation \_\_\_\_\_)

Membership. No. \_\_\_\_\_  
UDIN No. \_\_\_\_\_

Date : \_\_\_\_\_  
Place: \_\_\_\_\_  
Signature \_\_\_\_\_  
Mobile Number \_\_\_\_\_  
Address:- \_\_\_\_\_

Signature and Seal of Chartered Accountant



## **SCHEDULE – IV**

### **(Undertaking)**

**The following declaration/Undertaking must be submitted by all the bidders on non-judicial stamp paper worth Rs.500/- duly notarized**

I ..... proprietor / partner / Director / Authorized Signatory of M/s..... having its Registered Office/Head Office at ..... Give an undertaking ;

1. That, M/s ..... have participated against TS No. .... due for opening on ..... For services of .....
2. That, I have gone through the tender document and aware with all the requirement of the tender specification.
3. That, the profile of M/s ..... is as under:-
  - (a) Address of Bidder - .....
  - (b) GST Registration No. of the firm - .....
  - (c) PAN No. of the firm - .....
  - (d) Entrepreneurs Memorandum Number (If registered under MSMED Act 2006) –  
.....
  - (e) E-mail address of the firm - .....
  - (f) Mobile No. - .....
  - (g) Name & Branch address of bidder banker - .....
  - (h) Bank Account of the firm - .....
  - (i) IFSC Code of the branch for RTGS - .....
4. That we confirm that there is no deviation with the commercial terms & conditions requirement of the Tender Specification.
5. That, it is confirmed that we have adequate financial stability and status to meet the financial obligations pursuant to the scope of the assignment.
6. That the MPPKVCL will have full right to cancel the order, if awarded and forfeit the EMD / Performance SD as applicable in event if finds that the information given at sl. No. 7 is misleading or false, even at a later date i.e. after opening of Price Bid/Award of Order.
7. I ..... sole proprietor / partner / Director ..... of M/s,..... undertake that I am not interested as a proprietor and/or partner and/or ..... in any other party/firm, participated in tender No. ----- of Purchaser due for opening on \_\_\_\_/\_\_\_\_/2023 for services of -----



**8. Regarding Black-listing / Debarring:-**

I/We hereby undertake and submit a declaration that the bidding firm/company is not debarred/ black listed for future business with any of the Discoms of M.P.

In case, at any stage if the above declaration is found false or incorrect, the purchaser shall be free to take any punitive/legal action against bidding firm as may be deemed fit, which shall be acceptable / binding on bidding firm and the consequences shall be to their account.

**9. Regarding Conflicting Interest:-**

I/We \_\_\_\_\_ Sole Proprietor / Partner / Director of M/s \_\_\_\_\_ undertake that the bidding firm do not have conflict of interest with any other parties in this bidding process as per provision of Clause-2, Annexure-II of the tender.

**10. Regarding serving officer(s) or employee(s) of the Discoms of M.P.:-**

I/We confirm that no serving officer(s) or employee(s) of the Discoms of M.P. is / are partner(s) / Director(s) of the bidding firm or having shares or has share or has any interest in his / her firm. It is also confirmed that no partner(s) / Director(s) of the firm has any close relationship (spouse, son, Daughter, father, mother or brother) with any serving officer(s) or employee(s) of the Discoms of M.P.

**11. Regarding Information / details given:-**

I/We,....., the Sole proprietor / partner / Director authorized signatory of M/s....., participating in the bidding process against tender No..... undertake that I am not interested as a proprietor and/or partner/Director in any other firm participated in the tender for procurement of....., and specifically undertake that the bidding firm/Company:-

- (i) Not follow & shall not follow unethical/unfair/fraudulent practice in any manner.
- (ii) Has no conflict of interest with any bidder/firm participating in the tender.
- (iii) Not concealing any material information.
- (iv) Not given any misleading fact or statement in the offer/bid submitted against the tender.
- (v) Has not been debarred/blacklisted for future business with Purchaser/other Discom of MP.

Further, the MPPKVCCL, Jabalpur will have full right to cancel the order, if awarded and forfeit the EMD/Bid Security & Performance Security Deposit as applicable in the event of the above condition/situation is observed, even at a later date i.e. after opening of Price Bid / award of order.

*Note: The undertaking should be given by the proprietor / Partner/ Director/ Authorized signatory of the Company*

PLACE:

SIGNATURE OF TENDERER

NAME IN FULL

DATE

DESIGNATION/ STATUS IN THE FIRM

COMPANY SEAL