



Lucknow Metro Rail Corporation Limited

(A Joint Venture of Govt. of Uttar Pradesh and Govt. of India)
Administrative Building,
Near Dr. Bhimrao Ambedkar Samajik Parivartan Sthal,
Vipin Khand Gomti Nagar, Lucknow - 226010

EOI No: LMRC/Internal Audit/2017/002 Dated
31-05-2017

**Sealed offers are invited in 2 packet system from
Chartered Accountant firms/LLPs empanelled with
CAG for the Internal audit of Lucknow Metro Rail
Corporation Limited**

Please visit www.lmrc.com for details of the EOI and for downloading of EOI documents.

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LUCKNOW METRO RAIL CORPORATION LIMITED



EOI DOCUMENT FOR LMRC INTERNAL AUDIT

EOI No: LMRC/Internal Audit/2017/002 Dated 31-05-2017

| | | |
|------------------------------|---|--|
| Notice inviting Tender | : | June 1 st 2017 |
| Pre Bid Discussion | : | June 22 nd 2017 |
| Date of Bid Submission | : | June 30 th 2017 (15:00 hrs) |
| Date of Technical Evaluation | : | July 14 th 2017 |
| Financial Bid Opening | : | July 25 th 2017 (15:00 hrs) |
| Award of Contract | : | August 01 st 2017 |

Sealed offers are invited in 2 packet system from Chartered Accountant firms/LLPs empanelled with CAG for the Internal audit of Lucknow Metro Rail Corporation Limited

LUCKNOW METRO RAIL CORPORATION LIMITED

TERMS OF REFERENCE FOR OUTSOURCING OF INTERNAL AUDIT

1. BACKGROUND

Lucknow Metro Rail Corporation Limited (LMRC), hereinafter referred to as the Client, is the Special Purpose Vehicle of the Government of India and the Government of Uttar Pradesh for implementation of the Lucknow Metro Rail Project. The project is planned to be commissioned in Phases based upon the completion of work.

The project aims to alleviate the traffic problems of the city and reduce vehicular pollution. The Client intends to invite expression of interest to carry out an Internal Audit function for the project and operations activities. The period of audit shall be of 2 years and 6 Months starting from 01/10/2017, renewable every financial year or part thereof on mutually agreed terms.

2. PURPOSE

The Internal Audit service is responsible for providing an independent audit of the entire project and operational activities, financial or otherwise. It should provide a service to the whole organization, including all the levels of management. It is not an extension of, nor a substitute for, good management, although it can have a role in advising management. The Internal Audit service is responsible for evaluation and reporting to Board through Director Finance and thereby providing assurance on the arrangements for risk management, control, governance & quality of data.

Based on above, LMRC invites expression of interest from Chartered Accountant firms/LLPs empanelled with CAG to conduct risk based assessment, identifying the potential risk areas and agree on an annual concurrent internal audit plan for the period of 2 years and 6 Months from 1/10/2017 , renewable every financial year on mutually agreed terms.

3. ELIGIBILITY CRITERIA:

Chartered Accountants Firms/LLP empanelled with CAG must qualify in the following minimum criteria:

| Sl. No. | Particulars | Minimum Criteria |
|---------|---|---|
| 1 | Number of Full Time Partners continuously associated with the firm/LLP for not less than 5 years , who shall be a member of Institute of Chartered Accountants of India | 5 Nos. |
| 2 | Turnover of the firm/LLP (Average Annual turnover of the firm in last three financial years i.e. 2013-14, 2014-15 & 2015-16.) | Rs. 50 Lacs. |
| 3 | No. of Years of Firm/LLP Existence (At least One Existing partner should be continuing for last 15 years with the Firm) | Not less than 15 Years |
| 4 | The firm/LLP should have in existence its Head Office / Branch Office in Lucknow and having minimum staff strength of atleast 5 personnel. The staff would include Articles/Audit Clerk, semi-qualified and qualified personnel. | At least 10 Years |
| 5 | No. of assignments of Internal/ Statutory Audit of Corporate/PSUs entities except Bank/ Branch Audit having an annual turnover of not less than Rs. 100 crores in the year of audit . Experience in PSU particularly infrastructure sector as Statutory/ Internal Auditors and ERP environment is desirable. The experience in such assignments for the preceding 3 financial years shall only be considered. | At least 5 Nos. of which minimum 2 Nos. should be PSU entities. |

Any firm/LLP not qualifying these minimum criteria need not apply and their proposal shall be summarily rejected.

Supporting Documents for Eligibility Criteria:

The letter from CAG for empanelment of the firm should be enclosed. Following supporting documents must be submitted by the firm along with the technical proposal:

- i. For Sl. No. 1 above, the firm/LLP must submit an attested copy of Certificate of the Institute of Chartered Accountants of India (ICAI) with respect to its constitution.
- ii. For Sl. No. 2, the firm must submit a copy of the balance sheet & Profit and Loss Account for the last three financial years as mentioned.
- iii. For Sl.No.3, the firm shall submit a declaration for no of years in existence and certificate from the Institute of Chartered Accountants of India (ICAI).
- iv. For Sl. No.4: A declaration from the audit firm in the letter head stating that they have Head Office / Branch Office in Lucknow at least for 10 Years.
- v. For Sl. No.5: The firm must submit a copy of the appointment letters from the auditee organizations and Annual reports or any other document evidencing the turnover of the auditee organizations.

4. SCOPE OF THE WORK

The Internal Audit Service will consider the adequacy of controls, necessary to secure propriety, economy, efficiency and effectiveness in all areas. It will seek to confirm that management have taken the necessary steps to achieve these objectives and manage the associated risks.

The scope of Internal Audit work should cover all project, operational and management control and should not be restricted to the audit of systems and controls necessary to form an opinion on the financial statements.

The audit will be carried out in accordance with the relevant standards of auditing, and will include such tests and controls as the auditor considers necessary under the circumstances. The scope & responsibilities of the Internal Audit function includes the following both in the project phase and the operational phase.

1. Supervising day to day accounting of payments & receipts of revenue and capital nature as per the various contract terms.
2. Suggesting the correct accounting treatment in proper accounting heads if there are any wrong postings or classifications.
3. Supervision of periodic statutory compliance under various acts such as Companies Act, Income Tax Act, Service Tax Rules, VAT, Customs Act, Labour Cess Act, Excise Act, CST Act etc.
4. Supervision of periodic statutory returns viz., E-TDS returns and VAT returns and any other statutory returns pertaining to Finance and Accounts.
5. To suggest suitable methods and latest updates on mandatory requirements with regard to Finance and Accounts and taxation matters under various statues related to accounting.
6. To monitor the achievement of organizational objectives.
7. To advise on, formulate and evaluate policy within the responsibilities of the Board of Directors.
8. To ensure compliance with manuals, policies, delegation of powers, laws and regulations including all statutory requirements.
9. To ascertain the integrity and reliability of financial and other information provided to management and stakeholders, including that used in decision making.
10. To review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts;
11. Verify that the system of internal check and internal control is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications;
12. Verify that the system of internal check and internal control is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications;
13. Identify areas of significant inefficiencies in existing systems and suggest necessary remedial measures;
14. To ensure that capitalization of assets is done accurately.
15. To suggest all requisite information and support for implementation of suitable ERP system and also to ensure adequate controls are developed within the ERP system to be procured to serve the above objectives.
16. Conducting special assignments and investigations on behalf of the

Audit Committee/Managing Director/Director (Finance) into any matter or activity affecting the probity, interests and efficiency of the LMRC, if required separately.

17. To be involved in physical verification of assets of the company twice in a year by 30th September and 31st March.
18. To ensure adequacy of various manuals in the Company and advise suitable modifications to the Management from time to time.
19. Checking of all items of Revenue/income and expenses/Expenditure on concurrent basis for their accuracy and reliability.
20. The audit compliance includes the 100% audit of vendors' bill and complete & detailed audit verification of the final bill of the contractors for the project activity within the time frame as per LMRC existing policy & procedures.
 - i) To verify and scrutinize payments to contractors with reference to respective agreements and adjustment thereof while accounting for the work done by them and ensure that deductions in respect of mobilization & other advances, statutory deductions, etc. are correctly made from the bills. Also verify that all accounts are reconciled from time to time.
 - ii) To verify work-in-progress with reference to field records such as Interim payment certificates and certification of progress issued by the executive, quantum of work-in-progress recorded should be compared with work orders/ contracts and subsequent approvals for variations, to ensure that payments are duly authorized.
 - iii) To check that adjustments for returns, shortages, damages and unserviceable stores and materials at sites are properly made.
 - iv) To ensure compliance of all contract/agreement conditions pertaining to finance and accounts, taxation and other applicable commercial laws/provisions.
 - v) To review terms and conditions of tender documents and agreements, verification of bank guarantees, insurance policies and specific emphasis to be given on final payments.
 - vi) To plug loopholes, which might have crept in the system due to passage of time and complacency on the part of persons particularly, engaged in financial concurrences, release of payments, updating accounting records, authorizations as per Financial Accounting System etc.
21. Any other issue or matter referred by the management for detailed Checking from time to time including pre-audit in any area of finance and accounts in the time frame given by the management.
22. An itemwise list of scope of work is given as per ANNEXURE-A. As it is a pilot project in the State of Uttar Pradesh, the Scope of work given below is illustrative and not exhaustive. There might be addition or deletion depending on the circumstances which shall have to be factored in the scope of work. Further it is subject to modification on the advice of the internal auditor to incorporate the best and qualitative prevalent auditing practices and any other applicable statutory norms/provisions.

5. PERIOD OF INTERNAL AUDIT

The period of internal audit would be two and Half years commencing from 01/10/2017, renewable for second financial year on mutually agreed terms and it shall be running concurrently with the year during which the audit is done. Audit observations noticed during concurrent audit shall be rectified immediately. An audit report will be submitted quarterly in respect of any issues to be resolved. The appointment letter of auditors shall contain the details of date of commencement of audit, completion of audit work in each phase, the date by which reports are to be submitted and phase-wise fees payable.

6. INTERNAL AUDIT REPORTS

- a) The report should be structured in a manner to provide the following:
- (a) audit observations; (b) implications of the observations; (c) suggested recommendations; (d) management's comments/agreed actions and (e) status of actions on the previous recommendations and discussion note duly signed by both auditor and auditee. In addition, the internal auditor should prepare and submit a consolidated report on a quarterly basis, summarizing the individual contract package wise interim reports and highlighting the critical issues which require the immediate attention of LMRC. The reports should be submitted to LMRC within 15 days of the close of each quarter. The auditor should discuss results of audit with the Director Finance of LMRC and the Audit Committee. The report in respect of LMRC shall be submitted in triplicate for each phase along with a soft copy.
 - b) Submission of pre-audit observations in respect of Contractor's bills / non routines for the cases referred for pre-audit. Pre-audit observations on scrutiny of Contractors bills shall however be submitted within a working day as and when referred by Finance Division of LMRC so as to release payments to contractors bills within the time frame. The pre audit observations of contractors bills shall be made in the respective files of the relevant note file.
 - c) The Internal Audit should report to the Audit Committee any serious weakness, significant fraud or major accounting breakdown discovered during the normal course of audit through Director (Finance).
 - d) The manner and intervals in which the internal audit shall be conducted and reported to the Board shall also be in compliance with the Companies Act 1956/2013 and other applicable statutory norms and provisions

7. RIGHTS OF THE INTERNAL AUDITOR

The Internal Auditors has rights of access to all LMRC records, information and assets which considers necessary to fulfill the responsibilities. The Head of Internal Audit shall have a right to direct access to the Director (Finance) / Managing Director and the Audit Committee.

8. RESPONSIBILITY

The responsibility of the Internal Auditor would be:

- Maintain a professional audit staff with sufficient knowledge, skills, experience, and professional certifications to meet the requirements of this Charter.
- Evaluate and assess significant merging/consolidating functions and new or changing services, processes, operations, and control processes coincident with their development, implementation, and/or expansion.
- Issue periodic reports to the audit committee and management summarizing results of audit activities, including significant audit issues and management action plans.
- Keep the audit committee informed of emerging trends and successful practices in internal auditing.
- Assist in the investigation of significant suspected fraudulent activities within the organization and notify management, the external auditors and the audit committee of the results.
- Consider the scope of work of the external auditors and regulators, as appropriate, for the purpose of providing optimal audit coverage to the organization at a reasonable overall cost.

9. OTHER TERMS AND CONDITIONS:

1. Firms selected by LMRC shall maintain ethics of faith and the information provided by LMRC shall be kept 'strictly confidential'. The firm shall execute "Confidentiality Non-Disclosure Agreement" before commencement of the Internal Audit Assignment.
2. The selected audit firm shall deploy required personnel who must be at least Semi-qualified of which one shall be a qualified member (Chartered Accountant) to administer the day-to-day audit activity. The audit firm shall employ such more qualified and experienced Personnel as and when required for internal audit. The firm shall furnish the list of personnel deputed for LMRC audit with details before commencement of audit. If for any reason beyond the reasonable control of the Audit Firm, it becomes necessary to replace any of the Personnel, the Audit Firm shall forthwith provide as a replacement, a person of equivalent or superior qualification. The Audit party will consist of sufficient number of experienced and qualified professionals in relevant field.
3. The company can determine the manner and intervals in which the Internal Audit shall be conducted and reported to the Board to comply with the Companies Act 2013 and other statutory norms and provisions.
4. In case of any dispute, the decision of MD, LMRC shall be final and binding.
5. All assignments shall be carried out with due diligence maintaining quality of work done and in least possible time.
6. All reporting including MIS shall be done on concurrent basis as required by LMRC from time to time.
7. LMRC reserves the right to cancel selected firms, if it considers necessary.
8. The Audit work being conducted by the firm will be subject to supervision

- by Finance and Accounts Division of LMRC as and when required to ensure that the work is progressing as per agreed plan.
9. In case of non-fulfillment of any instructions issued by LMRC, LMRC will be Entitled to cancel the audit work without any obligations.
 10. The successful firm shall not be entitled to claim any additional amount for any reason whatsoever for the above audit work.
 11. The LMRC reserves the right to reject any or all offers received without assigning any reasons.
 12. These are only proposed draft terms and conditions and can be modified at any time by the LMRC at its sole discretion.

10. CONTENTS OF THE EOI PROPOSAL

This is a two bid open EOI .The firm/LLP has to submit the offer in two different packets. One packet will be for technical bid packet 'A' and another packet will be for financial bid as packet 'B'. The packet 'A' shall be superscripted as "Technical & Commercial Cover" and the packet 'B' shall be superscripted as "Financial Bid". Both the covers should be in sealed condition and placed in a larger cover which should be superscripted with the EOI No. LMRC/Internal Audit/2017/002. The EOI shall be addressed to General Manager (F), LMRC.

- (i) Technical bid (Packet A) will be opened on due date (as per mentioned in EOI). This packet must contain the following:
 - a. A proposed plan of action to achieve the objectives of the internal audit function of LMRC. Such a plan should cover short- and medium-term steps to manage the internal audit function;
 - b. The name of the staff who will be available for the duration of the work;
 - c. An undertaking to ensure continuity of staff on the project;
 - d. Finally, all the supporting documents as in clause 3 as above to assess the eligibility criteria/technical evaluation may also be furnished.
 - e. The document should be indexed and each page of the documents is required to be numbered and signed by one Partner of the firm. The documents / certificates in support along with the tender shall also be signed by one Partner.
- ii. Financial bid (Packet B) will be in the separate sealed envelope, which will contain
 - a) Price bid as per Forms Fin 1
 - b) In Case the bidder disqualifies technically, bidders' unopened financial bid will be returned in sealed intact condition.

11. "PROFESSIONAL CHARGES/PRICE"

The professional charges/ price is to be in Indian currency (INR) which shall be furnished in the Form Fin 1 for one year. The quoted price shall be valid for a period of 120 days from the opening date of EOI. The quoted Professional charges/price excluding service tax shall remain fixed for 2 years and 6 Months in case the audit assignment is renewed for second year. However, service tax shall be reimbursed at actuals as applicable. If there is any increase or decrease in the service taxes due to change in applicable law or implementation of GST, etc. during the currency of contract, such additional or reduced cost shall be paid by or credited to the Client.

12. EVALUATION CRITERIA FOR SELECTION OF AUDITOR

(Expression of Interest)

a) Technical evaluation:

The Evaluation Criteria for selecting the auditor are mentioned below:

| Sl No | Evaluation Criteria | Maximum marks |
|-------|--|---------------|
| 1 | Number of Partners (Partners should necessarily be a member of Institute of Chartered Accountants of India) (4 marks up to 5 partners, 1 for each additional partner) | 10 |
| 2 | Branch office and have adequate staff to undertake audit work at Lucknow. The staff includes Articles, Audit clerks semi qualified professionals and qualified professionals. The marking Shall be Upto 5 staff (3 Marks) More than 5 Staffs -Article/Audit Clerk (1 mark) -Semi-Qualified Staff (2 Marks) -Qualified Staff (3 Marks) | 15 |
| 3. | No. of assignments in ERP environment in preceding 7 years. 5 Marks upto 5 assignments, 1 mark each for additional assignments. | 10 |
| 4. | No. of internal / statutory audit undertaken during last 7 years of corporate entities or PSU (whose annual turnover is more than Rs.100 crore in the year of audit) (4 marks for each assignment, maximum 10 assignments) | 40 |
| 5. | No. of years of firm in existence (to be counted from the years from which one of the existing partner is with the firm) (5 Marks for 15 years, 1 mark each for additional year) | 10 |
| 6. | Turnover for the last three years of the Firm / LLP More than Rs. 50 Lacs – 5 marks for each year. | 15 |
| | Total Marks = S_T | 100 |

**evidence of turnover being more than Rs.100 Crores shall be furnished by the firm viz auditee's Annual report etc.*

*** declaration of staff strength be furnished along with technical bid*

The Minimum qualifying mark is 65% on technical evaluation.

b) Financial evaluation:

The formula for determining the financial scores is as below:

$S_F = 100 \times F_m / F$ where SF is the financial score, F_m is the lowest price quoted by any consultant and F the price quoted by the firm.

The weights given to the Technical & financial proposal are:

T = 0.7 & F= .3

Total of all the score = $S_T \times 0.7 + S_F \times 0.3$

13. REGULATION OF AUDIT FEES

The payment of Audit Fees as fixed will be made only after completion of Audit Work and submission of Audit Report for every quarter on pro rata basis. Completion of Audit includes conduct of audit, submission and discussion of report with LMRC. LMRC will not pay any advance to the selected audit firm under any circumstances.

Bill for Audit Fees will be submitted to the Finance & Accounts Division of LMRC along with a certificate indicating that audit work has been completed as per the agreed terms and conditions along with discussion note.

LMRC shall cause payment to the Audit Firm to be made in quarterly basis within 30 days from the date of receipt of the bill along with supporting documents. Tax as applicable will be deducted at source and tax deducted certificate will be issued as per the law in force.

14. PENALTY

Penalty shall be recovered from fees/amount payable to CA/LLP firm on late submission of Audit Reports. The penalty shall be levied @ Rs.1000/-(One thousand only) per week or part of the week of the delay in submission of the Audit Report, subject to maximum 10% of the quarterly billing.

15. TERMINATION

Any party of the Contract may terminate the Contract at any time by one month's written notice to the other party.

Upon termination of the contract, or at any time if so requested in writing by LMRC, the audit firm will return or destroy within thirty (30) days all confidential information of LMRC and any copies thereof it may hold at such time.

16. ARBITRATION

In case of any dispute, it shall be referred to Arbitration. The sole arbitrator will be appointed by the Managing Director.

The Arbitration shall be as per Indian Arbitration and Conciliation Act, 1996 as amended up to date.

The place of Arbitration shall be Lucknow and the language will be English.

Lucknow Metro Rail Corporation Limited

Annexure-A

INTERNAL AUDIT – SCOPE OF WORK

Project Phase

| A) | ALL ROUTINE VOUCHERS PROCESSED BY F&A | Frequency |
|-----------|---|--------------------------------|
| | 1. All contract payments | On Event |
| | a. Underground Station Works | On Event |
| | b. System package Works | On Event |
| | c. General Consultants | On Event |
| | d. Civil/ Elevated Station Works | On Event |
| | e. Any other packages related to the project | On Event |
| | f. Full & Final Settlement of contractors | On Event |
| | g. Providing all necessary information for arbitration process | On Event |
| | h. Validity and value of Bank Guarantees and Insurance policies | On Event |
| B) | ALL REGULAR AND ADMINISTRATIVE TRANSACTIONS | |
| | a. Cash | Daily |
| | b. Bank | Daily |
| | c. Journal entries | Daily |
| | d. All expenditures connected with project | Daily |
| | e. Legal, Printing & Stationery, all utilities, courier, telephone, mobile, professional charges | Daily |
| | f. Any other regular/non-regular payments apart from the above list | Daily |
| C) | MONTHLY DISBURSEMENTS | |
| | a. Payroll payment | Monthly |
| | b. Recurring monthly vendor bills / all admin related transactions (Rent, Electricity, Utilities, Stationery etc) | Monthly |
| D) | BANK RECONCILIATION | |
| | a. Bank Reconciliation | Fortnightly |
| | b. Confirmation of balance | Monthly |
| | c. Fixed Deposit – Renewal / Closure | Monthly |
| | d. Cash Drawings | Monthly |
| E) | MANAGEMENT INFORMATION SYSTEM | |
| | a. Fortnightly Reports | Fortnightly |
| | b. Monthly Budgets / Variance Report | Monthly |
| | c. JICA related matters – JICA claims – Forecast Vs Actual | Monthly |
| | d. Externally aided project – Report to GoTN | Monthly |
| | e. Package-wise cost allocation / utilization | Monthly |
| F) | OTHER REPORTS | |
| | a. Physical Verification of cash | Surprise Check |
| | b. Physical Verification of Fixed Asset / Inventory | Half Yearly |
| G) | STATUTORY COMPLIANCE | |
| | Income Tax | |
| | 1. Advance tax Projection | Quarterly |
| | 2. Salaries – TDS – Planning | Annually |
| | 3. Foreign Remittance Compliance & Form 15CA / 15CB | Event Basis |
| | 4. Wealth tax | Annually |
| | 5. TDS remittance in all respect (194C – 194LA) | Monthly |
| | 6. E – TDS compliance | Monthly/Quarterly/ Annually |
| | 7. PF remittance / filing | Monthly |

| | | |
|-----------|--|------------------------|
| | 8. ESI compliance / Remittance & Filing | Monthly |
| | 9. VAT / CST – Remittance Filing | Monthly |
| | 10. VAT TDS – Remittance / Filing | Monthly |
| | 11. Labour Cess – Remittance / Filings | Monthly |
| | 12. Service Tax | Monthly |
| | 13. Companies Act, 2013 | Quarterly |
| | 14. Foreign Exchange Management Act, 1999 | Quarterly |
| | 15. Labour Laws | Quarterly |
| | 16. Indian Contract Act, 1872 | Quarterly |
| H) | REVENUE SEGMENT – (PROJECT PHASE AND O&M PHASE) | |
| | 1. Interest Receivables | Monthly |
| | 2. Other Incomes | Daily |
| | a. Sale of tender Doc | Monthly |
| | b. Sale of other items | Monthly |
| | 3. Fare Box Revenue | Daily |
| | a. Daily Collection Reports verification | Regular |
| | b. Revenue collected in advance – unutilized fare box revenue/ smart card | Fortnightly |
| | 4. Non-Fare box revenue | Daily |
| | a. Rental Income from Property | Monthly |
| | b. Advertisement & Hoarding | Monthly |
| | c. Other Incomes – Advance | Monthly |
| | | |
| I) | O&M RELATED EXPENDITURES | |
| | a. Stores items | Daily |
| | b. Capital Expenditures | Daily |
| | c. Energy – Electricity / Diesel / Solar | Daily |
| | d. Water procurement | Daily |
| | e. Salary | Daily |
| | f. All vendors payments related to O&M – House Keeping, Facility management, Security, CRM etc | Daily |
| | g. Imprest Management – Depot / Stations | Daily |
| | h. Repairs & Maintenance | Daily |
| | i. Insurance | Daily |
| | j. Any other recurring and non-recurring expenses relating to O&M | Daily |
| | | |
| J) | FINALIZATION OF ACCOUNTS | |
| | 1) Providing all necessary support to F&A team for finalization of accounts | Half yearly / Annually |
| | 2) Obtaining confirmation of balances from various parties – Debtors / Creditors/ banks / Others | Annual |
| | 3) Providing all support in preparation of annual accounts and providing clarification to Statutory / CAG Auditors | On event |
| | 4) Providing support in filing of XBRL returns by the Practicing Company Secretary | Annual |
| | | |
| K) | AUDITING OF OTHER DEPARTMENT/DEPOT/STATIONS | |
| | Prime Consultants | Monthly |
| | General Consultants | |
| | HR / Administration | |
| | Public Relations | |
| | DRO – Land related matters | |
| | Vigilance | |

| | | |
|--|---------------|--|
| | All technical | |
|--|---------------|--|

| | | |
|-----------|--|-----------------------|
| | Stores – Depot | Monthly |
| | Stations | |
| | Legal | |
| | Secretarial | |
| | Insurance claims lodged by / against the Company | |
| | | |
| L) | REPORTING | |
| | 1. Internal Audit Program – Annual | March |
| | 2. Quarterly reports | |
| | Qtr I – April – June | July 15 th |
| | Qtr II – July – Sep | Oct 15 th |
| | Qtr III – Oct – Dec | Jan 15 th |
| | Qtr IV – Jan – Mar | Apr 30 th |

CHECKLIST:

The following checklist is intended to help the bidders in submitting offer which are complete. An incomplete offer is liable to be rejected. Firms/LLPs are advised to go through the list carefully and take necessary action.

| S.No. | Description | Yes | No |
|--------------|---|------------|-----------|
| 1. | An attested copy of Certificate of Institute of Chartered Accountants of India as in Clause 3(i) | | |
| 2. | Copy of the balance sheet & Profit & Loss Account for the last three years as in Clause 3 (ii) | | |
| 3. | A declaration from the firm for no of years in existence as in Clause 3 (iii) | | |
| 4. | Copy of the appointment letters from the auditee organizations and Annual reports as in Clause 3 (iv) | | |
| 5. | A declaration from the audit firm in the letter head stating that they have Head Office / Branch Office in Lucknow atleast for 5 Years as in Clause 3 (v) | | |
| 6. | A proposed plan of action to achieve the objectives of the Internal audit function of LMRC. | | |
| | | | |
| 7. | Undertaking that the name of the staff who will be available for the duration of the work. | | |
| 8. | An undertaking to ensure continuity of staff on the project; | | |
| 9. | Details of staff training and development policies and procedures, with specific mention of employment equity policies | | |
| 10. | Evidence of turnover being more than Rs.100 Cr shall be furnished by the firm viz auditee's Annual report, document, etc. | | |
| 11. | Declaration of staff strength be furnished along with technical bid | | |
| 12. | Any other document which the firm/LLP considers relevant | | |

Form FIN-1: Financial Proposal Submission Form

Date

To

General Manager (F)
LUCKNOW METRO RAIL CORPORATION LIMITED
Administrative Building,
Near Dr. Bhimrao Ambedkar Samajik Parivartan Sthal,
Vipin Khand Gomti Nagar, Lucknow - 226010

Dear Sir,

We, the undersigned, offer to provide the Internal Audit Services for M/s Lucknow Metro Rail Corporation Limited in accordance with your EOI dated [Insert Date] & its addendum. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹]. This amount is inclusive of service tax.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal.

No Commissions and gratuities paid or to be paid by us to agents relating to this Proposal and Contract execution.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [*In full and initials*]: _____

Name and Title of Signatory: _____

Name of Firm/LLP: _____

Address: _____

Form FIN-2: Particulars of Professional Charges/ Price

| <i>Item</i> | Amount | |
|--|---------------|---------------------|
| | | Indian Rupees (INR) |
| Professional Charges/ Price for conduct of concurrent Internal audit for one year. | | |
| Service tax in INR @ % | | |
| Total Professional charges/price inclusive of Service tax | | |

Signature with seal of the firm/LLP