

DFCCIL

(A Government of India Enterprise under Ministry of Railways)

TENDER DOCUMENT FOR

**Name of Work: Internal Audit of DFCCIL for FY 2015-16 to FY
2017-18**

**Tender No. : DFCCIL/HQ/Internal Audit/Contract
Agreement/2015**

April 2015

**Dedicated Freight Corridor Corporation of India Ltd.
5th Floor, Pragati Maidan Metro Station Complex
New Delhi – 110001**

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DFCCIL

(A Government of India Enterprise under Ministry of Railways)

FINANCE DEPARTMENT

INVITATION TO BID

**Name of Work: Internal Audit of DFCCIL for FY 2015-16 to
2017-18**

**PART - A
(NIT, ITB, GCC, SCC & TENDER FORMS AND ANNEXURES)**

**Tender No. : DFCCIL/HQ/Internal Audit/Contract
Agreement/2015**

April 2015

**Dedicated Freight Corridor Corporation of India Ltd.
5th Floor, Pragati Maidan Metro Station Complex
New Delhi – 110001**

Dedicated Freight Corridor Corporation of India Ltd.
(A Government of India Enterprises under Ministry of Railways)

SECTION I: NOTICE INVITING TENDERS (NIT)

1. Sealed Bids in **Single Packet System** are invited from eligible firms of Chartered / Cost Accountants for and on behalf of DFCCIL for the work "Internal Audit of DFCCIL for FY 2015-16 to FY 2017-18" as per details given hereunder:-

I	Tender reference No.: DFCCIL / HQ / Internal Audit / Contract Agreement / 2015
II	Scope of Services: As per Clause 1.0 of Section IV – Special Conditions of Contract
III	Estimated Cost of Services: INR 40.33 Lacs (inclusive of service tax) for a period of three years
IV	Duration for Completion of Work: 3 (Three)Year (FY 2015-16 to FY 2017-18)
V	Sale of bid documents: from 1100 Hrs on 13.04.2015 and up to 1300 Hrs on 12.05.2015
VI	Period of Bid Validity: 90 days
VII	Cost of bid documents: INR 3,150/- (Three Thousand One hundred fifty). Bid submitted without cost of bid document shall be rejected.
VIII	Amount of Bid Security (EMD): INR 80,700/- (Eighty Thousand Seven Hundred only)
IX	Dead line for receipt of Bid: Up to 1500 Hrs on 12.05.2015. Client's address for the receipt of bid documents: Addl. General Manager/Finance-III, DFCCIL, 5 th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001
X	Venue, time and date of bid opening: <u>Venue</u> : DFCCIL, 5 th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001 <u>Time and Date:</u> 1530 Hrs on 12.05.2015.

Cost of bid document and bid security is to be submitted in the form of crossed Demand Draft favouring "M/s DFCCIL" payable at Delhi

2. Complete Tender Document can be viewed at/downloaded from DFCCIL website <http://dfcc.in/>, www.dfccil.org and eprocure.gov.in. Interested parties may obtain Bid Document from the office of Additional General Manager/Finance/III, Room No: 518, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi.
3. The bidders who wish to submit their bids for the aforesaid work shall have to meet the Eligibility Criteria given as here under:
- The bidder should be a reputed firm of Indian Chartered / Cost Accountants (Partnership\LLP) in practice in India. **Copy of certificate of registration issued by the governing body/Institute be submitted along with the Bid.**
 - The bidder should have H.Q/branch in Delhi/NCR. **Proof of registered address of the firm be provided.**
 - The bidder must have satisfactorily completed in the last three previous financial years and the current financial year upto the date of opening of the tender, one similar work (Internal\Statutory Audit Assignments) for a minimum value of 35%

of the advertised tender value. **Copy of letter of Award issued by the client**

to be submitted as proof along with bid documents.

- d) The payment/fees received by the bidder in the previous three financial years and the current financial year up to the date of opening of tender shall be at least 150% of the approximate value of the work mentioned in the tender. **Certified true Copy of audited annual accounts to be submitted as a proof along with bid documents.**
- e) Each bidder must produce:
 - (i) The Service Tax registration no., PAN No., Registration certificate issued from the appropriate Govt.\agency for the Firm (Partnership\ LLP);
 - (ii) A declaration that the information furnished with the bid documents is correct in all respects; and
 - (iii) Such other certificates as defined in the ITB. Failure to produce the certificates shall make the bid non-responsive.
- 4. The bidder should have not been banned/de-listed/de-barred from business by any PSU/Govt. Department during last 03 (three) years.
- 5. In the event of the specified date for the submission of bids being declared a holiday for the Client, the Bid will be received up to the specified time on the next working day.
- 6. At any time prior to the deadline for submission of bid, the Client may amend the Tender Document by issuing corrigendum/addendum which shall be notified on DFCCIL website <http://dfcc.in/>, www.dfccil.org and eprocure.gov.in. Therefore, the bidders are advised to visit the site regularly before deadline for submission of bids.
- 7. Bids will be opened as per the schedule at the aforesaid venue. In case the office happens to be closed on the date of opening of bid as specified, the same will be opened on the next working day at the same time and venue.
- 8. The bids, as well as all correspondence and documents relating to the qualification exchanged by the bidders and the Client, shall be in the English language.
- 9. If tender document is downloaded from website, cost of the tender document shall have to be deposited along with the bid in a separate envelope failing which the offer shall be liable to summarily rejected.
- 10. Client reserves the right to cancel the tendering process at any time before award of Work without assigning any reasons thereof.

Dy. General Manager Finance –III
DFCCIL/HQ
Ph. 011-23454978

SECTION II: INSTRUCTION TO BIDDERS (ITB)

1.0 GENERAL

- 1.1 Dedicated Freight Corridor Corporation of India Limited (DFCCIL) is a Public Sector Company registered under the Companies Act, 1956 and engaged in construction, maintenance and operation of dedicated freight railway tracks popularly known as corridors. Presently Company is under construction phase.
- 1.2 DFCCIL intent to solicit the services of a **professional who will take up the Internal Audit function in accordance with the Scope of work as detailed out in “Section IV – Special Conditions of Contract (SCC)”**.
- 1.3 Issuances of bid documents will not automatically mean that such parties are considered qualified. DFCCIL shall not be responsible for loss/delay of any quotation in transit.
- 1.4 The bidders should note and bear in mind that the client shall bear no responsibility for the lack of acquaintance of bid conditions or any information relating thereto, on their part. The consequences of the lack of any knowledge, as aforesaid, on the part of the bidder shall be at their risk and cost and no charges or claims whatsoever consequent upon the lack of any information, knowledge or understanding shall be entertained or payable by the client.
- 1.5 The set of bid (tender) documents comprises of followings documents and addenda issued:

PART – A

- i) **Section-I:** Notice Inviting Tenders (NIT);
- ii) **Section-II:** Instruction to Bidder (ITB);
- iii) **Section-III:** General Terms and Conditions of the Contract (GCC)
- iv) **Section-IV:** Special Conditions of Contract (SCC)
- v) **Section-V:** Tender Forms & Annexures

PART – B PRICE SCHEDULE

2.0 ELIGIBLE BIDDERS

- 2.1 The invitation of bid is opened to all bidders who are eligible as per the qualifying criteria given below.
- 2.2 The bidder shall meet the Qualifying Criteria set forth to be eligible for the bid as hereunder:
- a) The bidder should be a reputed firm of Indian Chartered / Cost Accountants (Partnership\LLP) in practice in India. **Copy of certificate of registration issued by the governing body/Institute be submitted along with the Bid.**
 - b) The bidder should have H.Q/branch in Delhi/NCR. **Proof of registered address of the firm be provided.**
 - c) The bidder must have satisfactorily completed in the last three previous financial year and the current financial years up to the date of opening of the tender, one similar work (Internal\Statutory Audit Assignments) for a minimum value of 35% of the advertised tender value. **Copy of letter of Award issued by the client to be submitted as proof along with bid documents.**
 - d) The payment/fees received by the bidder in the previous three financial years and the current financial year up to the date of opening of tender shall be at least 150% of the approximate value of the work mentioned in the tender.

Certified true Copy of audited annual accounts to be submitted as a proof along with bid documents.

- e) Each bidder must produce:
- (i) The Service Tax registration no., PAN no., Registration certificate issued from the appropriate Govt. agency for the Firm (Partnership\ LLP);
 - (ii) A declaration that the information furnished with the bid documents is correct in all respects; and
 - (iii) Such other certificates as defined in the ITB. Failure to produce the certificates shall make the bid non-responsive.

2.3 The bidder should have not been banned/de-listed/de-barred from business by any PSU/Govt. Department during last 03 (three) years. Self-declaration in this regard is to be submitted as per format attached as **Form IV in Section-V**.

2.4 The bidder should not have conflict of interest with other bidders. Bidders found to have conflict of interest shall be disqualified.

3.0 COST OF BIDDING:

The Bidder shall bear all costs associated with the preparation and submission of its bid, including any negotiations with or visits to the Client, and the Client shall not be responsible or liable for those costs, regardless of the conduct or outcome of the bidding process.

4.0 EARNEST MONEY / BID SECURITY

4.1 Earnest Money Deposit of Rs. **80,700.00 (Rupees Eighty Thousand Seven Hundred only)** shall accompany the Bid. The EMD offered shall be in the form of a crossed Bank Draft / Bankers Cheque in favour of DFCCIL payable at Delhi.

4.2 Any bid not accompanied by an acceptable Earnest Money shall be rejected by the Client as non-responsive. The EMD of all unsuccessful Bidders except that of the successful bidders(s) will be discharged/ returned after the award of the contract. The EMD of successful bidders will be discharged/ returned after submission of performance guarantee by the successful bidder. No interest will be paid by DFCCIL on the above EMD amount.

4.3 The Earnest Money may be forfeited:

- a) if the Bidder withdraws the Bid after bid opening or varies any terms & conditions in regard thereto during the period of Bid validity; or
- b) if the Bidder adopts corrupt or fraudulent or collusive or coercive practices; or
- c) in the case of a successful Bidder, if the Bidder fails within the specified time limit i) to sign the Agreement; and/or ii) Furnish the required Performance Security Deposit; or iii) refuses to enter into a contract after being awarded the contract or does not commence work within stipulated time after the award.

5.0 PRICE BASIS, CURRENCIES & LANGUAGE OF BID

5.1 The bidder shall quote rates in '**Part-B - Price schedule**', for the entire **Scope of work as detailed out in CLAUSE 1.0 of "Section IV – Special Conditions of Contract (SCC)"**. Bids based on a system of pricing other than that specified shall be rejected. The bid prices shall be in Indian rupees only. Rates are to be quoted both in figures and words. In case of any discrepancy in rates between figures and words, the rates quoted in words will prevail over rates quoted in

figure. All information in the bid shall be in English. Failure to comply with these requirements will render the bid liable for rejection.

- 5.2 The bidder is required to quote **YEARLY LUMP SUM PRICE** for Professional Charges\Audit Fee for the Financial Years 2015-2016, 2016-2017 & 2017-2018. For Visits to Units, the Audit Team will be reimbursed, one time to & fro journey fare by Air or Rail (Journey should be performed by the shortest route in the entitled class) and lodging & boarding expenses. The entitlements for travelling, boarding & lodging expenses shall be **as detailed under Clause 2.0- Payment terms & conditions of Section IV - Special Conditions to the contract (SCC)**. No additional payment will be admissible on any account. However, service tax on fees as applicable shall be paid extra.

6.0 SIGNATURE OF BIDS & DOCUMENTARY PROOF

The bid must contain the full name, designation and complete address of place of business of the person(s) signing the bid. Satisfactory evidence of authority of the person signing on behalf of the Bidder should be **furnished in the tender form**.

7.0 CHECK-LIST

The bidders are requested to duly fill in the checklist as per **Annexure-F**. The checklist is only a reminder of certain important items, to facilitate the Bidder. This, however, does not relieve the bidder of its responsibility to make sure that his proposal is otherwise complete in all respects.

8.0 DEVIATIONS

The Firm/Consultant must comply with the tender specification and all terms and conditions of contract. No deviation shall be entertained.

9.0 SUBMISSION OF BIDS

All bids / quotation shall be submitted "in sealed cover" in one packet only which should be superscribed as "Internal Audit of DFCCIL for FY 2015-16 to FY 2017-18." NIB No., Date of Opening and addressed to the Addl. General Manager/Finance-III, DFCCIL, 5th Floor, Pragati Maidan Metro Station Building Complex, New Delhi-110001, and dropped in the Tender Box kept in the Corporate Office of DFCCIL latest by **1500 hrs on 12.05.2015 positively. The bid should include the original bid documents duly signed and stamped. The Bid received late or after the prescribed due date and time of receipt as mentioned in NIT will not be entertained. DFCCIL will not be responsible for any postal delay.**

The name, mailing address and tele-fax number of the bidders shall be clearly indicated on the envelope. Bidders may note that if the envelope is not sealed and marked as required, the Client will assume no responsibility for the misplacement or premature opening of the same.

10.0 BID VALIDITY

The bid shall remain valid for a period of 90 Days from the date of opening.

DFCCIL will make its best effort to complete the award process within the proposal's validity period. However, should the need arise, the DFCCIL may

request, in writing, all bidders who submitted bid prior to the submission deadline to extend the bid's validity.

11.0 ALTERNATIVE PROPOSALS BY BIDDERS

Bidders shall submit offers that comply with the requirements of the bidding documents, including the '**Part B – Price Schedule**'. Alternative proposals will be rejected as non-responsive.

12.0 CORRUPT, FRAUDULENT, COLLUSIVE OR COERCIVE PRACTICES

It is expected from the Bidders that they will observe the highest standard of ethics during the bidding and currency of the contracts.

13.0 BID EVALUATION CRITERIA

13.1 During bid evaluation, the Client may, at its discretion, ask any Bidder for a clarification of its bid which shall be submitted within a stated reasonable period of time. The request for clarification and response shall be in writing.

13.2 If a bidder does not provide clarifications of the information requested by the date and time set in the Client's request for clarification, its bid may be rejected.

13.3 **Method of selection:** Combined Quality cum Cost Based Selection (CQCCBS)

In the case of CQCCBS, selection is based on the combined score obtained by a bidder in technical bid as well as financial bid. The combine score is calculated by weighing the technical and financial scores and adding them as per the formula and instructions as given in **ANNEXURE E**. The bidder achieving the highest combined score will be recommended for award of work.

13.4 **Technical\Selection criteria (point allocation) for bidders:**

The DFCCIL's technical evaluation committee shall evaluate the proposal of the bidder on the basis of the experience, number of staff employed and qualifications of the staff employed, applying the selection criteria, sub-criteria, and point system as specified in **ANNEXURE D**. Each responsive Proposal will be given a technical score. The details for the technical/ selection criteria is to be submitted in the **FORM II DETAILS OF THE BIDDER**.

A Proposal shall be rejected at this stage if it fails to achieve the minimum technical score of **70**.

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SECTION III: GENERAL TERMS AND CONDITIONS OF CONTRACT (GCC)

1.0 DEFINITION OF TERMS

- 1.1 "Contract Documents" shall mean this bid (tender) document and minutes of clarifications to the extent they have been accepted by DFCCIL prior to the award of the contract and Contract Agreement. A Performa of the agreement to be executed between DFCCIL and the Firm/Consultant is given in **FORM VII in Section V**.
- 1.2 "Contract Price" is a Lump Sum amount as stated in Letter of Award.
- 1.3 "Client" shall mean the DFCCIL.
- 1.4 "Firm/Consultant" shall mean the bidder whose bid will be accepted by DFCCIL and shall include such successful bidder's legal representatives, successors and permitted assigns, from time to time for the purpose of the contract.
- 1.5 "Letter of Award (LOA)" shall mean the official notice issued by the DFCCIL notifying the Firm/Consultant that his proposal has been accepted.
- 1.6 "NCR Area" means Gurgaon, Delhi, Noida, Greater Noida, Ghaziabad and Faridabad.
- 1.7 "Officer in Charge" shall mean DFCCIL officer dealing with the Performance and operations of the contract.

2.0 FIRM/CONSULTANT'S AGENTS/EMPLOYEES

- 2.1 No other person except Firm's/Consultant's authorized representative shall be allowed into DFCCIL premises and they shall not do any private work other than their normal duties.
- 2.2 Firm/Consultant shall be directly responsible for any/all disputes arising between him and his personnel and keep DFCCIL indemnified against all losses, damages and claims thereof.
- 2.3 The personnel engaged by the Firm/Consultant shall be on the duty of the Firm/Consultant and under no circumstances shall be deemed to be on the duty of DFCCIL. DFCCIL shall have no relationship of Master and Servant or principal and Agent or nexus of any kind whatsoever with such staff deployed by the Firm/Consultant. Such staff shall not be entitled to claim any right, privilege or benefit from DFCCIL and in the event of any such claim, the Firm/Consultant undertakes to indemnify DFCCIL for any loss or damage, financial or otherwise.
- 2.4 The personnel engaged by the Firm/Consultant shall be subject to security check by DFCCIL security staff while entering/leaving the premises. Such personnel shall have to abide by the instructions of the security staff and other officers of DFCCIL authorized in this behalf. Failure to faithfully follow instructions would be deemed infringement of tender conditions.

3.0 AWARD OF CONTRACT

- 3.1 DFCCIL will intimate the award of Work in writing to the successful bidder by issuing Letter of acceptance\award accepting the proposal of the bidder. The contract will be awarded to the eligible and responsive bidder achieving the highest combined technical and financial score in conformity with the requirements of these documents and DFCCIL shall be the sole judge in this regard.
- 3.2 DFCCIL reserves the right of rejecting/accepting either the whole or any part of the

proposal. The Firm/Consultant shall be fully responsible and shall be bound to perform the job allocated to him at his quoted rates and terms and conditions that have been accepted by Firm/Consultant.

- 3.3 DFCCIL reserves the right to assess bidder's capability and capacity to perform the contract from other sources, should the circumstances warrant such assessment in its overall interest.

4.0 EFFECT AND JURISDICTION OF CONTRACT

- 4.1 The contract shall be considered as having come into force from the date of issue of Letter of Acceptance/Award by DFCCIL.
- 4.2 The laws applicable to this contract shall be the laws in force in India. The Courts of Delhi shall have exclusive jurisdiction in all matters arising out of and under this contract.

5.0 DURATION OF CONTRACT

- 5.1 The duration of the contract for work to be undertaken by the Firm/Consultant will be for three years w.e.f. 2015-2016 to 2017-2018 starting from the date of issue of letter of Award by DFCCIL. The audit will be completed on submission and acceptance by Audit Committee of Audit Report for the Phase IV of Financial Year 2017-2018.

6.0 CONTRACT PERFORMANCE GUARANTEE

- 6.1 On acceptance of tender the successful bidder shall have to submit Performance guarantee amounting to 5% of the contract value in any one of the form of irrevocable Bank Guarantee or FDR from Nationalized or scheduled bank in favor of DFCCIL, New Delhi. The Performance guarantee will be furnished after LOA has been issued but before signing of agreement and should be valid up to three months beyond expiry of the completion period. The agreement should normally be signed within 15 days after issue of LOA and same should be submitted within this time limit.
- 6.2 The Performance guarantee is intended to secure the satisfactory Performance of the entire contract. Failure to faithfully perform and carry out the various activities within the time period defined in the contract may result in invoking either whole or part of the Performance guarantee. However, it is not to be construed as limiting the recoverable under the contract.
- 6.3 Format of Performance Bank guarantee to be submitted by the successful bidder is attached as **FORM VI in Section V**.

7.0 TERMINATION OF CONTRACT

- 7.1 If at any time the Firm/Consultant makes any default in proceeding with the work with due diligence and continues to do so even after the notice in writing is served on him or commits any default in complying with any of the terms and conditions even after the notice in writing is given on that behalf by the Officer-in-charge. DFCCIL may, without prejudice to any other right or remedy which shall have accrued or shall accrue thereafter to DFCCIL by written notice, terminate the contract as a whole or a part of the Contract.
- 7.2 Where the Firm / Consultant breaches this Agreement, The Client may terminate this Contract and forfeit the performance security deposit, by not less than thirty

(30) days' written notice of termination to the Firm / Consultants.

7.3 Further, the Audit Firm will be debarred from getting, in future assignments in DFCCIL in the following cases:

- a) If the Firm obtains the appointment on the basis of false information/false statement at the time of submission of application/documents.
- 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 respect, in terms of the appointment.

8.0 TAXES, DUTIES, LEVIES ETC.

8.1 The Bidders shall be registered with the Commissioner of Central Excise for the purpose of service -tax and **shall furnish a copy of the Registration Certificate along with the bid documents.** Firm/Consultant shall pay all income-tax, surcharge on Income Tax and any other tax. Further, the Firm/Consultant shall be liable and fully responsible for payment of all Indian duties, levies, service tax, VAT and any other taxes attracted/assessed on them under the provisions of the Indian laws. DFCCIL shall not bear any tax liability under any circumstances whatsoever. DFCCIL shall deduct income tax or any other tax at source from all the payments to be made to the Firm/Consultant in accordance with the provision of Indian tax laws, as applicable from time to time, and deposit the same to the concerned Govt. Authorities. Documentary evidence towards having paid the taxes to the Govt. shall have to be produced by the Firm/Consultant, if so required by DFCCIL.

9.0 EXTENSION OF TIME

9.1 Extension of time for the delay not attributable to the Firm\Consultant can be considered by the officer in charge of the DFCCIL.

10.0 FORCE MAJEURE

10.1 For the purposes of this Contract, "Force Majeure" means an event which is beyond the reasonable control of a Party, and which makes a Party's performance of its obligations under the Contract impossible or so impractical as to be considered impossible under the circumstances.

10.2 The failure of a Party to fulfill any of its obligations under the contract shall not be considered to be a breach of, or default under this Contract insofar as such inability arises from an event of Force Majeure, provided that the Party affected by such an event (a) has taken all reasonable precautions, due care and reasonable alternative measures in order to carry out the terms and conditions of this Contract, and (b) has informed the other Party as soon as possible about the occurrence of such an event.

11.0 SUSPENSION OF WORK

11.1 The Firm / Consultant shall on the order of the Officer-in- charge suspend the progress of the works or any part thereof for such time or times and in such manner as the Officer-in-Charge may consider necessary. The Firm / Consultant has no right to suspend the work at any stage unilaterally.

12.0 PAYMENTS DURING THE FORCE MAJEURE OR SUSPENSION OF WORK

12.1 During the period of their inability to perform the Services as a result of an event of Force Majeure under **clause 10.0** or Suspension of work under **clause 11.0**, the Firm / Consultants shall be entitled for compensation as may be considered reasonable by the Officer-in-Charge in respect of salaries or wages paid only by the Firm / Consultant to his such employees who are exclusively retained for the client's work during the periods of such Force Majeure and suspension. In case employee(s) of Firm / Consultant are engaged partially for the client's work, the wages or salaries shall be reduced proportionally as decided by the Officer-in-Charge. Firm / Consultant shall not be entitled for payment for such employee(s) who are diverted to perform other work during the periods of such Force Majeure and suspension.

13.0 OBLIGATIONS OF THE FIRM / CONSULTANT

13.1 The Firm / Consultants shall perform the Services set out in the scope of work in accordance with the timetable set out in Special Conditions of Contract (SCC). Firm / Consultant shall notify the Client in writing within 10 Working Days if the Firm / Consultant thinks a Client direction is a Variation, and as soon as practicable if the Firm / Consultant thinks any other circumstance is a Variation. The notice shall include details of the estimated cost of the Services, likely or estimated impact on the programme and completion date for the Services and make recommendations on how to proceed.

13.2 The Firm / Consultant undertakes to perform the Services with the highest standards of professional and ethical competence and integrity. The Firm / Consultant shall promptly replace any employees assigned under this Contract that the Client considers unsatisfactory.

13.3 The Firm / Consultants and his Personnel shall not, either during the term or within two (2) years after the expiration of this Contract, disclose any proprietary or confidential information relating to the Project, the Services, this Contract, or the Client's business or operations without the prior written consent of the Client.

14.0 INSURANCE TO BE TAKEN OUT BY THE FIRM / CONSULTANT

14.1 The Firm / Consultant will be responsible for taking out any appropriate insurance coverage.

15.0 FIRM / CONSULTANTS' ACTIONS REQUIRING CLIENT'S PRIOR APPROVAL

15.1 In exceptional circumstances, Client may allow taking up of part services through an expert or Sub-Consultant. The Firm / Consultant shall obtain the Client's prior approval in writing before taking such action.

16.0 DOCUMENTS PREPARED BY THE FIRM / CONSULTANTS TO BE THE PROPERTY OF THE CLIENT

16.1 Any studies, reports or other material, graphic, software or otherwise, prepared by the Firm / Consultant for the Client under the Contract shall belong to and remain the property of the Client. The Firm / Consultant may retain a copy of such documents and software

17.0 OBLIGATIONS OF THE CLIENT

17.1 The Client shall provide necessary space and information required to fulfill the Firm / Consultant's obligation under the scope of work.

18.0 DURATION OF LIABILITY

18.1 Neither party shall be liable for any loss or damage occurring after the completion of the Services.

19.0 VARIATIONS

19.1 The Client may order a Variation to the Services, in writing, or may ask the Firm / Consultant to propose a Variation to the Services, the impact of which on the cost, programme and completion date for the Services shall be agreed as stated above in **Clause 13.0**.

19.2 Where the Firm / Consultant notifies the Client under **clause 13.0** that any direction or circumstance should be treated as a Variation, the Client shall as soon as practicable after receiving such notice, but within 30 Working Days, notify the Firm / Consultant in writing whether or not it considers the direction or other circumstances to be a Variation.

19.3 If the Client does not consider the direction or other circumstance to be a Variation then the Client and Firm / Consultant shall attempt to resolve the matter as soon as practicable, and if a Variation entitlement is agreed, proceed as in **Sub-clause 19.4**.

19.4 The Client and the Firm / Consultant shall agree, in writing, the value of the Variation and its impact on the programme and completion date for the Services, or the mechanism under which the value and impact on the programme and completion date for the Services will be derived.

19.5 Where practicable the value of the Variation and impact on the programme and completion date for the Services shall be agreed between the parties prior to the Variation works progressing.

19.6 In the event that the Parties are unable to reach agreement on the value and impact on the programme and completion date for the Services, the matter shall be treated as a dispute and resolved in accordance with **clause 24.0**. Under no circumstances, the Firm / Consultant shall suspend the work on account of non-settlement of issues between the parties (i.e. Client & Firm / Consultant).

20.0 PAYMENT TO THE FIRM / CONSULTANT

20.1 The Firm / Consultant's total remuneration shall not exceed the Contract Price & reimbursement of travelling boarding & lodging expenses and will be released in accordance with the **Clause 2.0-Payment terms & conditions of Section IV-Special conditions of Contract (SCC)**, and there shall be no other payment. Firm/Consultant shall be solely responsible for payment of wages/salaries and allowances to his personnel that are payable or might become payable under any new Act or order of Government and also comply with all the statutory laws/acts i.e. PF, ESI etc. relating to their employees. DFCCIL shall have no liability, whatsoever, in this regard.

21.0 LIQUIDATED DAMAGES

21.1 If the Firm / Consultant fails to comply with the Time for completion for the whole of the Services within the stipulated time then the Firm / Consultant shall pay to the Client 0.035% of Contract Price per day (Maximum 5% of Contract Price) of delay

as liquidated damages for such default and not as a penalty. The Client may, without prejudice to any other method of recovery, deduct the amount of such damages from any monies due or to become due to the Firm / Consultant.

22.0 CONFLICT OF INTEREST.

22.1 The Firm / Consultant and its affiliates shall not engage in consulting activities that conflict with the interest of the client under the contract.

23.0 DEFENCE OF SUITS

23.1 If any action in court is brought by a third party against DFCCIL or an officer or agent of the DFCCIL for the failure or neglect on the part of the Firm / Consultant to perform any acts, matter, covenants or things under the Contract, or for any damage or injury caused by the alleged omission or negligence on the part of the Firm/Consultant, his agents/representatives or his sub-Firm/Consultants, drivers or employees, the Firm/Consultant shall in all such cases be responsible and indemnify and keep DFCCIL and/or his representative harmless from all losses, damages, expenses or decrees arising out of such action.

24.0 SETTLEMENT OF DISPUTES

24.1 A notice of the existence of any dispute or difference in connection with this Contract, shall be served by either party within 30 days from the date of existence of such dispute or difference or after the attempt by the parties to the Contract for amicable settlement as per clause 24.2 has failed, whichever is later, failing which all rights and claims under this Contract shall be deemed to have been forfeited and absolutely barred.

24.2 No dispute or difference arising between the parties relating to or in connection with the Contract shall be referred to arbitration unless an attempt has first been made to settle the same amicably.

24.3 Notwithstanding any dispute between the parties, the Firm/Consultant shall not be entitled to withhold, delay or defer its obligation, under the contract, and the same shall be carried out strictly in accordance with the terms and conditions of contract.

24.4 All questions, disputes or differences arising between the Firm / Consultant and the Client, in relation to or in connection with the Contract shall be referred to arbitration in the manner provided as hereunder:

24.4.1 On receipt of such notice, the Client shall send to the Firm / Consultant a panel consisting of the names of three persons and thereafter the Firm / Consultant within fifteen (15) days of receipt of such panel, communicate to the Client the name of one of the persons from such panel and such a person shall then be appointed as Sole Arbitrator by the Officer-in-Charge of the Client.

24.4.2 Provided that if the Firm / Consultant fails to communicate the selection of a name out of the panel so forwarded to him by the Client then after the expiry of the aforesaid stipulated period, the Officer-in Charge shall without delay select one person from the aforesaid panel and appoint him as the Sole Arbitrator.

24.4.3 The Arbitrator to whom the matter is originally referred being transferred or vacating his office or being unable to act for any reason, then the Client shall

appoint another person to act as Sole Arbitrator in the same manner as provided in clause 24.4.1 & 24.4.2 herein above. Such person shall be entitled to proceed with the reference from the stage at which it was left by the predecessor.

24.4.4 Dispute or difference shall be settled in accordance with the Arbitration and conciliation Act, 1996.

24.4.5 The language of the arbitration proceedings and that of all documents and communications between the parties shall be English. The arbitrator award shall be written speaking award.

24.4.6 The cost and expenses of Arbitration proceedings, the expenses incurred by each party in connection with the preparation, presentation etc. of its proceedings shall be borne by each party itself. Fee of the sole arbitrator including clerkage charges & TA/DA if applicable shall be equally borne by the client and the Firm/consultant.

24.4.7 Performance under the Contract shall continue during the arbitration proceedings and payments due to the Firm/Consultant by the client shall not be withheld, unless they are the subject matter of the arbitration proceedings.

----X----

SECTION IV: SPECIAL CONDITIONS OF CONTRACT (SCC)

1.0 SCOPE OF WORK OF INTERNAL AUDIT

- 1.1 **Period & Frequency of Audit:** The appointment of the Audit Firm will be for three financial years w.e.f. 2015-16 to 2017-18 i.e. from 01.04.2015 to 31.03.2018. Internal audit at corporate office shall be conducted in 4 phases (Phase –I covering April to June, Phase- II covering July to September, Phase- III covering October to December and Phase –IV covering January to March). The commencement of Phase – I audit will be on/around 12th July, Phase – II audit will be on/around 12th October, Phase – III audit will be on/around 12th January and Phase – IV will be on/around 12th April and the reports for Phase –I, II, III & IV are to be submitted by 5th of the month following the month of start of the Audit.

Calendar for schedule of Internal Audit at Corporate Office :

S. No.	Particulars	Period Of Coverage	Tentative Start Date	Tentative Date of Submission of Report
1	Phase- I	April to June	12 th July	5 th August
2	Phase- II	July to September	12 th October	5 th November
3	Phase- III	October to December	12 th January	5 th February
4	Phase- IV	January to March	12 th April	5 th May

Presently the Accounting of DFCCIL is centralized at Corporate Office, however, various Contractual payments and other misc. bills are passed at the units. Internal Auditor is supposed to visit all the units atleast once in a year for 2-3 days apart from quarterly audit at Corporate Office. **However, for units where construction work is in progress Internal Audit of the Unit should be carried out for 1 week per unit twice a year.** For this purpose Internal Auditor has to chalk out a programme well in advance and will submit to the GM/RM for approval and information of the Units. At present there are 14 Units of DFCCIL namely Jaipur, Ajmer, Noida, Ahmedabad, Mumbai, Vadodra, Surat on Western Corridor and Allahabad (East), Allahabad (West), Mughalsarai, Tundla, Meerut, Kolkata and Ambala on Eastern Corridor. Out of these at present Jaipur, Ajmer & Surat on Western Corridor and Mughalsarai & Tundla on Eastern Corridor are in construction phase and other units may come in construction phase in coming years.

- 1.2 **Planning:** The Internal Auditor should develop and document a plan for each Internal Audit engagement to help him, conduct the engagement in an efficient and timely manner and as per the pronouncement of the Institute of Chartered Accountants of India.

The firm shall provide the audit schedule well in advance (at least one week before start of audit) for proper arrangements for audit.

1.3 **Scope and functions:**

- a) Internal Auditor should examine the books, records and transactions of the period prescribed for Audit. However, where the circumstances warrant checking beyond the suggested period, the Auditor should extend his checking to that period under intimation to Corporate Office.
- b) Internal Audit should cover the manner of maintenance of books, their adequacy; suggest need of introducing maintenance of other registers/books to safeguard against frauds, misappropriations.
- c) Internal Audit should study the system prevalent in the Company and suggest ways and means for bringing further improvement in the system. He should also report unauthorized variation from the prescribed procedure.
- d) Internal Auditor shall perform all functions as suggested by Standards of Audit issued by the Institute of Chartered Accountant of India and currently in force.
- e) The Internal Auditor will ensure that the information obtained in respect of the operation of the Unit is maintained in strict confidence and secrecy. A Certificate towards maintaining confidentiality is to be provided by the Internal Auditor, to whom appointment letter has been issued, at the time of acceptance of Audit assignment.
- f) Internal Auditor Shall conduct the Audit assignment as per the area and extent of coverage as specified in **ANNEXURE A & B**.

1.4 **Audit Team**

Auditors should deploy a suitable team for undertaking the audit, after a thorough perusal of the requirements of the appointment letter, terms & conditions contained therein, ensuring that the size of the audit team is commensurate with the size of the auditee unit and the volume of work involved.

The Internal Audit department at Corporate Office and Head of Finance of the Unit will coordinate with the Audit Team for smooth functioning of the audit.

It should be ensured that the audit team is headed at all times by a Chartered / Cost Accountant (who may be a Partner) with CISA / DISA and prior experience of auditing on the Tally/SAP-ERP platform and should consist of at least two semi qualified assistants or Article. If the dealing partner / team leader does not have CISA / DISA or does not have prior experience of auditing on the Tally/SAP-ERP platform, then another Chartered Accountant with such qualification / experience should be deployed in addition to the team leader / Partner for the duration of audit.

1.5 **Audit Report**

The auditor should give report for each Phase as per the reporting requirements specified in **ANNEXURE - C**

2.0 **PAYMENT TERMS & CONDITIONS**

2.1 Payment schedule for the Annual Internal Audit fee quoted by the bidder shall be as under:

Yearly KD	Description	% of Fee Payable
I	Completion of quarterly audit for Phase I.	20% of Annual Internal Audit fee
II	Completion of quarterly audit for Phase II.	20% of Annual Internal Audit fee
III	Completion of quarterly audit for Phase III.	20% of Annual Internal Audit fee
IV	Completion of quarterly audit for Phase IV.	40% of Annual Internal Audit fee

Bill for each phase of audit shall be submitted only after completion of the Audit and submission of Quarterly Audit Report, along with the report of units visited during the quarter, to the Management.

2.2 TRAVELLING, BOARDING & LODGING EXPENSES

For Visits to Units, the Audit Team will be reimbursed, one time to & fro journey fare by Air or Rail (Journey should be performed by the shortest route in the entitled class) and lodging & boarding expenses. The entitlements for travelling, boarding & lodging expenses shall be as under:-

Designation	Mode of Travel (Rs.)	Hotel (Rs.) (As per class of City) (Excluding Service Tax & Surcharge)			Daily Allowance
		X	Y	Z	
Partner	Economy class by AIR / AC 1 ST Class by Rail				750
		7500	5000	4000	
Others	AC 2 Tier / AC Chair Car	2500	2200	1200	625

Calculation of Daily Allowance shall be regulated as per clause 10 of Chapter XIV of HR manual of DFCCIL "Travelling and daily allowance for travel on duty". Local Transportation at the units will be provided by the DFCCIL.

- 2.3 The Firm/Consultant shall submit bills, in duplicate, to the Internal Audit Department at Corporate Office. Efforts shall be made for payment to be released to the Firm/Consultant through ECS/EFT within 30 days on receipt of bill complete in all respects. TDS as applicable shall be deducted from the bills of the Firm/Consultant. Bills having cutting and over-writing shall not be entertained unless authenticated by the user. No advance payment shall be made under any circumstances.

The Firm/Consultant shall give consent in a mandate form for receipt of payment through ECS/EFT/RTGS. Charges if any will be on account of the Firm/Consultant.

The Firm/Consultant shall provide the details of Bank Account in line with RBI guidelines for the same. These details would include Bank Name, Branch name and address, Account type (Saving/ Current), Bank A/c No. and IFSC code no. of the bank in **Form V in SECTION V**, a cancelled cheque of the said bank.

SECTION V: PROPOAL FORMS AND ANNEXURES

FORM I

TENDER FORM

To
Addl. General Manager/Finance-III
Dedicated Freight Corridor Corporation of India Limited
Room No 518,
5th Floor, Pragati Maidan Metro Station complex,
New Delhi – 110001

Sub: Proposal for the work “Internal Audit of DFCCIL for FY 2015-16 to FY 2017-18”

Dear Sir,

1. I / We, hereinafter called “The Bidder”, have read and examined the following tender documents relating to the work " Internal Audit of DFCCIL for FY 2015-16 to 2017-18”:

PART – A

- i) **Section-I:** Notice Inviting Tenders (NIT);
- ii) **Section-II:** Instruction to Bidder (ITB);
- iii) **Section-III:** General Terms and Conditions of the Contract (GCC)
- iv) **Section-IV:** Special Conditions of Contract (SCC)
- v) **Section-V:** Tender forms & Annexures

PART – B PRICE SCHEDULE

2. I / We hereby tender for execution of the Services referred to in the documents mentioned in Paragraph -1 above upon the terms and conditions contained or referred to in the aforesaid documents and in accordance in all respects with the specifications, designs, drawings and other details given herein and at the rates contained in “**PART B – Price Schedule**” and within the period(s) of completion as given in GCC and subject to such terms and conditions as stipulated in the contract.
3. I/We agree to keep this tender open for acceptance for a period of 90 days from the date of opening of bid. I/We hereby further undertake that during the said period I/We shall not vary/alter or revoke my/our bid.
4. A sum of Rs.80,700/- (Rupees Eighty Thousand Seven Hundred) only is hereby enclosed in form of Demand Draft/ Banker Cheque issued by a Nationalized or Scheduled Bank of India as Earnest Money. I/We agree that if I/we fail to keep the validity of tender open, as aforesaid and /or I/we indulge in corrupt or fraudulent or collusive or coercive practices or make any modification in the terms and conditions

of our tender on our own accord and/or fail to commence the execution of the works as provided in the documents referred to in Paragraph-1 above, after the acceptance of our tender, I/we shall become liable for forfeiture of our earnest money, as aforesaid and the Client shall without prejudice to any other right or remedy, be at liberty to forfeit the said earnest money absolutely.

5. Should this tender be accepted, I/we agree to abide by and fulfill all the terms and conditions and provisions of the above mentioned tender documents.
6. I/We certify that the Tender submitted by us is strictly in accordance with the terms, conditions, specifications etc. as contained in your Tender Documents, referred to in Paragraph-1 above, and it does not contain any deviations to the aforesaid documents. It is further certified that information furnished in the Tender submitted by us is correct to the best of our knowledge and belief.
7. Unless and until a formal agreement is prepared and executed, this offer together with your written acceptance thereof shall constitute a binding contract between us. I/We understand that DFCCIL is not bound to accept the lowest or any offer it may receive. If our offer is accepted, we undertake to complete the whole/ or part portions of the work as awarded to us within the time stated herein.
8. The particular of our Organization & other relevant details as per the requirement of bid documents are enclosed.

(Signature of person duly authorized to sign the Tender on behalf of the Bidder along with seal of bidder)

Name _____
Signature _____ Designation _____
Date _____ Name of Bidder _____

DETAILS OF THE BIDDER

1. Name of the Firm:
2. Registration No. of the Firm:
3. Date of Registration of the Firm:
4. Details of Head Office & Branch Office(s):

Head Office:

Address	Date of Establishment	Contact No(s)/Fax	E- mail

Branch Office 1

Address	Date of Establishment	Contact No(s)/Fax	E- mail

Branch Office 2

Address	Date of Establishment	Contact No(s)/Fax	E- mail

Branch Office 3

Address	Date of Establishment	Contact No(s)/Fax	E- mail

(Insert further Branch office(s), if any)

5. Details of Partners in the Firm / Limited Liability Partnership:

Sl No.	Name of the Partner	Membership No.	Membership Status ACA/ACMA/ FCA/ FCMA/CISA/ DISA	Date of joining the firm as Partner
1.				
2.				
3.				
4.				

6. Details of Qualified Assistants:-

Sl. No.	Name of the Assistant	Membership No.	Whether ACA/ACMA/FCA/ FCMA/CISA/DISA	Date of joining the firm as Qualified Assistant
1.				
2.				
3.				

7. Details of IFRS Qualified Member:-

Sl. No.	Name of the Member	Membership No.	ACA/ACMA/FCA/ FCMA with IFRS certification/ diploma or similar qualification	Date of joining the firm
1.				
2.				
3.				

8. Details of Semi-Qualified Assistants:-

Sl. No.	Name of the Assistant	Whether Cost/ Chartered Intermediate	Date of joining the firm as a Semi-Qualified Assistant
1.			
2.			
3.			
4.			

9. Details of Technical Experts :

Sl. No.	Name of the Expert	Engineering field in which qualified	Date of joining of the firm
1.			
2.			
3.			

10. Details of Experience in Railway PSU's:

Sl. No.	Name of the Company/Unit	Year of Audit	Type of Audit - whether Statutory or Internal Audit
1.			
2.			
3.			

11. Details of Experience in other than Railway PSU's:

Sl. No.	Name of the Company/Unit	Year of Audit	Type of Audit - whether Statutory or Internal Audit
1.			
2.			
3.			

12. Details of Experience in other assignments:

Sl. No.	Name of the Company/Unit	Year of Audit	Type of Audit - whether Physical verification of Fixed Assets/Stores
1.			
2.			
3.			

13. Readiness for Audit under IFRS compliance guidelines Yes/No

14. Income Tax PAN No. of the Firm:

15. Service Tax Registration No. :

Signature of Partner with
Name & Seal of the Audit Firm.

FORM OF DECLARATION

M/s------(name of Bidder) having its Registered office at ----- (hereinafter referred to as `the Bidder) having carefully studied all the Bid documents relating to the “------(name of the Work)”, the local and site conditions and having undertaken to execute the said works,

DO HEREBY DECLARE THAT:

1. The Bidder is familiar with all the requirements of the Contract.
2. The Bidder has not been influenced by any statement or promise of any person of the Client but only the Contract Documents.
3. The Bidder is financially solvent.
4. The Bidder is experienced and competent to perform the Contract to the satisfaction of Client.
5. The Bidder is familiar with all general and special laws, acts, ordinances, rules and regulations of the Municipalities, District, State and Central Government of India that may affect the work, its performance or personnel employed therein.
6. The Bidder hereby authorize the Client to seek reference from the bankers of bidder for its financial position.
7. The Bidder undertakes to abide by all labour welfare legislations.
8. The Bidder confirm that the provisions of Micro, Small & Medium Enterprise as per MSME Development Act 2006 are applicable/not applicable (strike out whichever is not applicable) to us. Any change in the status of the organization occurring during the currency of the contract shall be informed to the Client.
9. The statement submitted by the Bidder is true and correct.

For and on behalf of the Bidder

Dated:

Sd/-
(To be Signed by Power of Attorney Holder)

**Declaration of Ineligibility
(By the Bidder)**

I/ We, M/s (Name of bidder) hereby certify that I/we have not been banned/de-listed/de-barred from business by any PSU/Govt. Department during last 03 (three) years.

(Seal & Signature of the Bidder)

ECS -FORM

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)
(PAYMENT TO BIDDER THROUGH CREDIT CLEARING MECHANISM) No. :

1. BIDDER'S NAME :
Address :
Phone/Mobile No. :

2. PERTICULARS OF BANK ACCOUNT OF BIDDER:

A. BANK NAME :
B. BRANCH NAME :
Address :
Telephone No. :

C. IFSC code of the Bank
(For payments through RTGS):

D. ACCOUNT TYPE
(S.B. Account/Current Account or
Cash Credit with Code 10/11/13) :

E. ACCOUNT NUMBER
(As appearing on the Cheque Book) :

I hereby declared that the particulars given above are correct and complete. If the
transaction is delayed or not effected at all for reasons of incomplete or incorrect
information, I would not hold the Client responsible.

Date:
(.....)
Signature of the Bidder

Certified that the particulars furnished above are correct as per our records.

(Bank's Stamp)
Date:
(.....)
Signature of the Authorized
Official from the Bank

FORMAT OF BANK GUARANTEE FOR PERFORMANCE SECURITY

Bank Guarantee No.: _____

Dated: _____

To,

**Dedicated Freight Corridor Corporation of India Limited
Pragati Maidan Metro Station Building Complex, Fifth Floor,
New Delhi**

Reference: - Contract No.: _____, Awarded on _____

This deed of guarantee made this day of _____ Between _____ (Name of Bank) having registered office at _____ (hereinafter referred to as "Bank") of the one part, and Dedicated Freight Corridor Corporation of India Limited (hereinafter called the "Client") of the other part.

Whereas Dedicated Freight Corridor Corporation of India Limited has awarded the contract no. _____ for _____ (hereinafter called "the Contract") to _____ (Name of the Firm/Consultant) having its registered office at _____ (hereinafter called the Firm/Consultant).

AND WHEREAS the Firm/Consultant is bound by the said Contract to submit to the Client an irrevocable performance security guarantee bond for a total amount of Rs. _____ (Rupees Amount in words).

Now we the undersigned _____ (Name of the Bank official) being fully authorized to sign and to incur obligations for and on behalf of the Bank, hereby declare that the said bank will guarantee the Client the full amount of Rs. _____ (Rupees. _____ Amount in words) as stated above.

After the Firm/Consultant has signed the afore said Contract with the Client, the Bank further agree and promise to pay the due and payable under this guarantee without any demure merely on a demand from the Client stating that the amount claimed is due by way of loss or damage caused to or would be caused or suffered by the Client by reason of any breach by the said Firm/Consultant of any of the terms and conditions contained in the said agreement or by reason of the Firm/Consultant failure to perform the said agreement. Any such demand made on the bank shall be conclusive as regards the amount due and payable by the bank under this guarantee. However our liability under this guarantee shall be restricted to an amount not exceeding Rs. _____ (Rupees. _____ Amount in words) only.

(Continued from page1, BG No. _____, Dated _____)

We _____ (indicate name of the Bank), further undertake to pay to the Client any money so demanded notwithstanding any dispute or dispute raised by the Firm/Consultant in any suit or proceeding pending before any court or Tribunal relating to liability under this present being absolute and unequivocal.

The payment so made by us (name of Bank) under this bond shall be a valid discharge of our liability for payment there under and the Firm/Consultant shall have no claim against us for making such payment.

We _____ (indicate name of the Bank), to further agree that the guarantee herein contained shall remain in full force and effect during the period that would be taken for the performance of the said agreement and that it shall continue to be enforceable till all the dues of the Client under or by virtue of the said agreement have been fully paid and its claims satisfied or discharged by _____ (designation & address of contract signing authority) on behalf of Client certifying that the terms and conditions of the said agreement have been fully and properly carried out by the said Firm/Consultant and accordingly discharges this guarantee.

Notwithstanding anything to the contrary contained herein the liability of the bank under this guarantee will remain in force and effect until such time as this guarantee is discharged in writing by the Client or until date of validity / extended validity, whichever is earlier and no claim shall be valid under the guarantee unless notice in writing thereof is given by the Client within validity/ extended validity period of guarantee from the date aforesaid.

Provided always that we _____ (name of bank) unconditionally undertakes to renew this guarantee or to extend the period of guarantee from year to year before the expiry of the period or the extended period of guarantee, as the case may be on being called upon to do so by the Client. If the guarantee is not renewed or the period extended on demand, we _____ (name of bank) shall pay the Client the full amount of the guarantee on demand without demur.

We _____ (indicate name of the Bank), to further agree with the Client that the Client shall have the fullest liberty without our consent and without effecting in any manner out of obligation hereunder to vary any of the terms and conditions of the said contract from time to time or to postpone for any time or from time to time any to power exercisable by the Client against the said Firm/Consultant and to forbear or enforce any of the terms and conditions of the said agreement and we shall not be relieved from our liabilities by reason of such variation, or extension being granted to the said Firm/Consultant for any forbearance act or omission on the part of the Client or any indulgence by the Client to the said Firm/Consultant or by any such matter or thing whatsoever which under law relating to sureties for the said reservation would relieve us from the liability.

(Continued from page2, BG No. _____, Dated _____)

The guarantee hereinbefore contained shall not be affected by any change in the constitution of Bank or of the Firm/Consultant.

The expressions "the Client", "the Bank" and "the Firm/Consultant" hereinbefore used shall include their respective successors and assigns.

We _____ (name of Bank) lastly undertake not to revoke this guarantee during its currency except with the previous consent of the Client in writing.

Notwithstanding anything to the contrary contained hereinbefore:

- i) Our liability under this bank Guarantee shall not exceed and restricted to Rs. _____ (Rupees _____ in words).
- ii) This bank guarantee shall be valid up to _____, unless extended on demand by the Client.
- iii) The Bank is liable to pay the guarantee amount or any part thereof under this bank Guarantee only if Client serve a written claim or demand on or before _____ (date) _____.

IN WITNESS WHEREOF we of the Bank have signed and stamped this guarantee on this day of _____ being herewith duly authorized.

Bank Seal

Signature of Bank Authorized Official with seal

Name: _____

Designation:

Address: _____

Witness:

1. Name : _____

Designation: _____

Address: _____

2. Name : _____

Designation: _____

Address: _____

CONTRACT AGREEMENT

Name of the Work: Internal Audit of DFCCIL for FY 2015-16 to FY 2017-18.

This contract agreement is made on the _____ Day of _____ 2014, between, on the one hand, **Dedicated Freight Corridor Corporation Of India Limited** (a Government of India Enterprise)(hereinafter called the "Client") through its authorized signatory, AGM/Finance/III , which expression shall unless excluded by or repugnant to the subject or context include their successors in office and assigns of the ONE PART

and, on the other hand,

M/S _____ **(Name)** _____(hereinafter called the "Firm\Consultant") which expression shall unless excluded by or repugnant to the subject or context include their heirs, executors, administrators, legal representatives and assigns of the SECOND PART.

WHEREAS

- (a) the Client has requested the Firm/Consultant to provide certain consulting services as defined in this Contract (hereinafter called the "Services");
- (b) the Firm/Consultant, having represented to the Client that it has the required professional skills, expertise and technical resources, has agreed to provide the Services on the terms and conditions set forth in this Contract;

NOW THEREFORE the parties hereto hereby agree as follows:

1. The following documents attached hereto shall be deemed to form an integral part of this Contract:
 - (a) Letter of Award;
 - (b) Bid Document (Tender Document) as referred to in clause 1.5 of Section II – Instruction to Bidders (ITB) and any amendment / corrigendum issued in relation thereto.

In the event of any inconsistency Special Conditions of Contract (SCC) shall prevail over the General Terms & Conditions of Contract (GCC).

2. The final contract price for the assignment shall be Rs. _____ (Rupees. _____). However, service tax on fees as applicable shall be paid extra.

3. The mutual rights and obligations of the Client and the Firm/Consultant shall be as set forth in the Contract, in particular:
- (a) the Firm\Consultant shall carry out the Services in accordance with the provisions of the Contract; and
 - (b) the Client shall make payments to the Firm / Consultant in accordance with the provisions of the Contract.

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be signed in their respective names as of the day and year first above written.

For and on behalf of

Dedicated Freight Corridor Corporation of India Limited

(A Government of India Enterprise)

[Authorized Representative of the DFCCIL – name, title and signature]

For and on behalf of “Firm/Consultant”

Partner

[Authorized Representative of the Firm/Consultant – name and signature]

ANNEXURE-A

MAJOR AREAS TO BE COVERED BY THE INTERNAL AUDIT

S. No.	Area of Audit
1	Contracts including works contract, consultancy contract, service contract, other contracts. (Pre-award, execution, documentation, procedure and accounting).
2	Procurement (Pre-award, execution, documentation, procedure and accounting).
3	Accounts including Salary and establishment accounts, fixed asset accounting, Balance Sheet\ Final accounts.
4	Human Resource Department (HR establishment matters)
5	Administration Department including advertisements expenses, hiring of services i.e. security services, vehicle hiring, housekeeping and maintenance, etc.
6	Audit of Advances paid for utility shifting advances and other capital works.
7	Risk Management Process.
8	Budget and variances, if any.
9	Expenditure and Income.
10	Treasury and Fund management.

Details of above and extent of coverage are given in ANNEXURE-B

ANNEXURE-B

AREA & EXTENT OF COVERAGE OF DFCCIL RECORDS BY INTERNAL AUDITOR

Sl.No.	Area of Audit	Extent of Checking
I	<u>A. CONTRACTS :</u> PRE-AWARD AND EXECUTION, DOCUMENTATION AND PROCEDURE	
	i) Contracts with value more than Rs.20 Lakh	100%
	ii) Contracts with value Rs.20 Lakh or less	50%
	<u>ACCOUNTING</u>	
	i) Post check of Contractor's Bill.	100%
	ii) Proper accounting and recovery of advances and retention money.	100%
	iii) Calculation, accounting and recovery of Interest on Interest bearing advances.	100%
	iv) Calculation, deduction and accounting of applicable taxes and duties (i.e. WCT, TDS, Labour cess, Service Tax, VAT etc.)	100%
II	<u>PROCUREMENT</u> PRE-AWARD AND EXECUTION, DOCUMENTATION AND PROCEDURE	
	i) P.Os with value more than Rs.20 Lakh	100%
	ii) P.Os with value Rs.20 Lakh or less	50%
	<u>ACCOUNTING</u>	
	i) Post check of Contractor's Bill.	100%
	ii) Proper accounting and recovery of advances and retention money.	100%
	iii) Calculation, deduction and accounting of applicable taxes and duties (i.e. WCT, TDS, Labour cess, Service Tax, VAT etc.)	100%
III	<u>ACCOUNTS</u>	
	i) Bank Payment Documents, all expenses incurred by the Company including expenditure on EAP funded projects by JICA and IBRD (Payment Vouchers)	100%
	ii) Documents for all the receipts of the company e. g. funds from the government, loans from the World Bank/other external agencies, rents, interest on deposits, other misc. receipts, lease rent and Service Tax etc. (Receipt Vouchers)	100%
	iii) Documents for Adjustments (Journal Vouchers)	100%
	iv) Verification of availability of supporting documents with vouchers including approval by appropriate authority.	100%

	v) Review & scrutiny of general ledger and sub ledgers pertaining to vendors, suppliers & contractors.	100%
IV	<u>SALARY & ESTABLISHMENT – ACCOUNTS</u>	
	i) Post Checking of monthly Pay bill (for 1 month in each half year)	100%
	ii) Checking of Off-Cycle payments w.r.t rules and proprietary aspects (i.e. advances, medical reimbursement, LTC, telephone and mobile reimbursements, laptop reimbursements etc.)	50%
	iii) Deduction of PF and other Statutory dues and payment of contributions.	Sample Checking
	iv) Deduction of Tax at source and the deposit of the same with Government.	Sample Checking
	v) Review of employee Ledgers	Sample Checking
V	<u>ESTABLISHMENT – HR</u>	
	i) Leave Records	100%
	ii) LTC Records	50%
	iii) Documentation for Advances	50%
	iv) Training activities	25%
	v) Lease records	25%
VI	<u>RECORDING OF INCOME</u>	
	i) Income from operating activities, during operations.	100%
	ii) Accounting and calculation of interest from Bank/FD/CLTD.	100%
	iii) Rental Receipt on Sub lease and Income from Facility Management Services on Sub lease including applicable taxes and duties.	100%
	iv) Misc. Other Receipts including applicable taxes and duties.	100%
VII	<u>FIXED ASSET ACCOUNTING</u>	
	i) Accounting & procedure for Purchases and addition during the year	100%
	ii) Accounting & procedure and calculation for profit/loss on sale/ buy back	100%
	iii) Correctness of entry in Fixed Asset Register.	100%
	iv) Verification of Calculation of Depreciation.	100%
VIII	<u>TREASURY AND FUND MANAGEMENT</u>	
	i) Receipt and Utilization of Funds	100%
	ii) Checking of Investment decisions	100%

	iii) Physical verification of cash in hands, cheque in hand and bank guarantees, FDR's.	100%
	iv) Review of Bank Reconciliation Statements (BRS)	100%
	v) Verification of valuation of foreign currency transactions and accounting treatment thereof.	100%
	vi) Verification of end use of funds/loans received for specific purposes.	100%
	vii) Verification of FD's, BG's, PBG's, interest accrued thereon and their safe custody.	100%
IX	<u>BALANCE SHEET/ CLOSING OF ACCOUNTS</u>	
	i) Scrutiny/Audit of quarterly and Annual Consolidation of Balance Sheet.	100%
	ii) Ensuring that all liabilities and provisions including Interest on Loans, if any, and TDS thereon have been made in the Books of Accounts.	100%
X	Checking of deduction/collection and payment of taxes under VAT,WCT, Income Tax, Service Tax, Labour welfare cess and issuance of TDS Certificates and filing of returns.	100%
XI	Audit of all statutory Registers required to be maintained under Companies Act, Income Tax Act, Sales Tax Act, P. F. and Bonus Acts etc. and to ensure their maintenance and their updation.	100%
XII	Physical verification of Stocks and stores.	100%
XIII	Review of Monthly Operations Results	100%
XIV	Review of Risk Management Process , The Internal Auditor would be responsible for the review of the entire risk management process and self-assessments. They would develop a detailed assurance calendar as a part of their annual audit plan and submit the review report to the Risk Management Committee.	100%
XV	Major variation from Budget Estimate and approval thereof.	100%
XVI	Advice on accounting matters required by the Management.	

Note: Items not covered under the above schedule but mentioned in the Programme of Work will be subject to 100% Audit.

REPORTING REQUIREMENTS:

Internal Audit Reports should be divided into four separate parts, namely:

PART-I IMPORTANT OBSERVATIONS, OBJECTIONS AND RESERVATIONS:

This part should contain the auditors comment on all such irregularities or occurrences which auditors want to bring to the notice of management, along-with their financial implications, if any. This part should also bring out deviations (non-compliances) by units\HO from (with) policies, systems and procedures prescribed by DFCCIL. The observations should be arranged in self-contained paras, preferably with suitable titles.

PART – II COMPLIANCE REPORT:

Auditors to Report on compliance of internal audit observations outstanding as at the end of the previous Quarter (that is, as contained in the Report of the preceding phase). For example, while submitting the internal audit report of Quarter – I for the current year (say, 2015-16) it may be ensured that a compliance report on audit observations contained in Quarter - IV report of the previous year (i.e. 2014-15) as well as on such observations contained in reports of earlier years, pending settlement, is included and details of corrective actions taken on those observations are furnished in the current year's Quarter– I audit report.

PART – III REPORT ON TESTING OF EFFECTIVENESS OF INTERNAL CONTROLS:

The Auditors of the company are required to comment on the adequacy of the internal control system of the DFCCIL considering the size of the company and the nature of its business. The Internal Auditor should focus towards improving the Internal Control Structure and promoting better Corporate Governance. Internal Auditors should assess whether all the required Internal Control Systems and procedures are in place in DFCCIL and are operating effectively. Auditors should also assess the shortcomings in the existing Internal Control Systems and procedures and give their suggestions on the steps to be taken by DFCCIL to strengthen the existing Internal Control Systems and procedures.

PART – IV DETAILED REPORT:

This part shall comprise auditor's detailed observations regarding areas specified. However, non-compliance with the matters / areas which are identified in Part I of the report, should also be invariably detailed in Part IV.

The following may also be kindly ensured:

(i) The report should be supplemented, **in each phase**, by a statement indicating:

- (a) Particulars of records checked along with their volume and value as compared to the total volume and value of the transactions.
 - (b) A statement indicating the audit personnel deployed, their designation and the period of deployment in each Quarter.
-
- (ii) The report should also contain references to areas where no adverse observations have been noted. In respect of other areas, specific suggestions for improvement, if any, may also be highlighted for each area.
 - (iii) The Report should be discussed by the partner of the Firm/ in charge of the Audit with GM/RM or the person nominated by him/her before submission of the report in Corporate Office so that the minor discrepancies are rectified in their presence locally. They should obtain the Signature of the authority so nominated as a proof of having discussed the Report.
 - (iv) The results of audit of Units should be discussed with Head of the Unit (CPM) and Finance in each phase and important observations should be brought to their notice so that timely corrective actions may be taken. The report should be prepared after duly taking into account the additional information that may be provided / obtained at such discussions.
 - (v) The reports are to be submitted in two copies for each quarter to the Corporate Internal Audit Department of DFCCIL at New Delhi. Contents of Internal Audit Report are also to be submitted in a soft copy through email to the following ID's sbahel@dfcc.co.in and aagarwal@dfcc.co.in.
 - (vi) In each quarter, the Auditor shall also certify compliance with all statutory obligations. In case there are deficiencies, the same will be brought to the notice of the Management in Part-I of the report depending upon the nature of the deficiency with a view to enabling DFCCIL to take timely remedial action.
 - (vii) The Internal Auditor should keep themselves informed about the latest policy decisions of the Company by going through the Circulars issued from time to time by the Company on various subjects including Schedule of Powers.
 - (viii) **Extent of Internal Audit shall be as per Annexure 'A' & 'B'.**

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SELECTION CRITERIA (POINT ALLOCATION) WILL BE AS FOLLOWS:

SL. NO.	PARTICULARS	POINTS TO BE ALLOCATED	MAXIMUM POINTS
1.0	Year of Establishment of the Audit Firm/Limited Liability Partnership Firm	1 (one) per year in existence (fraction of the year to be ignored)	17 (Seventeen)
2.0	No. of Partners in the Firm/Limited Liability Partnership Firm who are with the Firm for a minimum period of one year as on date of application.	a. 2 (two) for each Partner who is ACA/ACMA b. 3(three) for each Partner who is FCA/FCMA	24 (Twenty Four)
3.0	Number of ACA/ACMA/FCA/FCMA (who may be a Partner) with CISA / DISA	2 (two) per ACA/ACMA/FCA/FCMA	04(Four)
4.0	Number of ACA/ACMA/FCA/FCMA (who may be a Partner) with IFRS certification/ diploma or similar qualification)	1 (one) per ACA/ACMA/FCA/FCMA	02(Two)
5.0	No. of Qualified Assistants (Chartered/Cost Accountants) employed with the Firm	2 (two) per Qualified Assistant	14 (Fourteen)
6.0	No. of Semi-qualified Assistants (CA /Cost Intermediates, M. Com.) employed with the Firm	1 (one) per Semi-qualified assistant	10 (Ten)
7.0	No. of Technical Experts having Engineering background	2 (two) per Expert	4 (four)
8.0	Experience of the Firm in Infra Sector Company like Construction of Railways, Roads/Highways, Airport, Metro Rail, Sea Port, Power Projects etc. as Statutory/Internal Auditors	3 (three) per year of Audit (fraction of the year to be ignored)	15 (Fifteen)
9.0	Experience of the Firm as Statutory/Internal Auditors in Corporations owned /Controlled by Central/State Government	2 (two) per year of Audit (fraction of the year to be ignored)	10 (Ten)
	Total points		100 (Hundred)

COMBINED QUALITY AND COST EVALUATION

The lowest evaluated Financial Proposal (Fm) will be given the maximum financial score (Sf) of 100.

The formula for calculating the **financial scores (Sf)** of all other Proposals is determined as follows :

$$Sf = 100 \times Fm / F,$$

Where,

“Sf” is the financial score of the proposal under consideration;

“Fm” is the quoted price of the lowest evaluated Financial Proposal; and

“F” the quoted price of the proposal under consideration.

The **technical score (St)** for each responsive proposal will be as calculated by evaluation committee as per selection criteria (point allocation) as given in ANNEXURE C

The **weightage** given to the Technical (T) and Financial (P) Proposals are:

$$T = 70 \% \text{ and}$$

$$P = 30 \%$$

Proposals will be ranked according to their **total (combined technical and financial) scores (S)** using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal) as following:

$$S = St \times T\% + Sf \times P\%.$$

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CHECKLIST

Bidders Name:

SN	Items Description	Reference	Enclosed
1.	Tender Form in original (duly signed & stamped)	Form I of Section V	YES/NO
2.	Details of Bidder in Form II	Clause 13.4 of ITB & Form-II of Section V	YES/NO
3.	Duly signed Form III	Section V read with Clause 3 (e) of NIT and clause 2.2(e) of ITB	YES/NO
4.	Duly signed Form IV	Clause 4 of NIT and clause 2.3 of ITB	YES/NO
5.	Duly filled Form V	Clause 2.3 of Section IV	YES/NO
6.	Firm certificate of registration issued by the Governing Body / Institute and copy of partnership deed.	Clause 3 (a) of NIT and Clause 2.2 (a) of ITB	YES/NO
7.	Proof of registered address of the firm.	Clause 3 (b) of NIT and Clause 2.2 (b) of ITB	YES/NO
8.	Copy of letter of Award issued by the client to be submitted as proof of satisfactory completion of one similar work	Clause 3 (c) of NIT and Clause 2.2(c) of ITB	YES/NO
9.	Certified true Copy of audited annual accounts to be submitted as a proof of Payment/ Fees received	Clause 3 (d) of NIT and Clause 2.2 (d) of ITB	YES/NO
10.	Other certificates	Clause 3 (e) of NIT and Clause 2.2 (e) of ITB	YES/NO
11.	Cost of Bid document in case same is downloaded from website	Clause 1 read with clause 9 of NIT	YES/NO
12.	EMD / Bid Security	Clause 4.0 of ITB	YES/NO
13.	Authorization letter in favour of person signing the bid documents	Clause 6.0 of ITB	YES/NO
14.	Registration Certificate of Service Tax	GCC Clause 8.1	YES/NO
15.	Price Schedule	Part B read with clause 5.1 of ITB	YES/NO
16.	Complete bid document duly signed by bidder	Clause 9.0 of ITB	YES/NO

(In case answer to any of the above is in 'NO', the bid shall be liable to be rejected)

*The Bid documents should be serially numbered and properly indexed

DFCCIL
(A Government of India Enterprise under Ministry of Railways)

FINANCE DEPARTMENT

INVITATION TO BID

**Name of Work: Internal Audit of DFCCIL for FY 2015-16 TO
FY 2017-18**

PART - B (PRICE SCHEDULE)

**Tender No. : DFCCIL/HQ/Internal Audit/Contract
Agreement/2015**

April 2015

**Dedicated Freight Corridor Corporation of India Ltd.
5th Floor, Pragati Maidan Metro Station Complex
New Delhi - 110001**

PRICE BID

The bidder is required to quote **YEARLY LUMP SUM PRICE** for Professional Charges\Audit Fee for the Financial Years 2015-2016, 2016-2017 & 2017-2018 for the **entire scope of Work as per clause 1 of Section IV: Special Conditions of Contract.**

For Visits to Units, the Audit Team will be reimbursed, one time to & fro journey fare by Air or Rail (Journey should be performed by the shortest route in the entitled class) and lodging & boarding expenses. The entitlements for travelling, boarding & lodging expenses shall be as detailed in the payment terms in Special Conditions to the contract (SCC). No additional payment will be admissible on any account.

S · N ·	Particulars	Amount in figures (Rs.)	Amount in words (Rs.)
1.	Annual Internal Audit Fees for the financial year - 2015-2016		
2.	Annual Internal Audit Fees for the financial year - 2016-2017		
3.	Annual Internal Audit Fees for the financial year - 2017-2018		
4.	Total For Three Years		

Service tax on fees as applicable shall be paid extra.

*Rates to be quoted in figures as well as in words. In case of difference between quotes in figures and words, the quotes in words shall prevail.