



KARNATAKA STATE MINERALS CORPORATION LIMITED
(Formerly Mysore Minerals Limited)

(Government of Karnataka Undertaking)

Regd. Office : TTMC 'A' Block, 5th Floor, BMTC Building

K.H.Road, Shanthingar, Bangalore-560027

Phone : 080-22278813/14/15/16 : Fax No.080-22213172

**E-Tender for engagement of Chartered Accountants/Firms for the Internal Audit work
of KSMCL through Karnataka Public Procurement Portal**

Tender Schedule

Tender Reference No	:	284/KSMCL/ACT/IA/E-tender/2025-26
E-proc Reference No	:	KSMCL/2025-26/SE0045
Commencement to Download from website https://kppp.karnataka.gov.in	:	From 03/06/2025
Last date for receiving pre - bid queries	:	12/06/2025 Up to 5:00 pm
Pre-bid meeting at HO of KSMCL	:	13/06/2025 at 11:00 am
Last date and time for uploading of e- tender in E-procurement platform on or before	:	21/06/2025 Up to 5:00 pm
The Technical bid will be opened Online by the Authorized Officer on	:	23/06/2025 at 11:00 am
Earnest Money Deposit	:	Rs. 25,000/-
Address for communication	:	General Manager (F&A) Karnataka State Minerals Corporation Limited TTMC, 'A' Block, 5thFloor, BMTC Building, K.H. Road, Shanthinagar, Bengaluru – 560 027

The tender document can be downloaded from e-procurement website: <https://kppp.karnataka.gov.in>.

Sd/-

GENERAL MANAGER (F&A)

1. Instruction to Tenderers

General Manager (F&A), Karnataka State Minerals Corporation Limited (KSMCL) (formerly Mysore Minerals Limited) is a Government of Karnataka Undertaking invites e-tender for engagement of Chartered Accountants/Firms for the Internal Audit work of KSMCL u/s Sec. 138 of the Companies Act, 2013 through Karnataka Public Procurement Portal (e-procurement).

Calendar of Events

Commencement to Download from website https://kppp.karnataka.gov.in	:	From 03/06/2025
Last date for receiving pre - bid queries	:	12/06/2025 Up to 5:00 pm
Pre-bid meeting at HO of KSMCL	:	13/06/2025 at 11:00 am
Last date and time for uploading of e-tender in E-procurement platform on or before	:	21/06/2025 Up to 5:00 pm
The Technical bid will be opened Online by the Authorized Officer on	:	23/06/2025 at 11:00 am
Earnest Money Deposit	:	Rs. 25,000/-

Note:

- 1) In the event of the specified date of opening of Technical Tender being declared a holiday for the employer, the Technical Tender shall be opened on the next working day at the same time and venue.
- 2) Completed tenders shall be uploaded through e-tendering system by the Tenderers using their user ID and addressed to the General Manager (F&A), Karnataka State Minerals Corporation Limited (KSMCL), Bengaluru in the manner prescribed under Instructions to Tenderers of tender Documents on or before the last date & time stipulated.
- 3) The tender document can be downloaded from e-procurement website: <https://kppp.karnataka.gov.in>. Interested tenderers are requested to register in the e-procurement platform well in advance.
- 4) The Earnest Money Deposit (EMD) of Rs.25,000/- (Rupees Twenty five thousand only) shall be required to be paid along with the Proposal. The EMD of the unsuccessful bidders shall be refunded after the completion of tendering process.
- 5) The EMD shall be paid only through any of the four modes of e-Payment (credit / debit card, NEFT / RTGS or OTC). The proposal shall be summarily rejected in e-procurement portal if EMD is not paid.
- 6) Contact e-procurement helpdesk: No.080-46010000/ 68948777 for any support in uploading and registration.

Sd/-

General Manager (F&A)

2. Objective of Audit :

The offers are invited with a view to appoint the Chartered Accountants as Internal Auditors as KSMCL. The selected Chartered Accountants would handle the Internal audit work of KSMCL.

3. EXTENT OF AUDIT

1) PRE AUDIT:

The selected tenderer shall give their opinion on the files referred by the competent authority of the Company on day to day basis. For the same the selected bidder has to deploy two article assistants or paid assistants at KSMCL Head Office. The Chartered Accountant who is a partner shall visit the Head Office once in a week and shall be available on the authorities as and when required with respect to opinion on audit and tax matters. The scope for Pre audit has given below:

- a) auditor shall give his opinion on the files sent by the competent authority.
- b) All the files shall be verified thoroughly with all the applicable laws and company's guidelines
- c) The auditor shall record opinion on tax matters in the files (wherever required)
- d) Assess / review / recommend / comment whether accounting / financial / operational systems are reliable / effective /efficient and to assess whether they are properly followed and guide to rectify the system.
- e) Verify whether the systems of internal checks are effective and whether it facilitates detection of misappropriations/misapplications/ irregularities/ negligence's etc.; and whether it is commensurate with all the applicable laws in the nature and size of business of the organisation.
- f) Identify areas of significant inefficiencies in current system and to suggest/guide remedial measures thereof.
- g) Verify compliance to statutory and regulatory requirements.
- h) Assist the management in designing purposeful MIS so as to enable the company to take appropriate decision for business development.
- i) The audit shall cover a critical analysis of the Balance Sheet items with emphasis on Work-in-progress, Amount recoverable from contractors, amount recoverable from suppliers, capitalization of assets.
- j) Review of repairs and maintenance expenditure and additions made during the year along with the approvals as per the administrative, technical and financial delegation powers of the company.
- k) Verification of Medical, Miscellaneous bills sections and test check on random sampling basis for other sections.

- l) Verification of Establishment, PF and Personnel Claims Sections - 100% vouching must be done in the case of Cash Receipt and Payment vouchers, Bank Receipt and payment vouchers and bank adjustment vouchers.
- m) Verification of Capitalization of assets awaiting installations/Advance on Capital accounts as at the year end.
- n) Verification of Sundry receipts along with any pending adjustments.
- o) Review of old pending items requiring provisioning / discarding.
- p) Verification of Budget and Works Section and test check on random sampling basis for other sections.
- q) Identification and rectification of revenue purchases. If Auditors come across any such cases, they shall increase the sample size and conduct a thorough verification of the same. Based on the confidence level derived from such verification, they shall give their comments thereon.
- r) 100% vouching must be done in the case of cash receipt and payment vouchers, Bank Receipt and payment vouchers and bank adjustment vouchers of that quarter
- s) In addition, 100% vouching must be done in the case of cash receipt and payment vouchers, Bank Receipt and payment vouchers and bank adjustment vouchers of that quarter.

4. INTERNAL AUDIT:

The selected bidder shall submit the Quarterly Internal Audit report to the Competent authority after completion of audit, based on the scope given below:

I) CASH SECTION:

- a) To carry out physical verification of cash / petty cash once in every quarter.
- b) To verify whether unduly heavy closing cash / bank balances are kept and the average cash in transit with reference to insurance policies and adequacy thereof.
- c) To check whether the cash / petty cash book is updated daily in the manner required by making all necessary entries for cash and cheques / DD etc.
- d) To check cheques / DDs on hand on periodical closing of accounts and on 31st March of every financial year
- e) To verify correctness of Custody of unused cheque leaves.
- f) 100% verification of cash / petty cash payment & receipt vouchers, bank payment and receipt vouchers.
- g) Certification of Bank balances by Banks on the date of periodical / annual accounts.

- h) Check bank reconciliation statement and further ensure that bank charges, Misc. Credits etc. are accounted for properly.
- i) Verify whether stale cheques are transferred to stale cheque account and the stale cheques of more than three years old to Misc. income.
- j) 100% verification of adjustment vouchers and journal vouchers.
- k) Remittances by bank transfers or letter of instructions are subject to same controls as cheque payments.
- l) To check custody of bank guarantees/ TDRs and also their validity / periods with reference to necessary records.
- m) To check whether Bank Guarantees are received against the advance made. If so, relevant disclosures have been made in the accounts.
- n) To verify whether timely action has been taken to revalidate / encash / return the securities, as the case may be, before expiry date.
- o) Checking of calculation of interest on investments/ deposits with banks
- p) Provision for decline in the value of investments.
- q) Accounts of TDS on interest and other income on deposits / investments.
- r) To check whether sale of tender documents has been correctly accounted for.

(2) ESTABLISHMENT SECTION:

(i) PAYROLL PROCESS

- a) Test check of pay roll process (including muster roll) such as Basic, DA, other allowances with reference to relevant Office Orders.
- b) Check whether leave has been credited as per rules in the Service Books maintained by the Personnel Dept.
- c) To verify sanction orders for granting increments / leave encashment and other allowances and incentive to see whether these have been properly given effect.
- d) Pay and allowances of CMD / Directors along with loans outstanding, if any.
- e) Payments of stipend to Trainees and claim form Govt.
- f) Rent, electricity and other charges payable by the employees are recovered regularly.
- g) Transfer of Salary expenditure related to other units proper accounted.

- h) Activation / deactivation of employee master-Grades / Scale / Designation, etc.

(ii) **LOANS AND ADVANCES:**

- a) Verification of Interest calculations of Loans, viz., HBA, Conveyance and Computer etc to the employees are correctly done.
- b) Verification of recoveries of advance payments and interest thereon from employees like Leave Encashment, Interest subsidy, Furniture rent under the “Scheme for provision of Furniture / Furnishings and other appliances on hire facility”. Vehicle hire charges on being provided official vehicle etc.,
- c) Review of outstanding balances of advances like Pay, Study, Flood, Festival / Multipurpose advance, leave salary etc. and indicate old unadjusted cases.

(iii) **PF / PENSION:**

- a) Verification of remittance and reconciliation of PF / Pension.
- b) Check the PF, Personal Ledgers and control register for proper and timely updation.
- c) Verifying the calculations of interest on PF balances and recoveries of advances.
- d) Test check whether the statutory returns are filed with RPFC timely.
- e) Whether transfer in /out of employees has been properly prepared and sent to other units.
- f) To verify whether PF / EDLI / Administration and inspection charges have been regularly remitted.
- g) To ensure provisions are made in respect of the following and their review at every periodical closing of accounts.
 - Accrued Leave (Verification from leave records)
 - Performance Lined Benefit Scheme
 - Bonus / Payment by result
 - Additional Gratuity
 - Liability for DA increase
 - Accountal of Benevolent Fund and Company contribution
 - All other payments related to accounting period
 - Earlier year provisions.

(3) PERSONAL CLAIM SECTION:

(i) Verification of TA / LTC Transactions.

- (a) To test check whether TA (Inland & Foreign) and LTC /LLTC bills, encashment have been submitted in time and passed in accordance with the rules.
- (b) Review of Individual ledger accounts of TA, LTC and Medical advances and indicate whether any long overdue of advance are lying unadjusted without proper reasoning
- (c) Transfer of TA bills as well as settlement of TA allowances released at the time of retirement have been timely adjusted.
- (d) Verification of payment to Airline agents in respect of booking of air tickets are in order.
- (e) Making provision on TA/LTC/LLTC advances drawn at the time of closing of accounts.
- (f) Foreign tour statements are given to compilation section duly reconciling the figures with Trial balance.

(i) Medical Claim Transaction

- a) Verification of reimbursement of Medical Claims.
- b) Employees:
 - Medical Outpatient reimbursement as per annual ceilings
 - Medical In-patient claims in respect of Treatment at Private Nursing Homes
 - Medical advances to Project Employees
 - Medical outpatient reimbursement to CMD & Directors
 - Prolonged / continuous treatment claims.
- c) Verify whether the bills of various hospitals are passed as per the norms and whether TDS has been correctly recovered.

(4) Accounts Section:

The company is maintaining books of accounts in Tally Prime software along with the manual registers. The following needs to be verified:

- a) 100% verification of journal entries.
- b) Verification/reconciliation of inter unit transactions for immediate accounting.
- c) Reconciliation of subsidiary ledgers and detailed registers with G.L. accounts
- d) Clearance of provision made in the earlier year periods.
- e) Provision created in respect of bills pending for payment and also in respect of bills not yet raised by the hospital but treatment is already extended (as per estimates notified by the Hospitals).
- f) Verification of imprest accounts of employees, postal, Civil, Electrical and other offices attached to the unit.

- g) Timely adjustments of advances to employees for purchases, other expenses etc. are carried out.
- h) Verification of Deposit accounts with Electricity Boards, Telecom and Customs, etc., with confirmation of balances.
- i) To review the liabilities and provisions made during the periodical and annual closing of accounts with particular reference to the liabilities, which are not required to be paid.
- j) To verify provisions for property tax with particular reference to legal provisions and latest development in various cases filed with courts etc.
- k) Checking of TCs raised on account of expenditure incurred by the unit on other units under 'Inter unit debits / credits'
- l) Suspense accounts are cleared promptly
- m) Reconciliation of subsidiary ledgers and detailed registers with G.L.
- n) Capital items acquired are correctly capitalized / shown as in transit or waiting for installations as the case may be as on 31st March
- o) Classification of expenditure under proper heads to be test checked
- p) The areas where Govt. Audit raised points in earlier years to avoid such mistakes

(5) Miscellaneous Bills and Works Bills Section:

(i) Receipts:

- a) To verify billing for the services rendered to other occupants of the Khanija Bhavan/ CEC/ MSIL and other is timely and the effectiveness of recovery.
- b) Verify the Sales invoices are properly raised in accordance with delivery order

(ii) Payments:

- a) Payment of rent, electricity, water, telephone, fax, internet, taxi hire charges etc., are correct.
- b) The running bills of the contractors are paid as per work order after proper recoveries.
- c) Special emphasis shall be given on checking of final bills including the aspect of penalty, deviation etc.
- d) Mobilization advance payment, if any, is as per the terms of work order and regular adjustment of the same from the bills.
- e) To test check R&M bills and comment upon the benefit on outsourcing such works
- f) To verify that all contractors have submitted the requisite documents /certificates statutorily required to be produced.
- g) Proper recovery and deposit of statutory taxes and duties in time to be verified
- h) Works completed but final bills not received. Comment upon long outstanding cases having material impact on accounts.

- i) Liabilities for amounts payable under AMCs / W.Os with particular reference to pre-paid expenses.
- j) Verify Proper bifurcation of revenue and capital expenditure has been done and the capitalization of works is correctly done.

(iii) Review:

- a) Capitalization entries in respect of assets purchased with particular reference to commissioning reports and classification as well as whether the item is really of capital or revenue nature
- b) The capital items in stores awaiting installation and report on long outstanding items
- c) Account of scrap sales through auction, adjustment and forfeiture of EMD and provision of commission payable to the auctioneer.

(6) Store Section:

(i) Scrutiny of payments:

- a) All purchase bills of value above Rs.50,000/- with reference to purchase orders against LSC/RVs
- b) Advance payments if any released to the supplier are as per the Purchase Order and their adjustment thereof.
- c) Raising of debit notes for the short supply of material and recovery of the same from subsequent bills.
- d) Payments of suspense / local purchase advance and adjustments thereof on regular basis.
- e) If payments are made against duplicate invoices of suppliers, even occasionally are adequate precautions taken to avoid duplicate payments.
- f) Whether cash discounts are availed whenever offered
- g) Proper recovery and deposit of statutory taxes and duties in time to be verified.
- h) Payments due to SSI Units are released as per P.O. terms and are made within 30 days of payment becoming due.

(7) Sales Section:

- a) Review of contracts / agreements entered into with domestic / export buyers.
- b) Checking of interest recoverable from customers, wherever the terms of sale provide for recovery of overdue interest.

(8) Books of Account:

- a) To verify whether the books of account required to be maintained statutorily are maintained.

- b) 100% checking of postings in the (a) Cash book (b) Main General Ledger (c) Main Journal (d) Sectional Journals (e) Fixed Assets Register (f) Subsidiary Ledgers (g) Detailed registers, etc.
- c) To verify and report whether the General Ledger and the Subsidiary Ledgers are drawn periodically.
- d) Reconciliation of subsidiary ledger with General Ledger and Cash book
- e) Scrutiny of GL to identify any odd balances in the GL and its rectification
- f) 100% verification of prior period income / expenditure and prepaid expenses.

(9) Fixed Assets:

- a) Maintenance of Fixed asset register and its compliance with all the statutory requirements and to cross verify the same with General Ledger and fixed asset schedule of the balance sheet.
- b) Is there a list of title deeds for the landed properties and buildings?
- c) Risk against fire, flood etc., are covered in respect of buildings and machineries.
- d) Review of additions made during the current year as to their classification, life given etc.,
- e) Check the deletions / adjustments / transfer in / transfer out made during the year.
- f) To check internal transfer whenever the asset is shifted from one location to another location of the same project with emphasis on its effect on accounting treatment, if any.
- g) To check the calculation of depreciation for the periodical closing as well as annual accounts for all the assets.
- h) Account of profit/ loss on sale / disposal of assets
- i) To check the details of assets retired from active use and held for disposal. The net block in case of vehicles should be at least 5% of the vehicle cost as per the stated policy of the company.
- j) To check whether the capitalization is made as per the stated policy of the company. Assets on which grant is received from GOI / Cess fund authorities are capitalized at their net value (after adjusting of subsidy / grant)
- k) To verify the reports on physical verification of fixed assets. To comment upon the adequacy of the system of physical verification of fixed assets.

(10) Closing of Accounts:

- a) To thoroughly review the accounting policies as declared by the company. In case there is any inconsistency in the accounting policies of the company as compared to the Accounting Standards/ Act and other applicable statutes, the auditors in charge of the projects / officer are suggested to report the same in their audit report for the first six months so that the company can review the same at Corporate level and evolve suitable modification to the accounting policy after considering the observations of other projects / units.
- b) Verify the account of interest receipt / and / or accrued on inter corporate investment, bank deposits and tax free bonds.
- c) To check the allocation of share to other units.
- d) The firming up of the latest position of contingent liabilities with particular reference to the legal / arbitration cases pending with the various authorities
- e) Determination of tax and other statutory liabilities with special emphasis on cases of income tax, sales tax and other tax payments to exchequer.
- f) To completely check and certify the periodical and annual accounts.
- g) Verification of cash flow statements, segment reporting and consolidated financial statements.
- h) To associate in the settlement of audit enquiries and provisional audit comments.
- i) Review of audit observations of internal auditors/ statutory auditors / govt. audit on the accounts of earlier periods and the necessary modification to the policy accounting practices to avoid such mistakes.
- j) To review and report all un attended audit comments and bring out the same in the audit report.

(11) Budget and Costing:

- a) Cost accounts covering all cost sheets and norms to ensure adequate cost control measures are taken by the unit and to suggest improvements if any.
- b) To compare approved standard cost with actual and to report on action taken / variance.

(12) Tally

- a) Verify and report whether the computerized Financial Accounting, Inventory and pay roll system is functioning properly in the units wherever applicable.
- b) Verify whether all reports are drawn as per the schedule / periodically and made available to all sections.

(13) Vetting:

- a) To test check whether approvals for the proposals are as per powers delegated to the authority who approved the proposal.
- b) To check at least 5% of procurement indent raised with reference to budget allocation with focus on cost benefit analysis for the capital items of valuing Rs.10 lakhs and more.
- c) To check 10% of work estimates drawn either or Capital or Revenue nature with reference to DSR, CPWD, State Electricity board rates which ever applicable and also the budget allocation.
- d) To test check vetting of NITs, Work Orders, Supply Orders, amendments with reference to delegation of powers.

(14) Taxation:

- a) Verification of Monthly GST/TDS/VAT/Service Tax prepared by the company and filing of monthly and quarterly returns of all tax matters.
- b) To verify entries in respect of adjustment of Advance tax, TDS and Provisions where assessment is completed.
- c) To verify the status of appeals pending at various levels for different assessment years.

(15) Branch Visit:

- a) The company has 70 branches all over Karnataka (Including working and Non-working mines/quarries/units). The number of branches may be varied subject to grant/renewal/extension of Lease of Mines/Quarries. The selected bidder shall visit all the branches once in a Financial Year and shall submit the annual internal audit report for each branch. The company shall pay the applicable TA/DA to the staff visiting the units.

(16) Others:

- a) To verify the correctness of recovery of Income Tax/ Profession Tax/ LIC/ PORD etc., (Wherever applicable) from salaries and the timely remittance of the same to concerned authorities.
- b) Review and report whether the claims are made on LIC in respect of ex-employees viz. GSLI, O/s HBA and Conveyance under Group Accident Policy.
- c) Review of Sundry receipts pending adjustment and suspense account.
- d) To test check payments under family benefit scheme / medically unfit scheme / benevolent fund and to see whether income tax wherever applicable has been correctly recovered.

- e) Test check whether the payment of terminal dues to employees – Leave encashment, under VRS / VSS are as per rules.
- f) Verify the maintenance of Statutory bonus register.

17. Processing fee and Earnest Money Deposit (EMD)

- a. EMD of Rs.25,000/- (Rupees Twenty Five Thousand Only) and the processing fee prescribed by e-procurement portal shall be paid electronically in the e-procurement portal through credit / debit card, NEFT / RTGS or OTC.
- b. Processing and any other Government prescribed fee as fixed by the e-procurement, CeG, GoK should be paid by the tenderer through e-procurement platform, GoK in any of the e-payment modes viz., Credit/Debit card/NEFT/RTGS/OTC/Digital Wallet.
- c. As per the procedure of E-procurement Department, Refund of EMD to the Unsuccessful bidder will be done after the e-tender process is completed
- d. No interest shall be paid on the EMD
- e. EMD of the successful tenderer will be converted as Security Deposit (SD)

18. Uploading of Documents for Technical Bid

The tenderer shall upload the following documents as part of Technical bid

- a) Tenderer details in Form 3A and 3B duly filled and signed.
- b) Status of the firm (Upload supporting document)
 - i) Individual / Proprietary - Firm registration certificate / GST Certificate in the name of the Proprietor
 - ii) Partnership firm – Partnership deed of the firm.
- c) Copy of PAN and GST Registration Certificate
- d) Should be empanelled with CAG and possess valid letter of empanelment.
- e) The tenderer shall have minimum 5 years of experience as Statutory Auditors or Internal Auditors of PSU's having turnover of not less than **Rs.100 crores** per annum during a block period of 2017-18 to 2023-24. Copies of appointment letters in proof of experience or work done certificate issued by the PSUs.
- f) Audited balance sheet and profit and loss statement of the firm certified by Chartered Accountant for having turnover not less than **Rs. 40 Lakh** in each of the 3 (Three) consecutive financial years during the three financial years, i.e., 2020-21 to 2023-24.
- g) Copy of Income Tax Returns filed for two years during 3 (Three) consecutive financial / Assessment Years of the three preceding financial years, i.e., 2020-21 to 2023-24.

- h) The firm should be practicing in Bangalore for a minimum period of 10 years. The applicant shall upload the following supporting documents:
 - (i) Copy of the Constitution certificate/Firm card issued by ICAI (The branch office details along with date of incorporation shall be available in the uploaded document).
 - (ii) Copy of the Telephone bill / Electricity bill / Registered Lease Deed supporting the address at Bangalore City.
- i) Firm have to be given an undertaking that the audit team members are proficient in state's official language (Both oral and written) and will be headed by a chartered Accountant on regular basis.
- j) EMD of **Rs. 25,000/-** (Rupees Twenty Five Thousand Only) shall be paid electronically in the e-procurement portal through credit / debit card, NEFT / RTGS or OTC.
- k) Self declaration (Undertaking) as per Form 3C.

Note:

1. The tenderer shall produce original documents regarding ownership, in case it is required.
2. If the applicant fails to upload any of the required documents prescribed above that bids shall be considered as Invalid. However decision of the tender accepting authority is the final and all the bidders shall abide to the same.
3. The Bidder Should not have been banned / declared ineligible for corrupt and fraudulent practices by the Central / State Govt. or its undertakings /RBI / ICAI / ICWA or any other regulatory authorities and should not have any disciplinary proceedings pending against the applicant or any of the partners with ICAI / ICWA / RBI. Undertaking regarding non- blacklisting / non-debarment as per 3C should be uploaded.

19. Price Bid

- a. The rate for the whole assignment should be quoted through e-Portal only
- b. Price to be quoted for professional charges the price shall be inclusive of all applicable taxes except applicable GST.
- c. The rate shall be quoted in Indian Rupees both in figure and words. If any variation among bid amounts specified in the figure and words, the amount mentioned in the words will be considered.

20. Price Bid valuation:

Bidder quoting lowest rates professional charges (L1) will be considered as successful bidder. If there are more than one bidder quoting the same lowest rate, then such bidder shall be asked to quote through sealed covers. Bidders quoting lowest revised rate (L1R) will be considered as successful bidder. If for any reasons, rates quoted in tender seem to be higher than the expectations, KSMCL reserves the right to negotiate with bidders regarding price, terms and conditions in the best interest of the Company and its decision is final.

21. KSMCL reserve the right to accept or reject any tender and to cancel the entire tender at any time.

22. SECURITY DEPOSIT

- a. Security deposit of 5% of bid amount per annum is to be paid by successful bidder by way of RTGS / DD to KSMCL
- b. After adjusting the EMD amount the balance security deposit shall be paid along with letter of acceptance, security will not carry any interest.
- c. Security deposit will be refunded after 3months from the Successful completion of the contract period subject to recover of dues if any payable to the KSMCL.
- d. In case of violations of any Act, breach of contract, violation of law noted by enforcing agencies or litigation, the expense incurred for rectifying such irregularities, inter-alia will be reduced from running bills available with KSMCL including forfeiture of Security Deposit.

23. Letter of Intent

- a. Confirmation letter accepting the tender will be issued to successful tenderer (L1) and the same shall be signed for acceptance and sent back to KSMCL within seven working day along with Balance security deposit.
- b. If the L1 does not accept the offer, their EMD will be forfeited and L2 will be offered to match the rate of L1 to award the contract.
- c. The successful bidder shall enter into agreement within seven working days from the date of acceptance.

24. Contract Tenure:

- a) The period of contract is for 2 (two) years from date of issue of work order.
- b) The contract may be extended based on the requirement for the period not more than 1 (One) year depending upon the performance on mutual agreement by both the parties on the same terms and conditions. However, KSMCL reserves the right for extension of the agreement.

- c) The price shall remain fixed during the contract period and no price revision will be entertained whatsoever.

25. Payment Terms and Conditions

- a) Payment will be made quarterly basis on submission of quarterly Internal Audit report based on the bills submitted at Head office, KSMCL.
- b) Applicable GST will be paid by KSMCL and all other taxes including TDS and TDS under GST as applicable will be recovered in contractors Bill.

26. Contract Price:

The contract rate will be same without any change during the entire period of contract.

27. General terms and conditions

- a. Interested Chartered Accountants / firms may submit the bid completed in all respects along with requisite documents through e-procurement portal within stipulated date and time through e-procurement portal.
- b. The bid documents should contain the particulars of compliance with eligibility criteria for short listing as given in the format at Annexure-I
- c. The conditional bids shall not be considered and will be summarily rejected in very first instance.
- d. The competent authority of the KSMCL reserves to right annual all bids and cancel the selection process at any time prior to award of contract without assigning any reason whatsoever.
- e. This document does not constitute nor should it be interpreted as an offer or invitation for the contract of internal auditor.
- f. No binding legal relationship will exist between any of the respondents and KSMCL until issue of work order to the successful bidder and its acceptance thereon
- g. A respondent will, by responding to tender, be deemed to have accepted terms of this introduction and disclaimer
- h. This documents is meant to provide information only and upon the express undertaking that recipients will use it only for the purposes set above. No representation or warranty, expressed or implied is or will be made as to the reliability accuracy of the competence of any of the information contained herein. It does not purport to be all inclusive or contain all the information regarding the service to be provided or be the basis of the contract. It shall not be assumed that there shall no deviation or change in any of the mentioned information herein on the

roles and responsibilities of service provider. While this document has been prepared in good faith, neither KSMCL nor any of its officer made any representation or warranty or shall have any responsibility or liability whatsoever in respect of any statements or omissions therefrom. Any liability is accordingly and expressly disclaimed by KSMCL and any of their officers even if any loss or damage is caused by any act or omission on the part of KSMCL or any of its officers, whether negligent or otherwise.

- i. By acceptance of this document, the recipient agrees that any information wherein will be superseded by any subsequent information on the same subject with access to any additional information or to update this documents or to correct any inaccuracies therein which may become apparent, and KSMCL reserve the right at any time and without advance notice, to change the procedure the selection of service provider. Accordingly interested recipient should carry out an independent assessment and analysis of the requirement of the information, facts and observation contained herein.
- j. The recipients of this document should inform themselves and observe any applicable legal requirement.
- k. This document constitutes no form of commitment on the part of KSMCL. Furthermore this documents confer neither the right nor any expectation on any party to participate in the tender process. This bidder is responsible for all acts incurred in connection with participation in this process. This tender does not create any obligations on the part of KSMCL to award a contract or to engage in negotiations. The bidders participation in this process may result in KSMCL selecting the bidders to engage in further discussions and negotiations towards execution of a contract. The commencement of such negotiations does not however signify a commitment by KSMCL to execute a contract or to continue negotiations. The KSMCL may terminate negotiations at any point of time without assigning any reasons.
- l. KSMCL reserves the right to vary / alter / amend the eligibility criteria for the Chartered Accountant at any time, in its discretion, before the last date of submission of proposals.
- m. The appointed Chartered Accountants / firms shall comply with and abide by such instructions that KSMCL may issue from time to time.
- n. The proposals and all correspondence and documents shall be written in English. All proposals and accompanying documents received within the stipulated time shall become the property of KSMCL and will not be returned.

- o. The proposals shall be valid for a period of six months from the date of opening of proposals. A proposal valid for a shorter period may be rejected as non responsive. In exceptional circumstances at its discretion, KSMCL may grant consent for an extension of the validity period. The requests and responses shall be in writing.
- p. Once the KSMCL notifies the successful bidder that its proposals has been accepted, KSMCL will issue a Work Order to the successful bidder covering the terms and conditions of provisions of service etc. as may be specified therein.
- q. The respondent shall be liable to maintain secrecy and confidentiality of all the information / data / operations etc., of KSMCL.
- r. Any form of canvassing / lobbying /influence regarding short listing/ selection status etc., will be a disqualification.
- s. Governing laws, Jurisdiction/ Arbitration : Any dispute in relation to the process of selection of the Chartered Accountants under this process shall be subject to the exclusive jurisdiction of courts at Bangalore City only. Any dispute arising past the award of contract shall be settled in accordance with the terms mentioned therein.

28. Termination of agreement

The Agreement between KSMCL and the successful tenderer shall be liable for termination on any of the following grounds:

- a) If the successful Tenderer fails to carry out the work as per terms and conditions of the contract to the satisfaction of the KSMCL, KSMCL shall be entitled to terminate the contract and forfeit the security deposit. This however, shall not absolve the successful Tenderer from his obligation to fulfill the contract. In such event, the KSMCL shall have the right to complete and / or to get the work completed at the cost and risk of the successful Tenderer and he shall be responsible to pay such cost incurred by the KSMCL to complete the work and / or to get the work completed.
- b) For any reasons, if it is required, the KSMCL reserves the right to cancel, terminate, amend and / or alter the contract and / or bifurcate and / or reduce the contract work at any time without giving any notice to the successful Tenderer and without incurring any responsibility.
- c) Continuous non-availability / poor availability of the successful tenderer to perform the scope of work. Such conduct will attract termination of Contract and complete forfeiture of Security Deposit.
- d) If the successful tenderer is rendered incapable of performing any or all of the terms of the contract either by acts of commission or omission or by operation of law.

- e) Breach of contract, non-performance / dissatisfactory performance, violation of laws or restrictions imposed by the enforcing agencies against alleged unlawful activities and failure to comply with the terms and conditions stipulated in the respective agreement.
- f) KSMCL may, at its sole discretion and at any time terminate the Contract by giving a month's notice and inform the Consultants of KSMCL's decision by written instruction to that effect without assigning any reason whatsoever. Termination could also take place on such breaches as may be specified in the agreement. In the event of the Contract being so terminated, the Chartered shall take such steps as are necessary to bring the Services to an end, in a cost effective, timely and orderly manner.
- g) In the event of termination of the contract for any of the above stated reasons, KSMCL will have the right to entrust the contract for the remaining period in the Agreement to any other person/s at the sole cost and risk of the successful tenderer.

29. Indemnity

The Successful tenderer/ Contractor, hereby agrees and undertakes, to indemnify, KSMCL against any action or proceeding, cost (including reasonable attorneys' fees) or claim, loss or damage, that may arise against KSMCL, as a result of their failure to;

- a) comply with various statutory requirements,
- b) make any payments,
- c) discharge any of liabilities / obligations,
- d) Any act of commission / omission in the matters.

30. Force Majeure

Force Majeure is herein defined as any cause which is beyond the control of the Tenderer or KSMCL as the case may be which they could not foresee or with a reasonable amount of diligence could not have foreseen and which substantially affect the performance of the contract, such as:

- a) Natural phenomena such as flood, draught, cyclone, earthquake, pandemic, epidemics and declaration of war.
- b) Acts of any Government, including but not limited to war, declared or undeclared priorities, quantities, embargoes providing either party shall within fifteen (15) days from the occurrence of such a cause notify the other in writing of such cases.
- c) The Tenderer will advise, in the event of his having resort to this Clause by a registered letter duly certified by the statutory authorities, the beginning and end of the cause of delay, within fifteen days of the occurrence and cessation of such Force Majeure condition.

- d) In the event of the delay lasting over three (3) months, if arising out of Force Majeure, the contract may be terminated at the discretion of the Company.
- e) For delay arising out of Force Majeure, the Tenderer will have extension of time to the duration period comes under force majeure. Tenderer shall not be eligible for extra costs like increase in rates, re-mobilization, advance idle charges for labour and machinery etc. for extension period.
- f) If any of the Force Majeure conditions exists in the place of operation of the Tenderer even at the time of submission of bid he will categorically specify them in his bid and state whether they have been taken into consideration in their quotations.
- g) The successful tenderer or the KSMCL shall not be liable for delay in performing his obligations resulting from any force majeure cause as referred to and/or defined above. The date of completion will, subject to hereinafter provided, be extended by a reasonable time given through such cause may occur after Tenderer's performance of his obligations has been delayed for other causes.

31. Arbitration

Any dispute or difference or claim arising out of, or in connection with, or relating to the present contract or the breach, termination or invalidity thereof, shall be referred and settled under Arbitration Centre - Karnataka (Domestic & International) Rules 2012, by one or more arbitrators appointed in accordance with its rules.

21.1 Miscellaneous

In any arbitration proceeding hereunder:

- a) proceedings shall, unless otherwise agreed by the Parties, be held in Bangalore.
- b) the English language shall be the official language for all purposes
- c) the decision of the sole arbitrator or of a majority of the arbitrators (or of the third arbitrator if there is no such majority) shall be final and binding and shall be enforceable in any court of competent jurisdiction, and the Parties hereby waive any objections to or claims of immunity in respect of such enforcement.

22. Jurisdiction

The Courts situated within the city of Bangalore alone shall have jurisdiction to decide all disputes and claims that may arise between the parties to the exclusion of any other court/s exercising any jurisdiction over any of the areas within which the quarries are situated.

23. Assignment

The contract is not assignable on either side. Neither party shall at any time, assign, transfer, sub-contract or deal in any other manner with all or any of its rights or obligations under these Terms.

34. Discretion

- a) Managing Director, KSMCL reserves the right of rejection of all or any of the tenders without assigning any reason thereof.
- b) Managing Director, KSMCL reserves the right to cancel the tender even after acceptance in case of any violation of the terms and conditions or for any reasons

Eligibility Criteria

I.	Criteria
a)	The Tenderer should be registered with Institute of Chartered Accountants of India. The particulars of the Firm Head office, Branch office and Partners and paid chartered Accountants should match with the certificate issued by ICAI and practicing for a minimum period of 10 years in Bangalore.
b)	The tenderer shall have minimum 5 years' experience as statutory auditors or internal auditors of PSU's having turnover of not less than Rs. 100 Crores per annum during a block period of 2017-18 to 2023-24.
c)	The firm should be practicing in Bangalore for a minimum period of 10 years.
d)	Audited balance sheet and profit and loss statement of the firm certified by Chartered Accountant for having turnover not less than Rs. 40 Lakhs for each of the consecutive 3 (three) financial years during the three financial years, i.e., 2020-21 to 2023-24.
e)	The Bidder Should not have been banned / declared ineligible for corrupt and fraudulent practices by the Central / State Govt. or its undertakings /RBI / ICAI / ICWA or any other regulatory authorities and should not have any disciplinary proceedings pending against the applicant or any of the partners with ICAI / ICWA / RBI.

SECTION-III – Technical Proposal
3A. Technical proposal submission form
(Should be submitted on the letterhead of the tenderer)

Date:

To:

General Manager (F&A)
Karnataka State Minerals Corporation Limited
TTMC, 'A' Block, 5thFloor, BMTC Building,
K.H. Road, Shanthinagar,
Bengaluru – 560 027

Sir,

Sub: Engagement of Chartered Accountants/Firms for the Internal Audit work of KSMCL, Bangalore.

Please find enclosed Techno-Commercial Proposal in respect of Selection of Tenderer for the above Project.

We hereby confirm the following:

1. The Techno-Commercial Proposal is being submitted by us, in accordance with the conditions stipulated in the NIT.
2. We have examined in detail and have understood the terms and conditions stipulated in the NIT document issued by Karnataka State Minerals Corporation Limited in any subsequent communication uploaded by Karnataka State Minerals Corporation Limited. We agree and undertake to abide by all these terms and conditions. Our Proposal is consistent with all the requirements of submission as stated in the NIT or in any of the subsequent communications from Karnataka State Minerals Corporation Limited.
3. We confirm that we have not fixed or adjusted the amount of the Tender by or under or in accordance with any agreement or arrangement with any other person. We also certify that we will keep the contents of our tender confidential, except as necessary as per the provisions of the NIT document. We also confirm that we have not entered and we will not enter into any agreement or arrangement with any person that they shall refrain from bidding, that they shall withdraw any tender once offered or vary the amount of any Tender to be submitted.
4. We confirm that all the terms and conditions of the Techno-Commercial Proposal are firm and valid for acceptance for a period of 90 days from the last date of submission of this Proposal.

Thanking You,

Yours Sincerely,

For and on behalf of : (name of the Bidding Company and the Company Seal)

Signature : (Authorized Representative)

Name of the Person :

Designation :

3B. Tenderer's Information

Using the format below, provide information on each reference assignment for which your firm/entity, either individually as a corporate entity or as one of the major companies within an association, was legally contracted.

1)	Name and full address of the Firm. Phone, Fax, e- Mail, website:	
2)	The tenderer should be an individual / firm of Proprietorship / Partnership / LLP of Chartered Accountants / STP / GST Practitioner and practicing in Bangalore for a minimum period of 10 years	Individual – GST Certificate Partnership – Registration / Partnership Deed LLP – Certificate of Incorporation i. Copy of the Constitution certificate/Firm card issued by ICAI (The branch office details along with date of incorporation shall be available in the uploaded document). ii. Copy of Registered Lease Deed supporting the address in Bangalore.
3)	Name of the contract Person Address & Phone / Mobile No. E-mail	Name: Mob.no: Email: Address:
4)	Year of establishment in Business	
5)	Chartered Accountant certified Balance Sheet & P & L for each of three preceding financial years during three financial years from 2020-21 to 2023-24.	2020-21: 2021-22: 2022-23: 2023-24 (Upload Balance Sheet and Profit & Loss Statement)
6)	IT returns filed for two years of preceding three years Assessment / financial year (2020-21 to 2023-24).	Yes / No (upload relevant document)
7)	PAN & GST Registration No.	PAN: GST: (upload relevant document)
8)	Should have minimum 5 years of experience as statutory auditors or internal auditors of PSU's having turnover of not less than Rs. 100 Crores per annum during a block period of 2019-20 to 2023-24.	The applicant shall upload the documents for proof of experience or work done certificate issued by the PSU's.
9)	Any other relevant documents.	Upload documentary evidence

DECLARATION

I / we do hereby declare that the particulars furnished above are correct and I / we are ready to furnish any other details and original as may be required by Karnataka State Minerals Corporation Limited. I / we also declare that I / we shall abide by the terms and conditions of the tender. I further undertake to provide service of internal audit at the Corporate Office, Bangalore, if contract is awarded.

Dated this _____ Day of _____ 2025

Name of the Tenderer: _____

Signature and Seal of the Authorized Signatory _____

Name and Designation of the Authorized Signatory _____

Place: _____

3C. Undertaking regarding non-blacklisting / non-debarment

(Should be submitted on the letterhead of the tenderer)

To.

General Manager (F&A)

Karnataka State Minerals Corporation Limited

TTMC, 'A' Block, 5th Floor, BMTC Building,

K.H. Road, Shanthinagar,

Bengaluru – 560 027

Sir,

Please find enclosed bid for consideration to be engaged as Internal Auditors to Karnataka State Minerals Corporation Limited.

We agree to undertake the assignments, if given by you, as per the scope of work. We hereby declare that, we do not have any pecuniary liability or any claim / disciplinary / legal proceeding pending against us/ our partners or any other cause which could hamper our ability to render the services as envisaged.

We also declare that we /our firm has not been banned / declared ineligible for corrupt and fraudulent practices by the Central or State Governments or its undertakings / RBI / ICAI or any other regulatory authorities and does not have any disciplinary proceedings pending against it or any of the partners.

If the aforesaid representation /declaration or information in the annexure is found to be incorrect, we agree that the KSMCL shall be entitled to terminate the engagement, or initiate suitable action as deemed fit and appropriate by the KSMCL including forfeiture of Performance Security Deposit, without reference to us. We or our affiliates have, during the last three years, neither failed to perform on any agreement, as evidenced by imposition of a penalty by an arbitral or a judicial pronouncement or arbitration awarded against us or our Affiliates, nor been expelled from any project or agreement nor had any agreement terminated for breach by us or our affiliates. The firm is having ___ partners (pl specify total no. of partners) out of which at least ___ partners are experts dealing in Internal Audit matters with at least ___ years' of experience.

List of Documents Enclosed

- 1.
- 2.
- 3.....

Dated this _____ Day of _____ 2025

Name of the Tenderer: _____

Signature and Seal of the Authorized Signatory _____

Name and Designation of the Authorized Signatory _____

Place: _____