



# NBCC (INDIA) LIMITED

(Formerly known National Buildings Construction Corporation Ltd.)

(A Govt. of India Enterprise)

NBCC Bhawan, Lodhi Road, New Delhi - 110003.

## CORRIGENDUM & CLARIFICATION-1

No. NBCC/IAD/2020-21/Apptt./01

Dated:03.12.2020

**NOTICE INVITING EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT OF PARTNERSHIP/ LIMITED LIABILITY PARTNERSHIP FIRMS OF CHARTERED ACCOUNTANTS/ COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT AND OTHER WORKS IN NBCC (INDIA) LIMITED (CORPORATE OFFICE AND ITS RBG/SBG OFFICES & PROJECTS THEREIN) FOR THE FINANCIAL YEARS 2020-21, 2021-22 AND 2022-23)**

Based on various mail received for clarification and request for time extension regarding above EOI No. NBCC/IAD/2020-21/Apptt./01 dt. 05.11.2020, a list of Clarifications cum Corrigendum is as under:

	<b>EOI REQUIREMENT&amp; QUERY</b>	<b>CORRIGENDUM cum CLARIFICATION-1</b>
1	Last Date of submission of EOI by 04.12.2020 up to 3.00 PM.	On request of various firms, last date of submission of EOI is extended to 18.12.2020. Accordingly last date of submission of EOI be read as <b>18.12.2020 up to 3 PM.</b>
2.	<p><i>"Annexure "F" LIST OF DOCUMENT TO BE SUBMITTED ALONG WITH THE APPLICATION / EOIs"</i></p> <p>Interested firms are advised to submit Self attested copies of the documents in proper sequence :</p> <p>5. Joining Certificate issued by the Firm / LLP on their Letter-head, duly sealed and signed for each Qualified / Semi-Qualified Assistants.</p> <p><b>Query:</b> What document to be provided in the absence of above document?</p>	<p><b>Clarification :</b></p> <p>Interested firms are advised to submit Self attested copies of the documents in proper sequence :</p> <p>However, in case of non-availability of above joining certificate, Acknowledgement of Articleship Registration Form/ Registration Form issued by the ICAI along with latest Member Card/s (with whom the articles are registered) and the name on the Constitution letter of the Firm, in case of Qualified CAs/CMAs may be considered as a proof of joining.</p>

3.	<p>8. Copies of appointment letters <b>and</b> experience certificate for statutory audit/Internal audit as evidence of audit experience.</p> <p><b>Query:</b></p> <p>Whether experience certificate is required for Statutory Audit?</p>	<p><b>Clarifications:</b></p> <p>In case of <b>Statutory Audit</b> copy of appointment letter and copy of signed balance sheet for <b>Listed</b> Companies can be accepted as proof of Experience Certificate.</p>
4.	<p>11. Copy of Multipurpose employment form (MEF) last submitted to ICAL.</p> <p><b>Query:</b></p> <p>Whether MEF submission is compulsory?</p>	<p><b>Clarifications:</b></p> <p>The basic objective is to provide supporting documents for verifying the credentials of the interested firms. In case audit firm is unable to provide copy of MEF, other relevant documents supporting the credentials as mentioned in the EOI application can also be provided. It is further clarified, in case of CMA firms, such document is not required.</p>
5	<p>Annex-C, Sl-4:</p> <p>The audit firm has to provide acceptance to the appointment letter and send it back to Internal Audit Division along with performance security of 10% of the Audit Fee in the form of DD/NEFT in favour of NBCC (India) Limited within 10 days from the date of issuing of appointment letter.</p>	<p><b>To be read as :</b></p> <p>The audit firm has to provide acceptance to the appointment letter and send it back to Internal Audit Division along with <b>Performance Security of 3%</b> of the Audit Fee in the form of DD/NEFT in favour of NBCC (India) Limited within 10 days from the date of issuing of appointment letter. This is in line with OMs issued by Department of Expenditure, Ministry of Finance vide No. F. 9/4/2020-PPD dated 12.11.2020 duly forwarded by DPE vide OM No.DPE/7(4)/2017-Fin(Part-I) dated 19.11.2020 and No. NBCC/CE/2020/CIRCULAR/20 dtd. 27.11.2020.</p>

This is issued with the approval of competent authority.





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NBCC Bhawan, Lodhi Road, New Delhi – 110003.

No. NBCC/IAD/2020-21/ Apptt./01

Dated:05.11.2020

**NOTICE INVITING EXPRESSION OF INTEREST (EOI) FOR EMPANELMENT OF PARTNERSHIP/ LIMITED LIABILITY PARTNERSHIP FIRMS OF CHARTERED ACCOUNTANTS/ COST ACCOUNTANTS FOR CONDUCTING INTERNAL AUDIT AND OTHER WORKS IN NBCC (INDIA) LIMITED (CORPORATE OFFICE AND ITS RBG/SBG OFFICES & PROJECTS THEREIN) FOR THE FINANCIAL YEARS 2020-21, 2021-22 AND 2022-23)**

NBCC (India) Ltd., a Navaratna CPSE, having its Corporate Office at NBCC Bhawan, Lodhi Road, New Delhi-110003 invites Expression of Interest from reputed Indian Chartered /Cost Accountant Firms (Partnership/ Limited Liability Partnership) for empanelment as Internal auditors for the financial years 2020-21, 2021-22 and 2022-23.

The Notice Inviting Expression of Interest along with brief scope of work, reporting requirements, terms of reference, selection criteria etc. are available at NBCC website [www.nbccindia.com](http://www.nbccindia.com), tender wizard and the websites of Institute of Chartered Accountants of India and Institute of Cost Accountants of India. The same can be downloaded from **05.11.2020 to 04.12.2020 up to 3.00 PM** . All the corrigendum/addendum/updates, if any, to the EOI Document shall be hosted on NBCC website only. The interested partnership firms/ LLPs are requested to ensure that all such corrigendum/addendum/updates are considered while submitting the EOI.

The sealed offers containing expression of interest should be submitted duly filled in Standard Formats for technical evaluation along with unconditional acceptance of terms and conditions at the office of Chief General Manager (Finance), Internal Audit Division, 5<sup>th</sup> floor, NBCC Bhawan, Lodhi Road, New Delhi-110003 latest by **04.12.2020 up to 3.00 PM**. NBCC reserves the right to reject any or all the offers without assigning any reason.

## TABLE OF CONTENTS OF EOI

SL. NO.	DESCRIPTION	PAGE NO.
1	Format of Application	3-6
2	Annexure "A" – Scope of Audit	7
3	Annexure "B" – Reporting Requirement	8-11
4	Annexure "C" – Terms of Reference	12-15
5	Annexure "D"- Evaluation Criteria	16-17
6	Annexure "E" – Important Instructions for Audit Firms/LLPs	18
7	Annexure "F"- List of Documents to be submitted along with Application /EOI	19
8	Annexure "G"- General Terms & Conditions	20-22



## FORMAT OF APPLICATION

(To be printed on the letterhead of the Firm)

### 1. BASIC DETAILS:

- a) Name of the Partnership Firm/LLP :
- b) Registration of the Institute : Institute of Chartered Accountants / Cost Accountants of India
- c) Registration No. of the Partnership Firm/LLP :
- d) Date from which continuing as a Partnership Firm/Registration of LLP Firm :
- e) Age in Complete Years (Cut-off date 30.09.2020) :
- f) Details of Head Office & Branch Office(s):

Head Office:

Address	State /UT	Contact No/Mobile No.	Email

Branch Office 1:

Address	State /UT	Contact No/Mobile No.	Email

Branch Office 2:

Address	State /UT	Contact No/Mobile No.	Email

Branch Office 3:

Address	State /UT	Contact No/Mobile No.	Email

*Insert further Branch Office(s) (if any)*

### 2. MANPOWER DETAIL:

- a) Detail of Partners: Total.....no of Partners

Sl. No.	Name of the Partner	Membership no.	FCA/FCMA/ACA/ACMA	Date of Joining the firm/LLP	Ref. Page no. of Supporting Membership Doc.



b) Details of Qualified Assistants

S.N o.	Name of the Qualified Assistant	Membership no./ Final Pass Certificate No./ Mark Sheet No.	FCA/ACA/FCMA/ACMA	Date of Joining the firm/LLP as Qualified Assistant	Ref. Page no. of Supporting Doc. (Membership Cert./Final Pass Certificate/Mark sheet etc.)

c) Details of Semi Qualified Assistants

S.N o.	Name of the Assistant	Whether CA /CMA - Intermediate	Date of Joining the firm/LLP as Semi Qualified Assistant	Ref. Page no. of Supporting Articleship Doc. no

**3. PROFESSIONAL EXPERIENCES:**

a) Details of Experience in PSUs in last five years ending on **31.03.2020**

Sl. No.	Name of the Company/Unit	PSU category (Maharatna/ Navratna/ Miniratna/ other/ state PSU)	Year Of Audit	Type of Audit Statutory/ Internal Audit	Ref. Page no. of Supporting Documents (Award Letter & Experience Certificate/GST invoice)

b) Details of Experience in Construction Industry in last five years ending on **31.03.2020**

Sl. No.	Name of the Company/ Unit	Listed Statu s (Yes/ No)	Operating turnover in Rs. Cr. (in the year of assignmen t)	Net worth of the Co. (in the year of assignmen t)	Year of Audit	Type of Audit Statutory/ Internal Audit	Ref. Page no. of Supporting Documents (Award Letter, Experience Cert)

c) Additional Information:

Whether the Partnership Firm / LLP has conducted Internal audit work in NBCC (India) Limited during any of the year in block of financial years 2017-18 to 2019-20

If the answer to above is yes, following details may be provided:

Sl. No.	Name of RBG/SBG for which Internal Audit was conducted	Year of assignment

4. **PAN OF FIRM/LLP :**

5. **GST REGISTRATION NO.:**

6. **BANK DETAILS:**

a	Bank Name	
b	Bank Address and Telephone	
c	Branch Code	
d	Type of Account	Saving /Current
e	Bank Account Number	
f	IFSC Code of the Bank	

7. It is confirmed that all relevant annexure in support of Application are submitted in precise manner with required attachments/ enclosures (*also refer Annexure "F"*). In case the application is found incomplete or without supporting documents, application can be rejected by NBCC.
8. This is to confirm that we have not taken any deviation from the specified terms & conditions of the EOI documents. A copy of complete EOI document duly signed and sealed on all pages as a token of acceptance of all terms & conditions is enclosed along with the application format.
9. This is to certify that all the information given above is accurate and any misstatement will be liable for rejection of our participation in EOI and blacklisting by NBCC as per Company's procedures.
10. It is certified that neither our firm/LLP nor any of its partner is debarred/disqualified/black listed by any regulatory/statutory body or Govt entity or any International/National agency for corrupt or fraudulent practices.

Signature of Partner  
Name & Seal of the Audit Partnership Firm/ LLP  
Membership No. of Signing Partner



**NOTE:**

1. Any fraction of the year will be ignored for calculating number of years.  
(*reg. Point 1(e)*)
2. Application Format provided above along with the necessary attachments has to be sent to Chief General Manager (Finance), Internal Audit Division, 5th floor, NBCC Bhawan, Lodhi Road, New Delhi-110003 before or on the last date of submission mentioned above.
3. Only those applications will be considered where application format are duly signed and received in hard copy at the above mentioned address before or on the last date of submission along with relevant supporting documents/backup.
4. It has to be ensured that all attachments in support of the Application are legible. Further it has to be ensured that page numbers of the relevant annexure have been clearly mentioned along with their respective points in the Application format.



## **SCOPE OF AUDIT**

The scope of Internal Audit encompasses the examination and evaluation of the adequacy and effectiveness of the organization's system of internal control with special emphasis on the Scope and Checklist of work as will be provided along with the appointment letter. The internal audit shall be carried out in accordance with the Standards of Internal Audit (SIA) and technical guidelines issued by the Institute of Chartered Accountants of India (ICAI) and will include such tests and controls as the Auditors consider necessary under the circumstances.

NBCC maintains Books of Accounts as required under the applicable regulations. The Company's books of accounts are maintained as per IND -AS in in-house developed ERP system. All the projects are managed and controlled by RBG/SBG offices. Further, where a separate finance division is not attached to one RBG/SBG office, finance is centrally located for a group of RBG/SBG offices.

The Audit firm has to conduct audit of records, books and accounts, procedures, controls etc. pertaining to Corporate office/Regional Business Group (RBG)/Strategic Business Group (SBG) offices and projects therein and also compliance of conditions of award as per Scope as also Check list that will be provided by NBCC at the time of appointment to ensure that internal control systems are in place.

Internal Auditor will have a Risk Based Internal control evaluation and Audit process. Further Auditor has to conduct :-

- i) Review of implementation of System and procedures of the company
- ii) Testing of the Internal Controls
- iii) Internal Auditors are required to comment on the adequacy and effectiveness of the internal control / Internal Financial Control, including documentation and adherence to Delegation of Power of the company, pertaining to the assigned audit RBG/SBG/HO.

Total number of projects under one RBG/SBG office depends upon the size of the RBG/SBG. List of projects to be audited for each RBG/SBG will be provided along with the scope of work and checklist and Audit Report Formats at the time of issuance of appointment letters to the selected firms.



## **REPORTING REQUIREMENTS**

On completion of audit of the RBG/SBG/Corporate Office so assigned to the respective Audit firm, the following steps should be taken before finalization of the report:

1. Partner/s of the Firm/LLP should meet and discuss the preliminary audit observations with the Finance Head and/or RBG Head of the RBG/SBG or HOD at Corporate Office so that timely corrective action may be taken.
2. The replies/corrective actions/rectifications taken by the RBG/SBG/Corporate office (as the case may be) need to be checked and if found satisfactory, preliminary audit observation to be settled and mentioned in Final Audit report along with relevant supporting documents.
3. Based on the outcome, a Final Audit Report **strictly** in prescribed format need to be prepared covering all the units so audited. The report should also contain specific comments as settled and unsettled audit observations along with suggestions for improvements, if any.
4. Irregularities of serious nature/frauds noticed during audit may be reported to Chief Internal Audit through a special report
5. The Audit Report thus compiled shall be structured as outlined hereunder and be divided into three separate parts namely:

### **PART A: Project/Package Details**

#### **SUB PART I: Brief About the Project**

The Auditor has to provide Brief about the project in the prescribed format clearly providing details regarding the Project, Zone it pertains to, Client details, Sanctions provided by the Client, Actual/ Expected Date of Commencement and Completion of the Project, Extensions granted by the clients etc.

#### **SUB PART II: Brief About the Package**

The Auditor has to provide Brief about the package/s under the project in the prescribed format clearly providing details regarding the Package/work, Contractor, Value of Work so awarded, Actual/ Expected Date of Commencement and Completion of the package, Financial Progress of work, Extensions granted to the contractor, Deviations from the approved/sanction limits, if any etc.

**Note:** In case of Part A- Sub Part I & II, details will be provided to the Auditor by the Finance Head/ RBG/SBG Head of the RBG/SBG so assigned to the Audit Firm/LLP. After the submission of acceptance to the Appointment offer along with Performance guarantee of the assigned audit



unit, the Auditor shall discuss their Audit Plan with the concerned officials and seek the required details in the prescribed format to ensure availability of such data at the time of commencement of Audit.

## **PART B: Audit Observations & Suggestions**

### **SUB PART I: Executive Summary of Significant observation**

The Auditor shall prepare a summary of all the significant observations so raised during the course of audit giving an overview of the entire report in a few points clearly stating the major issues observed, drawn conclusions and recommended course of actions in a complete but brief synopsis.

### **SUB PART II: Important items which, in the opinion of the Internal Auditor, need to be brought to the notice of Management**

The Auditor shall clearly list all the significant discrepancies observed during the course of audit and the observations in which, the auditor feels immediate attention of the Management is required, specifying the financial implications, if any. The Auditor shall also bring out the important deviations from policies, systems and procedures of NBCC, if any. The Auditors are also required to review the adequacy and effectiveness of the Internal Control/ Internal Financial Control, including documentation and adherence to Delegation of Power of the company, pertaining to assigned audit units.

### **SUB PART III: Matters which are, inadvertent/erroneous/minor in nature and would be adequate, if rectified at site /audit location**

The Auditor shall, in this part, highlight all those issues that have been observed during the course of audit, of inadvertent/erroneous/minor nature that could have been/ had already been rectified at the respective RBG/SBG/Corporate Office and does not require Management attention.

### **PART IV: Action taken by the unit on previous outstanding Internal Audit paras / Internal Audit Reports**

The Auditor shall in this part provide comments on the adequacy of the compliance and action taken for rectification of errors/discrepancies pointed out by Internal auditors in the previous financial years. It may be ensured that the compliance report on audit observations pointed out in reports relating to earlier audits is made and pending audit observation to be furnished in the Audit Report.

### **SUB PART V: Status of Litigation/Arbitration Cases pending at RBG/SBG/Zones duly signed by the RBG/SBG Head, Finance Head and the Internal Auditors as per specified format**



The Auditor is required to provide details relating to Litigation/Arbitration Cases pending at respective Projects providing a brief on the pending cases, the financial implications of such cases, forums where the same are pending, the last date of hearing, progress so made till date, details of the consultants/advocates so hired etc.

#### **SUB PART VI: Suggestions for systems Improvement**

The auditor shall in this part provide suggestions for further improvements that might add value and strengthen the overall governance mechanism of the entity, including the entity's strategic risk management and internal control system.

### **PART C: Certifications**

#### **SUB PART I: Checklist for Compliance of Laws applicable to NBCC**

The Auditor shall provide confirmation in respect of the compliance of the various laws so mentioned in the prescribed format by the RBG/SBG/Corporate office so assigned to the Audit Firm/LLP.

#### **SUB PART II: Compliance Certificate**

The Auditor shall also provide a certificate clearly stating their independence and non existence of any personal interest in the company that may have a potential conflict with the interest of the company. Further, the Auditor shall also provide confirmation regarding compliance of all laws, guidelines, rules & regulations issued by the Central, States and other Government and Local Authorities in the prescribed format so provided in this regard.

#### **SUB PART III: Certificate of Assurance and Report on Effectiveness of Internal Control/Internal Financial controls**

Internal Controls are key check points for effective working of an organization. The Auditors are required to provide confirmation in the prescribed format so provided in this regard with respect to effectiveness of internal controls/ Internal Financial Controls, coverage of entire scope of audit etc.

#### **SUB PART IV: Discussion and Attendance Certificate**

The Auditor shall furnish a discussion certificate clearly stating that a Preliminary Audit Report has been discussed with the RBG/SBG Finance Head and/or RBG/SBG Head of the respective RBG/SBG or HOD of the Corporate Office, so assigned to the Auditor, duly signed by the above referred officials present at the time of such discussion.

Further, the auditor shall also provide a statement indicating the audit personnel deployed (designation) including the visits of partners and the period of audit for each RBG/SBG Office/Corporate Office Division clearly stating the actual mandays for Qualified and Semi Qualified staff



separately duly signed by the RBG/SBG Finance Heads &/or RBG/SBG head. The Partner/Qualified Assistant is expected to carry out the audit by himself/herself so that the entire scope is covered in a systematic manner and to facilitate the reporting as per the requirement.

An overview of the Format of Audit Report discussed above is as follows. It has to be ensured that the audit reports are prepared strictly in the reporting format so provided.

### **FORMAT OF AUDIT REPORT**

<b>Audit Report</b>		<b>Report Particulars</b>
<b>Part</b>	<b>Sub Part</b>	
<b>A. ** Project / Package details</b>	<b>I</b>	Brief about the Projects
	<b>II</b>	Brief about the package/s of respective project
<b>B. Audit Observat ions &amp; Suggesti ons</b>	<b>I</b>	Executive Summary of Significant observations/findings.
	<b>II</b>	Important items which, in the opinion of the Internal Auditor, need to be brought to the notice of Management.
	<b>III</b>	Matters which are inadvertent/erroneous/minor in nature and would be adequate, if rectified at site /audit location.
	<b>IV</b>	Action taken by the unit on previous outstanding Internal Audit paras / Internal Audit Reports.
	<b>V</b>	Status of Litigation/Arbitration Cases pending at RBG/SBG/Zones duly signed by the RBG/SBG Head, Finance Head and the Internal Auditors as per specified format
	<b>VI</b>	Suggestions for systems Improvement.
<b>C. Certifica tions</b>	<b>I</b>	Checklist for Compliance of Laws applicable to NBCC
	<b>II</b>	Compliance Certificate
	<b>III</b>	Certificate of Assurance and Report on Effectiveness of Internal Control/Internal Financial controls
	<b>IV</b>	Discussion and Attendance Certificate

*\*\*Audit Report Part A (Sub Parts I & II): Necessary Inputs to be provided by RBG/SBG/Finance Head and to be verified by Audit Team.  
All applicable reporting format/Table shall be made available along with the appointment letter.*

**Irregularities of serious nature/frauds noticed during audit may be reported to Chief Internal Audit through a special report**



## TERMS OF REFERENCE

The terms and conditions for conducting Internal Audit in NBCC are indicated here under:-

### 1. FREQUENCY OF AUDIT, MINIMUM DURATION OF AUDIT, MINIMUM MANDAYS OF AUDIT TEAM AND ANNUAL AUDIT FEE FOR FINANCIAL YEAR 2020-21:

All the RBG/SBGs and Corporate Office have been categorized under 5 categories based on the number of projects to be audited under each RBG/SBG and accordingly the Duration of Audit, Minimum No. of Mandays of the audit team and Audit Fee has been defined, as can be seen in the table below:

Cat-egory	No. of projects** of RBGs/SBGs to be audited	Frequ-ency of audit in each year	Duration of Audit (Minimum days)	Min. No. of . Mandays of audit team*	Fixed Annual Audit fees (exclusive of GST) Rs
A	i) Above 45 ii) Corporate Office	1	20 days	P/Q=30 SQ=90	2,85,000.00
B	36 - 45	1	18 days	P/Q=25 SQ=75	2,37,500.00
C	26 - 35	1	16 days	P/Q=20 SQ=60	1,90,000.00
D	16 - 25	1	14 days	P/Q=15 SQ=45	1,42,500.00
E	Up to 15	1	10 days	P/Q=10 SQ=30	95,000.00
<b>*P= Partner</b> <b>Q=Qualified Chartered/Cost Accountant (FCA/FCMA/ACA/ACMA).</b> <b>SQ=Semi Qualified (CA/CMA-Inter)</b> <b>** Financially closed projects shall be in addition to the number of projects specified in the above referred categories. However, audit fees will remain as per respective category mentioned above.</b>					
<b>It should be ensured that the audit team is headed at all times by a qualified CA/CMA</b>					

No reimbursement towards Boarding & Lodging /Transport/TA/DA/others expenses (except audit fee & tax, as applicable) will be payable by the company to Audit firms undertaking Internal audit work. However fee for other assignment , (if any ) offered to any empanelled firm, same will be decided on case to case basis. NBCC may change the T&C, if required, of the EOI for which updates will be available only on the website of the company.



## **2. AUDIT TEAM**

The audit team shall be headed by Partner/ Qualified Chartered Accountants/Cost Accountant at all times. The Minimum Number of Mandays of the Audit Team, in respect of the Partners, Qualified Assistants and Semi Qualified Assistants shall be strictly complied with as specified in the table above.

Attendance certificate clearly stating number of audit personnel (along with name & designation) deployed for audit is to be submitted duly signed by the audit team along with respective RBG/SBG Head and/or their finance head. Submission of Attendance Certificate is mandatory for release of Audit fees.

## **3. PLACE OF AUDIT**

Records pertaining to audit shall be available at Corporate Office/ RBG/SBG Offices located at Delhi/ Noida/ Chennai/ Mumbai/ Kolkata/ Guwahati /Ranchi/Bhubaneswar etc.

## **4. SUBMISSION OF PERFORMANCE GUARANTEE**

Once an audit firm is appointed to conduct the audit, an appointment letter will be issued mentioning the details of the projects to be audited, Scope and checklist, Audit Fees and duration etc. The audit firm has to provide acceptance to the appointment letter and send it back to Internal Audit Division along with performance security of 10% of the Audit Fee in the form of DD/NEFT in favour of NBCC (India) Limited within 10 days from the date of issuing of appointment letter.

In case the audit firm does not commence the audit after the acceptance of audit assignment, NBCC reserves the right to forfeit the performance guarantee after giving one week notice to the audit firm. The Performance Guarantee shall be released after successful completion of audit assignment at the time of release of audit fee on receipt of formal request of the audit firm.

Incase the acceptance to appointment letter along with performance guarantee is not submitted within 10 days from date of appointment letter, the offer of appointment will be considered as withdrawn.

## **5. PRE-AUDIT MEETING**

Subsequent to the issue of appointment letter, a pre audit meeting shall be organized through video conference. The objective of the meeting will be to appraise the appointed firms about the organizational structure, requirements & expectations of the Management and audit plan for conducting Internal Audit of NBCC for financial year 2020-21. Time and date for the meeting will be mentioned in the appointment letter and



attendance from all the appointed firms shall be mandatory. Only those firms will be invited to attend the pre-audit meeting which have accepted the appointment letter and submitted the required PBG.

## **6. SUBMISSION OF AUDIT REPORT**

The assigned work of Internal Audit should be started in **March 2021**, at mutually agreed dates between Auditors and RBG Head & Finance Head so that the Audit Reports complete in all respect and strictly as per the reporting format provided in Annexure B duly signed by the partner of the firm within the prescribed time. The Auditor is required to submit the audit report in quadruplicate, one copy for Auditee (Hard copy) i.e. RBG/SBG Head and three copies (3 Hard copies and 1 soft copy) to NBCC (India) Ltd, Internal Audit Division, 5th Floor, NBCC Bhawan, Lodhi Road-110003.

## **7. PRESENTATION AT THE AUDIT COMMITTEE MEETING**

The Internal Auditor may be required to present their findings and observations/opinion before the Audit Committee of NBCC which will be held at Delhi. The time and venue of such meeting will be intimated separately. No separate TA/DA will be given for attending the Audit Committee.

## **8. PAYMENT OF AUDIT FEES**

The audit fee will be paid category wise as mentioned above in point 1 plus GST as applicable for each year of audit. Fee shall be payable after completion of audit and submission of final audit report in the specified format in time to NBCC and after the acceptance of report at Internal Audit Division.

The Audit Firm should raise tax invoice with respect to the fees mentioned in the appointment letter clearly mentioning the taxes charged ,GST number etc.

NBCC reserves the right to levy a penalty of 10% of audit fee in case of delay in submission of Audit Reports. No advance shall be payable under any circumstances. Payment shall be remitted through RTGS as per the bank details submitted along with the bill after deduction of TDS as per Income Tax Act, 1961 and GST Acts & Rules there under, for which TDS Certificate shall be issued by NBCC.

## **9. CONFIDENTIALITY**

The audit team shall respect the value and ownership of information they receive during the course of audit and do not disclose information. Internal Auditors shall be prudent in use and protection of information acquired in the course of their duties. They shall not use information for any personal gain or any manner that would be contrary to the law or detrimental to the legitimate and ethical objective of the organization.



## 10. AUDITORS' CONDUCT

The Internal auditor should ensure that their audit staff deputed to conduct internal audit, conduct themselves ethically, professionally and courteously. It is also advised that auditor should carry their LAPTOP for their writing and printing work. All working papers created in the course of audit will be the property of the company.

*It may be ensured that the internal audit assignment is carried out only by partners/ employees of your firm/LLP only, if it is noticed and found that the assignment has been carried out from any other firm/LLP., your firm/LLP will stand disqualified for future internal audit works and fee as well as performance security shall be forfeited.*



**EVALUATION CRITERIA FOR AUDIT FIRMS**

Evaluation shall be done for the firm on the basis of following criteria:-

Sl. No.	Particulars	Minimum requirement	Basis of Marks allocation	Marks allocable	Remarks
01.	Year of Incorporation*	10 years old	01 marks for each year	- -	Subject to maximum 15 marks
02.	No. of partners in the firm who have been with the firm for a minimum period of 1 year as on 30.9.2020	4 nos.	FCA / FCMA / ACA / ACMA	04 marks per FCA/FCMA 03 marks per ACA/ACMA	Subject to maximum 20 marks
03.	No. of audit staff on roll (other than partners)	15 persons	FCA / FCMA ACA / ACMA CA/CMA -Inter	03 per person 02 per person 01 per person	Subject to maximum 16 marks
04.	PSU Audits (Statutory /Internal Audit) in last 05 years ending on 31.03.2020	One PSU	Maha Ratna Nav Ratna Mini Ratna Others PSUs/State PSU	04 } per 03 } auditee 02 } 01 }	Subject to maximum 20 marks
05.	Statutory /Internal Audit experience in Construction/Infrastructure/Real Estate Sector ( in last 05 years ending on 31.3.2020)	One Company	Construction Organization should be a) Listed, or b) Turnover >Rs.1000/- crs. or c) Net worth >Rs.500/- crs. for the audited year.	05 marks per auditee	Subject to maximum 15 marks
06.	Local Presence**	-	Place of Audit	H.O. - 06 Branch - 03	Subject to maximum 6 marks
07.	Valid Peer Review Certificate issued by ICAI (issued on or before 31.03.2020)	One			5 marks
08.	Turnover of the bidder (Average annual business income of last 3 years ending on 31.03.2019)	Rs. one crores	Above 2 crores 1- 2.00 crores	3 marks 2 marks	3 Marks

\* Fraction of the year to be ignored in case of point 1 . \*\* In respect of Local Presence at point 6 in above table, it is to be noted that all the firms having their Head Office/Branch Offices at Faridabad, Noida, Gr. Noida, Ghaziabad and Gurgaon will be treated at par with Delhi while allocating marks.

**Total marks allocable -100**

Note: 1. Firms are requested to fill in required details regarding their organisation set up based on above parameters.

2. The firms securing at least 70% and above marks based on above system shall be considered as qualified for empanelment.
3. Preference will be given to local firms having head office securing higher marks or firms having branches at place of audit. No assignment shall be allotted without having of head/branch office at audit place.
4. If the Head Office of an audit firm and branch office of another firm scores the same merit, preference will be given to the head office bearing audit firm at that audit location.
5. In case during the technical evaluation of firms, two or more firms have the same score, selection will be based on management discretion and will be binding on all the firms and no further clarification will be issued/answered.



**IMPORTANT INSTRUCTIONS TO AUDIT FIRMS/LLPs**

- a. Format of Application must be strictly followed while giving technical details. The application should be completely filled with supporting documents clearly specifying the reference number of the respective annexures. In case of incomplete applications/non submission of all supporting documents, NBCC reserves the right to out rightly reject the applications.
- b. All EOIs will be evaluated on the basis of the technical detail provided in specified format and documents furnished along with applications only. Any additional document received, after last date & time of receiving the EOIs as stipulated in the Notice Inviting EOIs, shall not be entertained.
- c. Since, all the applications will be evaluated strictly on the basis of Technical Evaluation criteria please avoid attaching unsolicited information/ documents for processing applications expeditiously.
- d. All submitted documents should be signed by a Partner with his name under the seal of the firm.
- e. Application along with supporting documents must be submitted under sealed cover super scribing the EOI ref. no. & date and the words **'Application for Empanelment for Internal Audit and other works for the Year 2020-21, 2021-22 and 2022-23'** thereon.
- f. Name and address of the audit firm must also be indicated on the left lower/bottom corner of the envelope. Contact details viz. Mobile numbers, Email address of the authorised person should also be mentioned in the application.
- g. Application shall be submitted in or by hand/ Registered Post/Speed Post/Courier to **Office of Chief General Manager (Finance) , NBCC (India) Limited, Internal Audit Division, 5<sup>th</sup> Floor, NBCC Bhawan, NBCC (India) Ltd., New Delhi – 110003 up to 04.12.2020 up to 3.00 PM.**  
  
NBCC does not take any responsibility for loss of application in transit. Applications sent through Telegram, Telex, Fax or E-mail will not be considered.
- h. Any application received after the stipulated date & time, due to any reason whatsoever, will be rejected out rightly.
- i. The Last date of submission of duly filled Expression of Interest is **04.12.2020 up to 3.00 PM.**



**LIST OF DOCUMENT TO BE SUBMITTED ALONG WITH THE APPLICATION/EOIs**

Interested firms are advised to go through contents of the EOI documents carefully and submit Self attested copies of the following documents in proper sequence along with the EOIs as described hereinafter:

1. Latest Registration Certificate of the Firm issued by the Institute of Chartered Accountants of India or Institute of Cost Accountants of India or Certificate of Incorporation in case of LLP.

Information related to year of establishment of Head Office & Branch Office(s), addresses, details of Partners, their Membership nos., date of joining, etc. as indicated in the registration certificate will be treated as conclusive and final information for evaluation of EOI.

2. In respect of Partners, Membership certificate of FCA/FCMA/ACA/ACMA as issued by the Institute of Chartered Accountants of India/ Institute of Chartered Accountants of India.
3. Membership Certificate / Final Pass Certificate / Mark-sheet of the Qualified Assistants issued by the Institute of Chartered Accountants of India / Institute of Cost Accountants of India.
4. Certificates / Mark-sheets of CA-Inter/ CMA-Inter issued by the respective Institutes as evidence of qualifications of Semi-Qualified Assistants.
5. Joining Certificate issued by the Firm / LLP on their Letter-head, duly sealed and signed for each Qualified / Semi-Qualified Assistants.
6. Copy of PAN Card and GST Registration of firms/LLP.
7. Audited Financial Statement of the Firm/LLP for last three years ending on 31.3.2019 as proof of business income of the firms.
8. Copies of appointment letters **and** experience certificate for statutory audit/Internal audit as evidence of audit experience.
9. Copies of relevant extracts of Balance Sheet and P&L A/c of the Organizations Audited during the year of assignment, as a proof of Net worth, listed status and turnover.
10. A Copy of complete EOI document duly signed by a Partner with his name and under the seal of the Firm/LLP as a token of acceptance of all terms and conditions.
11. Copy of Multipurpose employment form (MEF) last submitted to ICAI
12. Address proof for Head Office/ Branches located at Delhi/ Noida/ Chennai/ Mumbai/ Kolkata/ Guwahati /Ranchi.
13. Valid Peer Review Certificate issued by ICAI (issued on or before 31.03.2020)

**Important Note: Duly signed EOI along with all attachments should be properly binded/spiral bound. Every page should be serially numbered with seal of the firm and signature of authorised person. Loose sheets in any form will not be considered.**



**GENERAL TERMS AND CONDITIONS**

1. The acceptance of EOI should be unconditional. Conditional EOI shall be out rightly rejected.
2. **Firms which have conducted internal audit during any of the financial year in block of 2017-18 to 2019-20 at any RBG/SBG/ Head Office of NBCC, shall not be considered for internal audit assignment, however these firms may be considered for other work (if any) during the proposed empanelment period.**
3. **The CA/CMA Firms/LLPs which were offered appointment as Internal Auditor, but had not accepted the appointment as Internal Auditor for any of the Financial years 2017-18, 2018-19 and 2019-20 for what so ever reason, shall not be considered for empanelment.**
4. Only those Firms who are achieving atleast 70% marks and other criteria as specified in technical evaluation sheet enclosed will be considered for further empanelment process. Points (marks) shall be assigned to each audit firm /LLP based on the details submitted in the Application Format. However, in case of non availability of required audit firms, the company reserves the right to relax the minimum point (mark) requirement of 70%.
5. This EOI is only for the purpose of shortlisting/empanelment of Firms/LLPs and does not carry any assurance for allotment of Internal Audit OR any other assignments.
6. One Audit firm/LLP shall be assigned Internal audit for one Audit Location only where the finance functions are centralised. Further, the number of projects to be audited in any Financial Year will be decided by Head of Internal Audit Division, NBCC(India) Ltd.
7. NBCC reserves the right to reject any or all applications or cancel/ withdraw expression of interest without assigning any reasons whatsoever and in such cases, no applicant shall have any claim arising out of such action.
8. NBCC will reserve the right for deciding the maximum number of firms to be empanelled according to place of audit.
9. Empanelment letter shall be issued to the firms according to their ranking at a particular audit place/ location. Only the empanelled firms /LLPs will be intimated about their selection in due course. Empanelment alone will not carry any assurance for allotment of Internal Audit assignments or any minimum fees/remuneration.
10. As an acknowledgement of acceptance of appointment, the Internal Auditor shall submit duly signed copy of Appointment Letter and Performance



Guarantee (DD/Remittance details in case of NEFT) with in 10 days from the date of issuing of appointment letter.

11. Performance guarantee shall be deposited in the form of DD/NEFT of 10% of audit fees (excluding GST) with in 10 days from the date of issue of appointment letter. The same shall be released after successful completion of audit assignment on receipt of formal request from the audit firm.
12. The Audit firm appointed by NBCC must not sub-contract the work.
13. Empanelment of the firms shall be valid for three years w.e.f 2020-21. However the period of appointment of the Audit firm will be initially for the FY 2020-21 with provision to extend the term for a further period of one/two years (with 5% annual increase in per manday audit Fee ), subject to satisfactory performance by the CA/CMA firms/LLP as per review by the Audit Committee of NBCC. Notwithstanding this, NBCC will have the right to terminate the audit assignment even before completion of the initial period of one year by issuing one week notice if the CA/CMA firm/LLP do not provide services as stated in the appointment letter issued by NBCC.  
  
In case of extension for another one /two years, it may be noted that Audit Fee will be based on the category of respective RBG/SBG considering the number of projects of that year.
14. NBCC reserves the right to re-group the audit unit in 2020-21, 2021-22, 2022-23 and accordingly reassign the audit fees for each Audit Firm.
15. NBCC may rotate the Audit Firms/LLPs from one Audit group to another within the company in the second/third year at its discretion.
16. In case of termination of engaged audit firm/LLP, firm next in sequence in empanelled list for that audit place will be considered subject to the acceptance of assignment by the audit firm. In case of non-acceptance, 2<sup>nd</sup> next firm in sequence of marks for said audit place as per empanelled list will be considered and so on. The decision of NBCC in this regard will be final and binding on all audit firms.
17. In case of non performing of work after accepting of appointment letter, performance Guarantee of the firm shall be forfeited by giving a notice and other legal/disciplinary action shall be taken.
18. If progress/performance of the audit team is not found satisfactory, the management reserves the right not to accept the reports and may terminate the appointment of the firm/LLP at any time without assigning any reason whatsoever. In case of terminate of appointment , audit fees as well as performance guarantee shall also be forfeited by giving one week notice to the Audit Firm/LLP.
19. All assignments shall be carried out with due diligence maintaining highest standards with respect to quality of work to be performed & shall complete in the specified period.



20. The Audit Firm will be debarred from getting Internal Audit and other assignments in NBCC in the following cases :
- a. If the Firm/LLP obtains the appointment on the basis of misrepresentation of information / misstatement of facts at the time of submission of application/documents along with EOI.
  - b. The Audit Firm/LLP is found to have sub-contracted the work.
  - c. In case the CA/CMA firm/LLP is debarred by the respective Institute for any reason.
  - d. If the Firm does not submit the Audit Report, complete in all respects in terms of the appointment and within the specified date.
21. If the firm refuses to take up the assignment of the SBG/RBG/ Corporate office as mentioned in the letter of appointment for any reason whatsoever, the firm will be removed from the empanelment list for the remaining period.
22. No request for change of SBG/RBG/ Corporate office shall be entertained.
23. Audit shall be undertaken with reference to check list to be provided by NBCC along with appointment letter detailing scope of work inclusive of areas covered in risk management framework.
24. The Audit of Corporate Office/ RBG/SBG as per the assigned work has to be completed and audit report should be submitted in a time bound manner .
25. In case of any dispute, the decision of the NBCC Management shall be final and binding.
26. All EOIs will be evaluated on the basis of the documents furnished along with applications only. All EOI will be evaluated based on hard copy of EOI so received before or on the last date of submission. Any additional document received, after last date & time of receiving the EOIs as stipulated in the Notice Inviting EOIs will not be entertained. However, the tender committee may sought further/additional information/clarification from the applicants for evaluation of technical criteria.
27. The Internal Auditor shall ensure that the information obtained during conduct of internal audit or otherwise in respect of the operation etc. of the RBG/SBG/HO is maintained in strict confidence and secrecy.
28. NBCC shall not compensate in any manner for the expenses incurred in connection with preparation and submission of EOI.
29. Query/clarification if any may be forwarded in the following mail address:-  
**IA.EOI@NBCCINDIA.COM**

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