



Diamond Research and Mercantile City Limited

A Government of Gujarat owned Company

CIN : U75143GJ2015SGC083828

DCL Office Building, B.No.-177, R.S.No.-111/A1,
Village-Khajod, Taluka-Choryasi, District-Surat-395007.

EOI Notice No.MD/DCL/12/2024-25, Work No.02

This EOI Document is being published by the Diamond Research and Mercantile City Limited (DREAM City Limited) for **Hiring Service of CA/ CMA Firm as Internal Auditor for the Financial Year 2025-26 & 2026-27**. Bidders are advised to study this EOI Documents carefully before submitting their proposals in response to the EOI Notice. Submission of a proposal in response to this notice shall be deemed to have been done after careful study and examination of this document with full understanding of its terms, conditions and implications. This EOI Document is not transferable.

EOI Fee (Non-refundable)	INR 1,180 (One Thousand One Hundred Eighty Rupees Only) (Including GST) by Demand Draft or Banker's Cheque in favor of M/s Diamond Research And Mercantile City Limited.
Last date (deadline) for EOI Submission	Complete EOI in sealed envelope with relevant details may be submitted strictly through Speed Post or RPAD only so as to reach by up to 07/04/2025 up to 18:00 hour at following address: To, The I/C. Chief Financial Officer, DCL Office Building, B.No.-177, R.S.No.-111/A1, Village-Khajod, Taluka-Choryasi, District-Surat-395007. Subject:- "Hiring Service of CA/CMA Firm as Internal Auditors for the Financial Year 2025-26 & 2026-27 for Diamond Research and Mercantile City Limited." EOI Notice No. MD/DCL/12/2024-25, Work No.02
Website to download EOI	http://dreamcitysurat.in
The right to accept/reject any or all bid(s) received is reserved without assigning any reason thereof.	
Sd/- General Manager (Planning & Development) DREAM City Limited	

**Expression of Interest for
"Hiring Service of CA/ CMA Firm as Internal Auditor for
the Financial Year 2025-26 & 2026-27 for
Diamond Research and Mercantile City Limited."**

EOI Notice No.MD/DCL/12/2024-25, Work No.02

Issued by

**Diamond Research and Mercantile City Limited
(DREAM City Limited)**

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- ❖ All Bid documents are signed affixing stamp by the authorized signatory.
- ❖ All envelopes should be properly sealed and super scribed with EOI Notice No. and name of work and covers number.
- ❖ Bidders are advised to study this EOI Documents carefully before submitting their proposals in response to the EOI Notice. Submission of a proposal in response to this notice shall be deemed to have been done after careful study and examination of this document with full understanding of its terms, conditions and implications.

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Introduction and Background

About Diamond Research and Mercantile City Limited

Surat has a strong economic base with Diamond and Textile industry along with a booming industrial port area, and is growing very fast, resulting in a large demand for commercial and residential space. With the vision to cater the booming demand of commercial and residential space as a supplement for swift development of Diamond Trading business in Surat, the Government of Gujarat formed a Special Purpose Vehicle (SPV) named Diamond Research and Mercantile City Limited (DREAM City Limited), a government Company with initial paid-up share capital of Rs. 100 Cr (75% stake of Government of Gujarat, 20% of Surat Municipal Commissioner and 5% of Surat Urban Development Authority).

The company will generate revenue through disposal of land parcels proposed in the master plan for various land uses (by sale of development rights) to interested developers/ investors. The disposal will be in the form of lease for 99 years. SDB Diamond Bourse was first investor/ developer/ anchor tenant of the project and has been allotted development rights by the Company for construction of Surat Diamond Bourse Building.

DREAM City Limited will act as a service provider to its stakeholders. Basic infrastructure will be developed and maintained by DREAM City Limited. Implementation of the infrastructure project will take place in phase wise manner. At present Infrastructure projects of approximately Rs. 437 Cr are being executed. Major components in basic infrastructure includes Roads, Utility ducts, street light, water supply, sewage network, storm water drains etc.

COVER 2

2.0 Technical Eligibility

Sr. No.	Criteria	Compliance (strike off which is not necessary)
1	The applications will be considered from Chartered Accountancy/ Cost Accountancy Partnership firms or LLPs (“the Firm”) with more than 10 years of experience Counted as on 31st March 2025.	Yes / No (Please Provide Incorporation Certificate in Cover 2)
2	The experience should include experience in undertaking pre-audit/ internal audit/ statutory audit of Public Sector Company / Govt. Company / Local authority / Externally Aided Projects/ Social Sector Projects (Excluding the audit of Charitable Institutions and NGOs).	Yes / No (If yes, evidences supporting appointment in Cover 2)
3	The firm should not be banned or blacklisted or temporarily forbidden from applying for EOI for any type of audit by PSU/ local authority/ Govt. Company. It has also to disclose that any disciplinary actions have not been taken by ICAI/ICWA.	Whether Firm or associate is banned or blacklisted or temporarily forbidden from applying for EOI for any type of audit by PSU/ local authority / Govt. Company? Yes / No (undertaking in this regard to be Provided in Cover 2)
4	The average turnover of the Firm for last 5 Years should be exceeding 1.5 Crore in each year.	Yes / No (If yes, please provide audit report and Tax-return filed of last 5 years in Cover 2)
5	The partners should include a minimum of 2 FCA/ FCMA exclusively associated with the firm as per firm’s standing as on 31st March 2025.	Yes / No (If yes, please provide evidence to support in Cover 2)
6	The Chartered Accountant/Cost Accountant firm has to ensure that qualified CA/CMA with relevant experience post qualification of minimum 05 years and Technical Staff are deputed for audit work.	Agreed / not agreed (undertaking in this regard to be provided in Cover 2)
7	The Chartered Accountant/Cost Accountant firm office should have its head office located in Surat from last 05 years and need to submit 2 government license/ proofs for the same.	Yes / No (If yes, please provide evidence to support in Cover 2)

Sr. No.	Criteria	Compliance (strike off which is not necessary)
8	The firm should have at least 3 years' experience of statutory Audit/Tax Audit work of Government - ULBs, Public limited company/SPV formed by local body/state Govt./Central Govt. & infrastructure/Real estate companies.	Yes / No (If yes, please provide reference letters or copy of Audit report of at least 1 firms/companies so attested in Cover 2)
9	The Audit firm shall not sub-contract the audit assignment.	Agreed/not agreed (undertaking in this regard to be provided in Cover 2)

We state that the above information is true based on our records, as well as “Cover 2” that gives details of evidence to support.

For _____

Chartered Accountants/ Cost Accountants

Partner (Name)

Membership no. _____

Firm Registration no. _____

2. Details of Scope of work: -

Scope of work include the following but not limited to:

2.1 Terms of References for Internal Audit of Diamond Research and Mercantile City Limited

The proposed scope of Internal Audit to be carried out for the 01.04.2025 to 31.03.2027 while the issue of Internal Audit report will be based on 3-month periods June, September, December and March. It is a comprehensive scope covering verification of all the projects carried out by 1. Diamond Research and Mercantile City Limited - Special Purpose Vehicle (SPV) of Gujarat Government. It aims to give broad contours within which the audit would be carried out; however, it may evolve in the other areas based on the necessity, mandate and compulsion. The Scope is divided into following broad segments:

3.1 System & Procedural Audit

3.1.1 Accounts and Finance

- Fund Management including Drawing Segregation route between “A&OE”, “Grant Funds received from Central/State Government” and other funds out of Fixed deposits.
- System and process for JV’s and controls related thereto.
- Verification of accounting entries in Software-Tally Gold entered into by Dream City along with Modify the accounting system so as to implement in future for ERP implementation in the Dream City.
- Suggesting Changes in Head & Ledger and Sub-ledger if required.
- Verification of books of Account and review whether the same are in compliance with applicable “Accounting Standards and Principles”.
- Verification of vouchers viz. Cash and bank payments, Journal vouchers, Receipts and invoices and Bank reconciliation etc. with applicable orders and bills.
- Monitoring of physical and financial progress of work, monthly control of expenses statements.
- Bank statements and monthly reconciliation statements.
- Ascertaining back-to-back recoveries from sub-contractor’s bills of deduction on account of work made by the client.
- MIS - To ensure that the Information System is seamlessly integrated and has minimal manual intervention and there are adequate controls on financial and operational reporting.

3.12 Statutory compliances

- Verification of Investments & Investment Register.
- Contingent Liabilities
- Verification of Secretarial Compliances - To check all statutory records registers including Minute Books and to see that accounting effects of all the decisions taken at Board / Committee Meeting / General Meeting / Audit Committee in the Books of Accounts.
- Review on the Company's dealing where related parties are interested.
- Fixed Assets Verification with Fixed Assets Register.
- Verification of Statutory payments viz. PF, ESIC, TDS, TDS GST, advance Income tax and compliance of applicable tax laws, Deduction of applicable taxes in prescribed manner and deposit/remittance of the same within prescribed time limit to the concerned authorities.
- Verify that the company has filed its applicable GST, Income tax and TDS return etc. on or before due dates.
- Verify whether company has claimed ITC properly while depositing monthly TDS GST.
- Verify the computation of deferred tax liability/assets.

3.13 Checking of Purchase & Procumbent.

- Checking of operations and administrative expenses
- Checking of Government Grants and its utilization
- Checking of payables and receivables
- Checking of cash and bank balances
- Checking of internal control system
- Checking of management information system.
- Compliance of disclosure requirement in financial statement under applicable accounting standards and other applicable laws/guidelines etc.
- Review and reporting on status of on-going projects (Capital work in progress-CWIP)
- Verification of overall compliance applicable law and give recommendation to management for deviation if any.
- Ensure that in cases, where extension of completion date of contract is required, the delay should be properly justified and validated by approval from competent authority. Further, Liquidated Damages (LD) should also be imposed, as per provisions of the contract, whenever required.
- Analysis work-in-progress in the context of work done and aging of total outstanding. WIP to be further scrutinized with following break-up-work done but certified, work done, certified but not billed and work done, certified and approved and pending for the approval.
- Analysis of variation orders executed which is, work done not expressly provided in the contract, certified and billed, basis rates of billed, certified and approved and pending for approval.
- Checking of contract condition before paying or receiving mobilization or other advances by the Dream City Ltd.

3.2 Pre-audit of transactions

3.2.1 Transaction & Compliance Audit

- Internal audit assignment shall be carried out on the concurrent basis i.e Pre audit of transactions before they are vouched for in the accounts/before release of payment.
- Contractual Arrangements verification with individuals and other entities.
- Stamp & Signature on each of the transactions as a token of pre-audit for processing the documents.
- Verification of Cash and Bank payments, FDR's, Security Deposits and receipt system
- Review of all ledgers, Balance sheet and Profit & loss Account on quarterly basis.
- Visit as frequently as necessary so that no transaction remains unprocessed as a result of pre-audit for more than 24 working hrs.
- Opinion related to Direct Tax and Indirect Tax.
- Pre-Auditor has to verify advances related to all kind of works.
- Pre-Auditor has to verify necessary approvals and its competency like Refund/Repayments/ adjustment of all kind of work-related Deposits, SD, PSD and RMD etc.

3.2.2 Payroll and HR Related Documents

- Verification of salaries and statutory deductions related documents e.g. Provident Fund, ESI, Professional Tax etc.
- Verification of time office management which includes payroll management, verification of all types of payment made to employees with respect to appointment orders and HR Policy.
- Advising on efficient utilization of resources to Dream city Ltd.

3.2.3 Budget

- Base of the budget to be verified to ensure that sanctity of the budget is as per Diamond Research and Mercantile City Limited
- All the transactions entered into form part of the approved projects and are funded from allocations or grants received for the purpose.

3.2.4 Other Areas / Responsibilities:

- Providing consultancy on various matters related to Compliances
- Reporting to Audit Committee major observations and strengthening whistle blowing mechanism.
- Liaising with statutory auditors.
- Internal Auditor has to compulsorily present 3 days in week and also as and when required by DCL remains present.
- Submit detail Quarterly Audit Report at the end of the Quarters.
- Regular reviews of the price escalations, Diesel hike rate differences certificate, Rate Revision certificate, Annual assured kilometers calculations certificate and related other certificate if any to be paid or recovered from the contractors as per the EOI/Tender terms.
- Ensure the timely submission of Performance guarantee as per the provision of the contract.

- Labor license requirements need to be verified as per minimum wages Act.
- Ensuring all work outsourced to third party is supported by proper work order/ contract agreements.
- To advise on Taxable/Non-taxable nature of Income and expenditure heads and any other advice related for the benefit of Dream city.
- Partner to visit and attend meeting as and when required for discussion with Senior Management of Dream city.
- Advising the records to be maintained, eligibility or otherwise of input tax credits and ensuring due compliance with input tax credit, Income tax refund, PF, ESIC, Labor laws etc.,
- Internal Auditors are encouraged to suggest solution to rectify the errors or deficiencies and not merely confine to making observation, internal, irregularities of serious nature noticed during the Audit are to be reported to head of the department.
- For Arbitration, Court cases and contingent liabilities, proper provisions should be calculated and booked.
- Support the CFO in modification of Chart of Accounts & Accounting system Development as required.

3.2.5 Security Deposit & Agreement

- The successful bidder will be required to place Security Deposit of 5 % of the consideration of the Contract by Demand Draft or Banker's Cheque Payable at Surat in favor of Diamond Research and Mercantile City Limited of any scheduled/nationalized bank within 15 days from the date of notice of award of contract, failing which a penalty @ 0.065% of the amount of security deposit will be imposed for delay of each day.
- The Awardees i.e. the selected bidder will have to enter into an agreement with Diamond Research and Mercantile City Limited on a stamp paper of appropriate value of Government of Gujarat at the bidder's own cost within 15 (Fifteen) days period from the date of Notice of Award.
- Any type of Security Deposit shall not carry any interest.

3.2.6 Any other Areas suggested by the Audit Committee

- DCL reserve the right to cancel the engagement of internal auditor for captioned post without assigning any reason.

3.2.7 Contract Period

- Offer is invited for the period of 01.04.2025 to 31.03.2027.
- Diamond Research and Mercantile City Limited issues work order for Two financial year on first instance and then can be extended further after satisfaction completion with the approval of competent authority.

3.2.8 Penalties

- In the event of gross negligence, irregularity, laxity & misconduct on the part of the CA/CMA firm's personnel, the assignment may be terminated and the CA/CMA firm may get blacklisted at the discretion of the competent authority of the company which shall be communicated to government companies, departments, boards, corporations and ICAI/ICWA for debarring such firm for assignment of any government work.

- Violation of any terms shall invoke penalty. It will be responsibility of the CA/CMA firm to complete assignment with full knowledge and experience of the work. Failure to do so leading to either undue delay or laxity or failure or incorrect report will make the CA/CMA firm liable for being removed from the assignment by the competent authority of the company. After issuance of notice, the decision of competent authority in the regard shall be final including deciding the amount of penalty.

3.3 Other Terms

- The scope of work can be expanded and shall not be limited as above.

The details above are not restricting the scope of internal Auditors but are only to meet with the minimum specific requirements for the Internal control of the company.

We agree to the above scope of work and comprehensive financial bid in form of proposed Fees stated in Cover 3.

For _____

Chartered Accountants/Cost Accountants

Partner (Name)

Membership no. _____

COVER-3

1. FINANCIAL BID

Scope of Work	Total Amount (in INR)						
<p>We agree to the above Scope of work from Point no. 3.1 to 3.3 and Comprehensive Financial bid inform of proposed fees stated in Cover 3.</p> <p>For _____ Chartered Accountants/Cost Accountants</p> <p>Partner Name _____</p> <p>Membership No. _____</p> <p>Firm Registration No. _____</p> <p style="text-align: center;">(_____) Stamp & Sign</p>	<p>(Comprehensive quote for Scope of work agreed upon shall be stated, which shall be inclusive of all transportation exp./other charges/out of pocket / incidental expenses. GST should be mentioned separately.)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Professional Fees for agreed scope of work</td> <td style="width: 50%;"> Amt in INR Rupees in Words </td> </tr> <tr> <td>Applicable GST</td> <td> Amt in INR Rupees in Words </td> </tr> <tr> <td>Total</td> <td> Amt in INR Rupees in Words </td> </tr> </table>	Professional Fees for agreed scope of work	Amt in INR Rupees in Words	Applicable GST	Amt in INR Rupees in Words	Total	Amt in INR Rupees in Words
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