



Expression of Interest

Empanelment of Internal Audit in MSEDCL

Date: 09/01/2023

Maharashtra State Electricity Distribution Co. Limited a Government Of Maharashtra Undertaking, invites Expression of Interest (EoI) for Empanelment as Internal Auditors for the period of three Financial Years 2023-24, 2024-25 and 2025-26 from Chartered Accountant /Cost Accountant firms.

The format of application along with the selection criteria, Annexures specifying the Application Format, General Terms and Conditions, Qualification Requirements for Empanelment as Internal Auditor are available at www.mahadiscom.in. The soft copy of application format shall be downloaded from website & completely filled application along with required Annexures shall be sent on email msedcleoi@gmail.com. Further, application Fees of Rs. 1000/- plus GST shall also be paid alongwith the Application format.

Firms shall send hard copy of their applications in the prescribed format latest by 31.01.2023 up to 5.30 p.m.in sealed cover alongwith tender fees to the following address:

**The Office of Chief General Manager (IA), Internal Audit Section,
MSEDCL, Prakashgad, First Floor, Plot No. G-9,
Anant Kanekar Marg , Bandra (East), Mumbai – 400051.**

Qualifying Requirement of Audit Firm-

1. The Audit firm should be registered with the Institute of Chartered Accountants of India (ICAI)/ The Institute of Cost Accountants of India (ICMAI).
2. The Audit Firm should be proprietor/Partnership/Limited Liability Partnership
3. The Audit firm should have Existence of minimum 5 years.
4. **The registered Head office of Audit firm should be located in Maharashtra**
In addition to above, If Registered Office / Head Office are situated outside Maharashtra, then the firm should have at least 2 full time Branch Offices in Maharashtra working for last 3 years.
5. **Experience Criteria:**
 - a. Minimum Internal Audit/ Statutory Audit Experience of 5 years. (Out of last 6 years) or
 - b. Minimum Internal Audit/ Statutory Audit experience in Power Sector of at least for 3years. (Out of last 6 years).

Preference will be given for experience in Power Sector.
6. **Staff Qualification & Strength:**
The staff strength for Audit should be minimum 10 comprising of following:

Particulars	Minimum Count
CA/CMA Qualified Staff – (including Partner/Proprietor)	3
Paid Assistants having passed CA/CMA Intermediate.	5
Other Post Graduate Audit Staff (having at least 3 years of experience in Audit)	2
Total	10
7. **Data Analysis/Data Mining/Data Extraction:**
The Staff member/proprietor/Partner of the Audit Firm should have adequate expertise and experience in Data Analysis/Data extraction/Data mining by using Computer- based auditing tools.
Self-certification is required.
However in addition to Self-certification, certificate in the said area provided by the government recognized body/university etc. & Audit firms having such Certification will be given preference.
8. **Knowledge of SAP:**
The staff member/proprietor / partner should have knowledge of SAP.
Experience Certificate of Internal Statutory Audit of Companies working in SAP Environment for 3 Years. (out of immediate previous 5 years)

9. Disqualifications:

The audit firm/any of its partners/proprietor should not face any of the following disqualifications –

- a. The proprietor or any partner or firm is cautioned or any action is taken against the proprietor or any partner or firm by ICAI/ICMAI.
- b. There is any court/arbitration/disciplinary case pending against the firm or its partners or proprietor or taken against the firm or its partners or proprietor; or
- c. Any action/disqualification by Government Co. /Govt. Body/Govt. Authority relating to financial transactions only.
- d. The firm and its Partners should not have been currently debarred by MSEDCL/ MSPGCL/MSETCL or debarred by any other PSU or ICAI/ICMAI due to poor performance/breach of agreement/misconduct during last 5 years. **Self-Declaration is required.**

10. Application Fees for participating in Empanelment of 3 years from 2023-26 will be Rs.1000 (plus GST). Fees shall be paid through DD/NEFT/RTGS in MSEDCL bank Account. Details of same are mentioned in Application Format.

General Terms & Conditions for submission of proposal

Objectives of the Audit:

The objectives of the internal audit are to enable the auditor to express a professional opinion on the effectiveness of the overall set in financial management and procurement arrangements.

It has to be ensured that

- The overall financial management and arrangements including the system of internal controls as documented in the SAP Environment are in practice, effective and adequate.
- The process of audit shall be in position to provide a report to the management on financial management aspects of the projects / schemes.
- Internal controls system, statutory compliances applicable to the society and compliance of financing agreements with GoI/ FI

In addition, it is expected that internal audit should play a role in:

- Assisting management to prevent misutilization of funds
- Prevention, detection and investigation of fraud as part of “bringing a systematic, disciplined approach
- To evaluate and improve the effectiveness of risk management, control and governance processes.

Terms & Conditions

1. The proposal should be submitted strictly as per the terms & conditions laid down in the application format.
2. The proposal shall be sent in Soft as well as hard Copy , Proposal submitted in any one format will not be considered for Evaluation.
3. Any application received by MSEDCL after the scheduled closing date and time will not be accepted
4. Only one Quotation will be accepted from single party/Agency.
5. The audit firm should furnish the name and qualification of the persons, who shall be conducting audit to MSEDCL before commencing audit assignment and such person/partner, will have to continue for the entire period.
6. MSEDCL may issue clarifications/amendments in the form of addendum / corrigendum during the empanelment period. CA / CMA Firms shall take such addendum and corrigendum into consideration while submitting their application. CA / CMA Firms are requested to visit MSEDCL's website from time to time for any corrigendum/ addendum.
7. The Audit firm must have adequate staff for carrying out the work on concurrent basis, if required in order to adhere with the timelines. The bidders shall have to submit an undertaking on letterhead to the effect that the audit firm shall deploy sufficient strength of the staff to carry out the audit on concurrent basis, if required.

8. The proposal must be submitted in English language. All documents, correspondences or any other written material in connection with this work shall be in English language.
9. Documentary evidence(s) stated in Application format, in respect of all the information by the applicant firms must be furnished along with the proposal.
10. All the pages of the proposal document and documents submitted along with the proposal shall also be authenticated by the authorized signatory of the applicant firms with the firms seal.
11. Overwriting/correction/erase and/or use of white ink should be avoided in the proposal. However, if any overwriting/correction/erase is inevitable, the same should be authenticated with signature & seal of authorized person from the Firm.
12. Following Compliance / Declarations /Undertakings/ Certificates are required to be furnished by the Firm while applying for empanelment as Internal Auditors as under:
 - a. The CA/CMA Firm shall not sub-contract the Internal Audit work.
 - b. The Internal Audit team will work in strict confidence and will ensure that all the data and any other information in respect of the operation of the location/ work center /Company is dealt within strict confidence and secrecy. A certificate towards maintaining confidentiality shall be provided by the Internal Auditors on receipt of appointment letter from the Company or before commencement of Internal Audit.
 - c. No partner of the CA/CMA firm should be related to either Managing Director or any Whole Time Directors or Part Time Directors of the Company within the meaning of section 6 of the Companies Act, 1956,
 - d. Neither the Audit firm nor its partner(s) or associates should have any interest in the business of the Company.
 - e. The audit firm will not lobby directly or indirectly for consideration of any Empanelment proposals of their friends/ Relatives/any other Audit Firm to MSEDCL.
13. MSEDCL will examine the proposal/applications to determine whether they are complete, whether any computational errors have been made, whether the documents have been properly signed, and whether the EOI are generally in order.
14. Evaluation that whether CA/ CMA firm possesses qualification criteria would be done on the basis of the information/ data /documentary evidences provided by the CA/CMA Firms.
15. Proposals without the required documentary evidence(s) shall not be considered for evaluation.
16. While Evaluation preference will be given to those Audit Firms of which:
 - a) Proprietor/At least one of the full time CA partners of the firm/LLP possess CISA qualification from ISACA or DISA/ ISA qualification from ICAI.
 - b) Proprietor/At least one of the full time CA partners of the firm/LLP possess the Certification Course of SAP for certificate in the area of expertise and experience in Data Analysis/Data extraction/Data mining by using Computer-based auditing tools issued by the government recognized body/university.
 - c) Having Experience of Internal Audit in Power Sector.
17. MSEDCL may at its discretion, seek from any or all CA/CMA Firm clarification(s) on application submitted including technical information, document and materials for empanelment.
18. MSEDCL reserves the right to accept or reject any application in part or full at any stage or may cancel the process entirely at its sole discretion without assigning any reason whatsoever.
19. MSEDCL reserves its right to accept or reject any applications without assigning any reason thereof. The decision of MSEDCL for empanelment of Firms shall be final and binding upon the firms participating in the process of empanelment.

20. The tenure of appointment shall be at the sole discretion of the MSEDCL. The tenure may be renewed every year for a maximum of three Years at the sole discretion of the MSEDCL. However, it is expressly stated here that the said tenure is not to be construed as assured and the Company reserves the right not to reappointment at its sole discretion without assigning any reason therefore.
- 21. Rotation of Audits:**
- Rotation in allotment of Internal Audit will be as per provisions of Companies Act.
22. The audit firm will undertake that they will not sub contract the audit assignment. If found, the firm will be blacklisted for all the MSEDCL assignments for next 5 Years.
23. In case of any dispute on any issue arising before commencement of/during execution of the contract, an amicable solution may be arrived at with discussion. However, in case of any dispute remaining unresolved, the decision of the Chief General Manager (IA) will be final and binding on both the parties.
24. If the audit is not upto the satisfaction of MSEDCL, either the firm will be asked to re-audit or the assignment will be re-allotted to another firm from the panel. Similarly action will be taken, in case the assignment is cancelled by MSEDCL due to non-observance of Terms and Conditions by the firm or in case firms withdraw itself suo-motto from the allotted assignment. Further, MSEDCL may also decide to debar the firm for next 3 years.
25. The performance of the empanelled firms would be periodically reviewed, at least once a year and if found unsatisfactory, the Company may remove the name of the Audit firm from the panel for the remaining period of Empanelment.
26. The empanelled firm(s) may be de-empanelled at the Company's sole discretion. If the performance of the auditor is found unsatisfactory or any serious act of omission or commission is noticed in their working or it is found that eligibility conditions were not met initially but the work was taken by providing wrong/hiding information, their appointments may be cancelled at any point of time. If it is felt necessary, the matter may be reported to Institute of Chartered Accountants of India/ Institute of Cost Accountants of India for necessary action.
27. Penalty Provision: The penalty shall be levied for delay from the timelines conveyed to Auditors in the appointment order, which shall be 0.5 every week or a part thereof subject to a maximum of 10%.
28. Empanelled firms will be intimated about the decision on empanelment
29. This EOI is only for the purpose of empanelment of Firms and does not guarantee/assure allotment of Internal Audit/any other assignments.
30. Assignment of work in subsequent years during empanelment team will be made subject to satisfactory performance.
31. If progress/performance of the audit team is not found satisfactory, MSEDCL's management reserves the right to terminate the appointment of the Firm at any point of time.
32. The Audit Firm will be debarred from getting, in future, Internal Audit assignments in MSEDCL in the following cases:
- a) If the firm 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 is found to have sub-contracted the work.

- c) If the Firm does not take up audit in terms of the appointment letter.
- d) If the Firm does not submit the Audit Report, complete in all respects as per terms of the appointment.
- e) If the Firm refuses to take up the assignment after submitting of acceptance.
- f) If the Firm fails to maintain/honor confidentiality and secrecy of the Company's information.
- g) If due change in Composition of Audit Firms, due to any reason such as Retirement of Partner/ Reconstitution of Firm etc., , the new Firms does not fit in the Empanelment Criterias

33. The payment will be release as per satisfactory performance of the work. Bill/Tax invoice is to be submitted by the party. Payment will be made to the Agencies'/Firm's Bank Account for which duly filled RTGS form/Bank details duly certified by the banker must be submitted along with the bill. (AAI)

34. The concern Partner/Proprietor and staff should have working knowledge of Marathi.

ANNEXURE-IV**Application Form for Empanelment as Internal Auditor in MSEDCL**

To,
The Chief General Manager (IA)
MSEDCL, Internal Audit Section,
First Floor, Prakashgad, Plot
No.G-9, Anant Kanekar Marg,
Bandra (E), Mumbai 400051.

Sr. No.	Particulars		supporting documents required to be Submitted along with this Form
1.	Name of the Firm		Firm Registration Certificate under ICAI /ICMAI
2.	Addresses of the Firm: Registered Head Office	Address:	
3.	Firm Income Tax PAN No.		Attach copy of PAN card
4.	Firm GST No.		Attach copy of Registration Certificate
5.	Registration No. with ICAI & ICMAI		Firm Registration Certificate issued by the ICAI/ICMAI
6.	No. of Years of Firm Existence & Date of establishment of Firm		Membership Extract from ICAI / ICMAI
7.	Details of Partners along with Professional Qualification & Experience	As per enclosed format -(A) & (B)	Self-Attested on letterhead of firm
8.	Audit Experience of the Firm No. of audit assignments of Internal /Statutory Audit of Corporate/ PSUs entities	As per enclosed format - (C)	Copy of Experience Certificate alongwith experience of Audit in SAP environment.
9.	Experience for Data Mining & Data Extraction		Self-attested declaration on letter head of Firm
10	Non-disqualification		Self-attested declaration on letter head of Firm
11.	Fees	As per enclosed format - (F)	Receipt of payment with UTR No.

(A) Details of Full Time Partners of the Firm (as on 15.12.2022)

Sr. No	Name of Partner	Member ship No.	Whether FCA/ ACA/FC MA/AC MA etc.	Date of joining the firm(full time)	Professional Qualifications	Area of key expertise ☆	Relevant Experience

[Documentary proof, as previously indicated, to be submitted]

(B) Details of Qualified & Semi-qualified Staff (including Articles etc.) (as on 15.12.2022)

Sr. No	Name of staff	Duration of Association with the Firm	Professional Qualifications	Area of key expertise ☆	Relevant Experience

[Documentary proof, as previously indicated, to be submitted]

(C) No. of Internal Audit assignments including PSU Companies / Power Sector :

Sr. No	Financial Year	No. of Internal Audit assignments	Name of Auditee Organisation			Nature of Audit	Remarks
			PSU	Power Sector	Other than PSU/ Power Sector		
1							
2							
3							
4							
5							

☆ Note:- Area of key expertise may please be supported by relevant Certificates.

(D) The details of Branch Offices of firms shall be enclosed in following format :

Sr. No	Branch	Detail Address Of Branch	City	Name Of Concern Branch Incharge	E-mail of Branch	Contact No. Branch office
1						
2						
3						
4						
5						
6						

(E) Also, provide a brief description of the background of your firm for empanelment. The brief description should include both functional and sectoral experiences of the applicants. It should not exceed more than 2- pages.

(F) Application fees shall be paid in following Account :

Sr. No.	Bank Details	
1	Account Name	M S E D C L
2	Bank Name	BANK OF MAHARASHTRA
3	Branch Name	FORT - MUMBAI 400001
4	Account Number	20045003931
5	IFSC code	MAHB0000002
6	Fees Paid	Rs. 1180/- (Rs. 1000/- plus GST)
7	Payment Date	/ / 2023
8	UTR/Ref. No.	

Fees shall be paid to above Bank Account through DD/NEFT/RTGS & receipt / payment deposited shall be enclosed with Application Form.

(G) Declaration

I/We (Name of Firm) having office at (address) bearing Registration No. do hereby solemnly state on oath that all the details mentioned herein above are true and correct. I/We have read & understood the terms and conditions of Expression of Interest for empanelment of Internal Auditor in MSEDCL as put up on the website of MSEDCL alongwith Annexures I to III and furnish the aforementioned details in the prescribed Application form. We hereby confirm the acceptance of all terms & conditions of EoI without any deviation.

For and on behalf of

Name of Firm :-
Registration No.:-
Name :-
Designation :-
Membership No.:-

Date: -

Place:-