

RCIL/Finance/New/03
RAILTEL CORPORATION OF INDIA LIMITED
(A Govt. of India Undertaking)
143 Sector 44, Institutional Area
Gurgaon, Haryana - 122003

Tender No.RailTel/Tender/OT/CO/Fin/2018-19/Appointment of internal Auditor/444 for Appointment of Chartered Accountant Firms / Practicing Chartered Accountants to undertake work of Internal Audit for its Corporate Office at Gurgaon and its Regional offices at Mumbai, Kolkata, Hyderabad and New Delhi. (Two-Packet System)

Due for opening on 16.8.2018 at 4.00 pm

TENDER Copy No. _____

Sold to _____

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RailTel Corporation of India Ltd.
Plot No.-143, Sector 44,
Institutional Area, Opposite to Gold Souk,
Gurgaon, Haryana 122003

NOTICE INVITING TENDER

Open Tender Notice No. RailTel/Tender/OT/CO/Fin/2018-19/Appointment of internal Auditor/444

RailTel Corporation of India Ltd. (RailTel) invites tender in sealed covers (Two Packet System), from reputed firms of Chartered Accountants for appointment of Chartered Accountant Firms to undertake work of Internal Audit (Quarterly Intervals) for its Corporate Office at Gurgaon and its Regional offices at Mumbai, Kolkata, Hyderabad and New Delhi.

The details are as under: -

a)	Sale of Tender Documents	17.7.2018
b)	Downloading of Tender Documents from RailTel's website	17.7.2018
c)	Closing of sale of Tender Documents	16.8.2018 (12:00 PM)
d)	Submission of Tender documents	16.8.2018 (3:30 PM)
e)	Opening of Tender documents	16.8.2018 (4:00 PM)
f)	Earnest Money (EMD)	Rs. 20,000/-
g)	Cost of Tender Document	Rs. 5,000/- + GST 18% total Rs 5,900/-
	The Bank Draft will be in favor of RailTel Corporation of India Limited., New Delhi.	

Tender Notice and tender Document are also available at RailTel's website: www.railtelindia.com. Bidder can submit offer on the tender document downloaded from this website. In case tender Document is down loaded from website, an amount of Rs. 5,900/- (Rs. 5000/- 18% GST) in the form of DD shall be paid by bidder while submitting the offer. Any Corrigendum/Modification will be issued only on company website.

All pages of original tender document and corrigendum's, if any, duly signed by the tenderer should be submitted along with offer.

Sandeep Kumar Sharma
Dy. General Manager Finance
RailTel Corporation of India Limited

Section-1: Preamble

NAME OF WORK: Appointment of Chartered Accountants to undertake work of Internal Audit (Quarterly Intervals) for its Corporate Office at Gurgaon and its Regional offices at Mumbai, Kolkata, Hyderabad and New Delhi.

1. SCOPE OF WORK:

- 1.1 To undertake work of internal audit as mentioned in section 3 of this TENDER. Internal Audit will be for a definite period and will not amount to any kind of employment obligation on the part of RailTel.
- 1.2 The process for appointment will be initially for a period of 2 years, which can be extended through mutual consent for a further period of one year. Audit will be carried out on quarterly intervals. Initial appointment letter shall be issued for six months. Each further extension for six month shall be based on evaluation of performance.

2. CLARIFICATION REQUESTS :

The written queries/ clarifications be sent to the RailTel's office by 06.8.2018.

Prospective bidders are required to direct all communications related to this Tender, through the Nominated Point of Contact persons:

Contact : Sandeep Kumar Sharma
Position : Dy. General Manager Finance
Email : sandeep@railtelindia.com

Section 2: Background of RailTel

2.0 Background

RailTel Corporation of India Limited (RailTel) an ISO-9001:2000 organization is a Government of India undertaking under the Ministry of Railways. The Corporation was formed in Sept 2000 with the objectives to create nationwide Broadband Telecom and Multimedia Network in all parts of the country, to modernize Train Control Operation and Safety System of Indian Railways and to significantly contribute to realization of goals and objective of national telecom policy 1999.

RailTel has built Telecom network using SDH/DWDM based transmission systems and high end MPLS-IP routers. RailTel has extensive expertise in building telecom networks. Moreover, RailTel draws its manpower from signal and telecom branch of Indian Railway which has been in the business of construction, operation and maintenance of telecom systems for more than 50 years.

2.1 Network Infrastructure

Indian Railways have seamless Right of Way along **63000 KM** of Railway Track passing through **7000** stations across the country. The stations in major cities are located in central business districts. With the formation of Corporation, about **45,000 KM** of OFC has been commissioned by RailTel thus connecting about **4400** stations across India.

2.2 Backbone Network

The complete network is managed by centralized network management system (NMS) located at New Delhi with back up at Secunderabad / Kolkata.

2.3 Licenses & Services

Presently, RailTel holds Unified License for NLD, ISP (Class A), ILD license and IP-1 registration from DoT under which the NLD, ISP & IP-1 services are being offered to various customers:

2.4 Organizational Structure

Corporate Office of RailTel is based out of Gurgaon where head of the organization i.e Chairman and Managing Director sits. He is assisted by dedicated Directors for Finance, Project operation & maintenance (POM) Network Planning & Marketing (NPM). These directors in turn are assisted by respective General Managers/ED's each having their own dedicated team.

For ensuring efficient administration across India, country has been divided into four regions namely, Eastern, Northern, Southern & Western each headed by Executive Directors/RGM's and Headquartered at Kolkata, New Delhi, Secunderabad & Mumbai respectively. These regions are further divided into territories for efficient working. RailTel has territorial offices at Guwahati, Bhubneshwar, Patna, & Raipur in East, Chandigarh, Jaipur, Lucknow in North, Chennai, Cochin, & Bangalore in South, Bhopal, Pune, & Ahmedabad in West.

Director (Finance) is the overall head of finance and accounts team of the company. He is assisted by GM/Finance at CO and a team of other managers including professionals. Similarly

finance and accounts functions of the regions are looked after by GM/F's and JGM-DGM/F's. They are also assisted by a team of managers including professionals. Accounting records are maintained at Regional Offices at Kolkata, New Delhi, Secunderabad and Mumbai with coordination at Corporate Office, Gurgaon.

2.5 Financial Performance

The total revenue (audited) of RailTel in FY 2016-17 is Rs. 899.41 Crores.

Particulars	Corporate office Gurgaon	Delhi	Mumbai	Kolkata	Hyderabad	Total
Turnover Rs in Lakhs	18718	22644	13313	15110	20156	89941
Gross Block of Fixed Assets Rs in Lakhs	13348	33717	31602	30113	44320	153100
Share Capital issued to Ministry of Railways	321 Crore					
Approximate No of Vouchers (Per Year)	7881	9511	10290	21165	14864	63711
Voucher for NOFN project			2122	1078		3200

Bidders are requested to also please go through Annual Report of year 2016-17 along with the previous year's Financial Reports as available on www.railtelindia.com. Company is expecting to cross turnover of Rs 1000 Crore in the FY 2017-18.

The appointment will be initially for a period of 2 years, which can be extended through mutual consent at the same rates of financial year 2019-20 for a further period of one year and will not amount to any kind of employment obligation on the part of RailTel.

2.5.1 Selection will be made on L-1 basis in financial bid.

There will be separate auditors for each of the regional office and Corporate office. One firm will be awarded work only for one Regional office or for Corporate office. Hence total five firms will be selected for its five offices.

Section 3: Scope of Work

- 3.1 Bidders would be expected to perform Internal Audit for Corporate Office and Regional offices in Delhi, Mumbai, Kolkata, Hyderabad and other places in India as and when required. Scope of Internal Audit includes as below.

SCOPE OF INTERNAL AUDIT

Part-1

Internal Auditors should ensure to check : -

- i. Verifications of vouchers: Auditors will also report all the items, where the vendor has not charged GST, but company can avail GST credit after demanding documents from vendors. This report is required to be submitted party wise as well as item wise (expenditure head wise). All revenue expenditure and capital expenditure bills shall be verified 100%.
- ii. Compliance of statutory requirements, Company rules and procedures: All non-compliance cases will be reported in a separate annexure.
- iii. Adequate mechanism for true & fair view of state of affairs of the Regional office and Corporate Office.
- iv. Correct invoicing for receivables and realization thereof as per provisions of the contract.
Checking of signed quarterly reconciliation statement by NOC, Marketing & Finance that all services which are provided are billed.
- v. That Payables are as per agreement and no undue benefit is passed on to the supplier/ contractor.
- vi. That Payments made to staff as due and loans/advances are recovered timely.
- vii. Review of accounting systems and internal control systems so that no revenue leakage takes place.
- viii. Proper and adequate MIS for different levels of management.
- ix. Physical examination and verification of tangible assets. Detection of systemic flaws and suggestions for adopting corrective measures.
- x. Identification of the exact reasons for 'delay' in capitalization of CWIP.
- xi. **Contract Agreement-** In case of Cost Plus Contracts it should be ensured that the definition of cost is clear. The provisions regarding taxes are clearly spelt out in all type of tender. The Agreement has been signed by the authorized officials. **Auditors**

will submit details of tenders examined.

- xii. **Project Execution**-Physical and financial progress of work vis-a-vis targets. Actual costs vis-a-vis sanctioned estimates. Expenditure incurred has been authorized by the authority competent to do so. Approval exists for variation in the rates for items in the schedule attached to the contract. Extension of completion date of the contracts for works has been obtained where necessary. Approval exists for introduction of new rates. Approval has been obtained for variation in quantities in excess of limits specified in the contract.
- xiii. **Taxation/Labour law**- Compliance with all tax laws applicable such as Income Tax, Custom Duties, GST, PF, Gratuity, labor and a report on regularities in filing returns and allied matters. Whether TDS Certificates are being obtained on time from customers for the taxes deducted by them. TDS Certificates are being issued on time as per Income Tax Rules. Whether TDS Reconciliation has been made on the amount received from the customers of the company. Current status of un-reconciled amount of TDS of earlier years.
- xiv. **Fixed Assets**- Physical verification have been carried out, all capital expenditures are capitalized. There is no delay in capitalization of CWIP. **Details of all the assets lying in the assets clearing account needs to be reported.**
- xv. **Establishment**- Internal Auditors should comment on the compliance of Employees Master file, Personal files, LTC, Medical rules, Final Settlement, Pay & Allowance, Travelling allowances, Staff Loans/Advances, Foreign Service Contribution (FSC). **Employee wise statement of outstanding will be part of Report with ageing.**
- xvi. **Bank Reconciliation**-Verification of month wise reconciliation for all Bank Accounts of the company and signed by the initiator and officer who is looking after banking matters.
- xvii. **IND-AS**- Compliance of Ind-AS and its disclosure requirements.
- xviii. Internal Auditors shall also carry out physical verification of all the fixed assets of the company at the year end and submit its report along with Internal Audit Report.
- xix. Auditors will send balance confirmation letter to all debtors and creditors of the company
- xx. Corporate office auditor will coordinate with all the regional auditor and will consolidate all the regional reports and will issue a final report

Part-2 Extent of Checking

S.No	Particulars	Extent of Checking
A	GST credit Audit	
	Verification of Voucher of Capital Expenditure	100%
	Verification of vouchers of Cost of Material	100%
	Verification of other vouchers on which GST has been charged	100%
B	Vouching	
1	Payment/Bank Receipt & deposits/Journal vouchers	100%. Auditor will put their seal on the vouchers having value above Rs 5 Lakhs.
2	Correctness of postings in basic books, general ledgers, and subsidiary Ledgers.	100% as per the Chart of Account of the Company. Auditors will report disparity in recording of transactions between the regional offices and Corporate Office.
3	FDR details/Interest on FDRs	100%. Auditor will put their seal on all these vouchers.
4	Misc Other Vouchers	100% verification
5	Checking of monthly wage bill	Every alternate month.
6	Disbursement/sanction of advances	100%. All unutilized advance will be reported along with their ageing.
7	Deduction of tax under various heads and deposit with government.	100%. Auditors will put their seal on all such vouchers and will report all delayed and non-payment cases.
8	Deduction of P.F. and other statutory dues and payment of contributions.	
	Payment of Gratuity and leave encashment and other retirement benefits as per Ind AS	
9	Payment of different type of allowances as per rules/policy	Every alternate month
11	Checking of leave balances of Employees and fixation of pay in pay scales.	All such cases
12	Detailed Scrutiny of all sub-ledgers and general ledgers	100%. Auditors will report correctness of ledger balances.
13	BG submission as per the requirement of Tender	100%. Auditor will attach an annexure on the same, with details of all expired BG/Non-submission of BG
14	Verification of vetted supplier PO	100%
C	Recording and payment of purchases/expenses	
1	Purchase bills from contractors and suppliers	100%. Auditor will put their seal on the vouchers having value above Rs 5 Lakhs.
2	Consignment Purchase bills	
3	Sundry Suppliers & Expense bills	
4	Misc. supplies and fixed assets and other expenses etc	

D	Recording of Income/Invoices	
1	Invoices for all the services offered and other income.	100%. Auditors will put their seal on every invoice having value more than Rs 5 lakh
2	Debit/Credit Notes issued for all the discrepancies in the invoices	100%
3	Purchase Orders from customers for all the services offered.	100%
E	Checking of deduction/collection of taxes under GST, Income tax, Custom duty, TDS, Professional Tax, and quarterly issue of TDS certificates and correctness of all the taxation returns.	100% compliance. Auditors will also issue a certificate stating that all deduction have been worked out correctly, deposited correctly (before due date) and all the taxation returns have been filed correctly before due date. Auditors will submit details in the format attached.
F	Audit of all statutory registers required to be maintained under Companies Act	Verification once in Six months.
G	Checking Bank reconciliation of all the bank accounts maintained by the company	100%. Auditors will put their seal and signature on month wise reconciliation statements and will ensure that competent authority approves it.
H	Checking investment decisions and income from investment.	100%
I	Verification of Assets Register and Depreciation on fixed assets	Once in a year.
J	Receipt and utilization of Subsidy/grants/funding and their accounting	100%
K	Physical verification of Cheques/Draft in hand	once in every six months
L	Physical verification of Inventories/Fixed Assets/Capital work in progress if required by the management.	Once in a year
M	Verification that all liabilities and provisions have been created in the books of accounts.	All such provisions having value more than Rs 1 lakhs
N	Verification of correctness of all Statutory return filed by the Company.	100%. Auditors will report for all the returns, which are due but not filed.
O	Verification of input Credit availed and Credit Utilized.	100%.
P	Compliance of SOP.	100%. All the payment needs to be verified in reference to SOP issued by the Company. Whether correct provisions of SOP have been applied for.
Q	GST and other applicable taxes including compliance of all provisions of Input Tax Credit	Verification of returns and statutory records maintained by each of Regional office and Corporate office.

Part-3 Other Instructions

- I. **This assignment will not be sublet or awarded to any other professional /other firms or persons.**
 - II. While conducting the audit all the standards issued by ICAI will be followed.
 - III. Auditors will submit Audit Program before starting the Audit.
 - IV. One Chartered Accountant (having experience of at least 7 year) along with two qualified professionals (having experience of at least 1-2 year) will be deployed on the audit- Corporate Office as well as all Regional Office in Delhi, Mumbai, Kolkata and Hyderabad
 - V. Audit findings will be discussed with the concerned official in first round, Finance head in Regional office, GM/Fin in Corporate Office in second round of discussion and with Regional head in third round of discussion.
 - VI. Final report will be issued after second round of discussion.
 - VII. The performance of internal auditors shall be monitored based on selected parameters as below
 - a. Timely submission of Internal Audit Report 5 Marks
 - b. Content of Report 5 Marks
 - c. Help extended to Regions in rectification of mistakes noticed 5 Marks
 - d. Internal Control system (Assessment shall be made by Region) 5 Marks
- The allotment of internal auditors for subsequent period of the years shall be on the basis of performance of internal audit in the previous half year on the basis of above-mentioned parameters.
- VIII. The senior partner of the Firm will sign report. Payment of Internal Audit fee will be released quarterly on submission of Audit Report against bill.
 - IX. No TA/DA or out of pocket expenses will be reimbursable for visiting any of the office of RailTel.

Part-4

In addition to scope of work as defined above, Internal Auditors are required to submit a specific quarterly report on the below mentioned items covering

Qtr. I	HR & Employee Payments
Qtr. II.	Procurement of Goods and Services – Capital and Revenue expenditure
Qtr. III	Fixed Assets
Qtr. IV	Marketing & bid preparation and submission by the company, bids above Rs 10 Crore shall be covered in those customers where price bid has already been opened.
All Qtrs.	Receivable

This is a theme based detailed audit and a special report is required to be submitted by the Auditors.

Part-5

Deliverables- Quarterly report in PDF format and hard signed copies needs to be submitted as below, within 30 days from end of the quarter.

- i. Party wise/ expenditure wise reports on input Credit
 - (a) Input Credit charged by vendor on the invoices, but credit for the same has not been availed by RailTel.
 - (b) GST which is not charged by the vendor on the invoice submitted to RailTel (since contract is all inclusive), but document for the same can be asked from vendor for availing credit.
- ii. Report on compliance of previous Audit Reports
- iii. Report on compliance of all Statutory Auditors Qualifications and suggestions for removal of same, Half Margins issued by C&AG of India in the Audit report of previous year.
- iv. Report on compliance of all the Statutory requirement of the company viz
 - a. All Tax deducted correctly as per the relevant provisions of Income Tax.
 - b. All Tax deposited correctly.
 - c. All Taxation return has been filed correctly- details of all such return with their due date and filing date in chronological order.
 - d. Month wise data is required to be provided in an annexure.
- v. Detailed Report of discrepancies as mentioned in the **"extent of checking"**
- vi. Report on correctness of Bank Reconciliation statement and their correctness.
- vii. A total list of works/Tender finalized/awarded during the half year- whether all the conditions of LOA are being followed or not.
- viii. List of Bank Guarantee received/issued during the half year along with their value, name of party and validity.
- ix. Report on compliance of Ind-AS, Interpretations, relevant guidance notes, and Auditing Standards issued by ICAI.
- x. Certificate of Input Credit availed and utilized- Month wise.
- xi. Report on short deduction/non-deduction of tax on payments/provisions.
- xii. Party wise details of input Credit not availed.
- xiii. Employee wise details of outstanding with ageing.
- xiv. Irregularities of serious nature transactions noticed during audit through a special report.
- xv. Suggestion for system improvement and further strengthening of internal control procedure.
- xvi. Presentation of internal audit report before the Audit Committee of the Company.
- xvii. Explanation of items reported in internal audit before the Audit Committee.
- xviii. Suggestion for system improvement
- xix. Wherever deficiency is noticed, Internal Auditor shall ensure corrective actions for removal of deficiencies.
- xx. Separate Report on NOFN Project in Corporate office, Western Region and Eastern Region only
- xxi. Specific report as defined in part 4 above.
- xxii. Any other report as desired by the management

Section 4: Eligibility Criteria

Mandatory Eligibility Conditions for participation in Tender are as below. Bidder must satisfy all these condition, before participation in the tender.

S.No	Eligibility Condition
1	The firm should have offices in any of the following cities: Delhi/NCR, Kolkata, Mumbai, and Hyderabad.
2	The firm must have strength of minimum five full time partners and additional ten full time qualified CA (or Partner).
3	The firm must have knowledge of Oracle based ERP/Accounts in any of the company having turnover of Rs 340 Crore or more
4	The firm should be Statutory/Internal auditor of any of the companies having turnover of more than 340 Crore p.a. or more (excluding Banks and cooperative society) in any one of last five years
5	The firm should have experience of internal/statutory auditor with one Telecom sector Company (Any Telecom operator having UASL, NLD, ISP, IP,UL License) having turnover of Rs 340 Crore or more or Central PSU having turnover of Rs 340 Crore or more in any two of last five financial years.
6	Firm should have minimum turnover of Rs.2.5 Crore

Note:

1. Consortium or Joint Ventures are not allowed.
2. Internal Auditor will not be allowed to do any consultancy work of RailTel other than the internal audit, during the audit period and for next 2 years after the audit.
3. The work of internal audit will not be awarded to a firm which had in preceding two Financial Years provided any consultancy work other than internal audit to RailTel.

The bids consisting of documents in support of the above criteria in a spiral bound document properly page numbered and indexed. All the papers should be signed by ink.

Section 5: Bidding Process

- a. Bidders are advised to study the Bid Document carefully. Submission of the Bid will be deemed to have been done after careful study and examination of all instructions, eligibility norms, terms, and requirement specifications in the Tender document with full understanding of its implications. Bids not complying with all the given clauses in this tender document are liable to be rejected. Failure to furnish all information required in the TENDER Document or submission of a bid not substantially responsive to the TENDER document in all respects will be at the bidder's risk and may result in the rejection of the bid.
- b. All the bids must be valid for a period of 180 days from the date of TENDER opening. If necessary, RailTel will seek extension in the bid validity period beyond 180 days. The bidders, not agreeing for such extensions will be allowed to withdraw their bids without forfeiture of their EMD.

Section-6: Bid Composition

- a) The bid shall be submitted as follows, all the envelopes shall be addressed to:

Sandeep Kumar Sharma
Dy. General Manager Finance
RailTel Corporation of India Ltd.
(A Govt. of India Undertaking, Ministry of Railways)
Plot No. 143, Industrial Area, Sctor-44, Gurgaon - 122003

- b) Inner covers shall contain:

EMD and TENDER Fee: The envelope shall contain a composite draft of Rupees 25,900/- (Rs. Twenty Thousand Nine Hundred only) drawn from a scheduled commercial bank in favor of RailTel Corporation of India Limited, New Delhi. The envelope shall be sealed and superscribed "EMD and TENDER Fee – RailTel TENDER for appointment of Internal Audit."

Credential Bid: Documents as per the eligibility criteria and Credential Bid shall be submitted in this envelope. The envelope shall be sealed and superscribed "Credential Bid – RailTel Tender for appointment for Internal Auditor". The document should be spiral bound with serial no and with no loose sheets. The person signing the bid should have a valid power of attorney and a proof for the same shall be attached with the bid

Financial Bid: This bid shall be in the format prescribed in Annexure F and shall be packed separately, with envelope superscribed "Financial Bid for Internal Audit"

Each page should be numbered and conformance to the eligibility criteria/ Credential bid should be indicated using an index page. It should also be signed by ink. Bids signed by image will be summary rejected.

The above three envelopes shall be placed in an outer cover superscribed "RAILTEL TENDER for Internal Audit". The outer cover shall be submitted to RailTel before the due date and time for consideration of the bid.

Section-7: Earnest Money Deposit (EMD) and TENDER Fee

- a. The Bidders shall furnish a composite demand draft/bankers cheque, of Rs. 25,900/- from a scheduled commercial bank, drawn in favor of RailTel payable at New Delhi. TENDER fee is non-refundable.

Tenders without earnest money will be summarily rejected. No bank guarantee for EMD is accepted.

- b. The EMD of unsuccessful bidders shall be returned without interest after finalization of the TENDER . EMD of the successful bidders shall be returned without any interest, on receipt of Bank Guarantee (BG) of equal amount in the form of Security Deposit valid for the period of appointment / extended appointment. In case RailTel assigns jobs to the bidders just before the end of the appointment, the BG shall be extended for the period of one more year or till the satisfactory job completion, whichever is earlier. The BG shall be released after satisfactory job completion or expiry of appointment, whichever is later.

- c. **Security Deposit/Performance Bank Guarantee:**

The successful tenderer shall submit 10% of total value of the contract detailed in the Acceptance Offer towards security deposit in the form of DD/Pay Order or irrevocable Bank Guarantee from any scheduled bank for due fulfilment of contract within 15 days of issue of PO with validity of 3 months beyond contract period.

The security deposit/Performance Bank Guarantee shall be released after successful completion of Contract, duly adjusting any dues recoverable from the successful tenderer. Security Deposit in the form of DD/Pay Order should be submitted in the favour of “Railtel Corporation of India Limited” payable at New Delhi Only.

- d. **No Interest on Earnest Money and Performance Security:**

No interest shall be paid on the amount of earnest money and Performance Security held by the RailTel, at any stage.

Section-8: Forfeiture of Earnest Money Deposit/Security Deposit

The Earnest Money Deposit can be forfeited if a Bidder

- Withdraw its bid during the period of bid validity.
- Does not accept the correction of errors.
- In case successful Bidder fails to sign the contract within the stipulated time.

Section-9: Last date for bid submission

- a. Bids, complete in all respects, must be submitted to this office by the due date and time. In the event of the specified date for the submission of Bids being declared a holiday, the Bids can be submitted up to the appointed time on the next working day for which RailTel will make necessary provisions.
- b. RailTel may, at its own discretion, extend the date for bid submission. In such a case all rights and obligations of RailTel and the Bidders shall be applicable to the extended time frame.
- c. Any bid received by RailTel after the prescribed deadline for submission of bids will be summarily rejected and returned unopened to the Bidder. RailTel shall not be responsible for any postal delay or non-receipt / non-delivery of the documents. No further correspondence on this subject will be entertained.
- d. The bids submitted by telex/telegram/fax/Email or any manner other than specified above will not be considered. No correspondence will be entertained on this matter.
- e. At any time prior to the last date for receipt of bids, RailTel, may, for any reason, whether at its own initiative or in response to a clarification requested by a prospective bidder, modify the tender document by an amendment. The amendment will be notified on RailTel's website www.railtelindia.com and should be taken into consideration by the prospective bidders while preparing their bids.
- f. In order to give prospective bidders reasonable time to take the amendment into account in preparing their bids, RailTel may, at its discretion, extend the last date for the receipt of bids. No bid may be modified subsequent to the last date for receipt of bids. No bid may be withdrawn in the interval between the last date for receipt of bids and the expiry of the bid validity period specified by the bidder in the bid. Withdrawal of a bid during this interval may result in forfeiture of Bidder's EMD.
- g. The bidders will bear all costs associated with the preparation and submission of their bids. RailTel will, in no case, be responsible or liable for those costs, regardless of the outcome of the tender process.
- h. Printed terms and conditions of the bidders, will not be considered as forming part of their bid. In case terms and conditions of the contract applicable to the Invitation of bid are not acceptable to any bidder, they should clearly specify the deviations in their bids.

Section-10: Opening of Bids

10.1 The bids will be opened in the presence of bidders' representatives (only one) who choose to attend the bid opening sessions on 16.8.2018 **at 4:00 PM**. The bidders' representatives who are present shall sign a register evidencing their attendance. In the event of the specified date of bid opening being declared a holiday for RailTel, the Bids shall be opened at the same time and location on the next working day.

10.2 Opening - EMD and Tender Fee

Prior to opening the EMD & Tender fee, RailTel shall announce the names of bidders, who have given advance notice for modification to or withdrawal of their bids from the tendering process well before the deadline for the submission of bids. Bid envelopes, of the bidders who wish to withdraw from the tendering process, shall be returned to their representatives, if present or sent by post unopened to their addresses. Subsequent to this, the EMD & tender Fee envelope will be opened. Bids not accompanied with the requisite EMD and tender fee shall be returned/posted back to the bidders.

10.3 Opening of - Credential Bid

Credential bid (and credential bid modifications, if any) envelope of only those bidders, whose EMD and tender fee are in order, shall be opened in the same session. The bids will then be passed on to a duly constituted Tender Committee for evaluation.

10.4 Opening of Financial Bid:

Financial bids will be opened only for bidders, whose bids qualify based on credential bids.

Section-11: Bid Validity

All the bids must be valid for a period of 180 days from the date of tender opening for placing the initial order. If necessary, RailTel will seek extension in the bid validity period beyond 180 days. The bidders, not agreeing for such extensions will be allowed to withdraw their bids without forfeiture of their EMD.

Section-12: Evaluation of bids

12.1

- a. When deemed necessary, RailTel may seek clarifications on any aspect of their bid from the bidder. However, that would not entitle the bidder to change or cause any change in the substance of the tender submitted or price quoted. This would also not mean that their bid has been accepted.
- b. Any effort by a bidder to influence RailTel's bid evaluation, bid comparison or contract award decisions may result in the rejection of the bidder's bid and forfeiture of the bidder's EMD.
- c. RailTel reserves the right to accept any bid, and to cancel/abort the tender process and reject all bids at any time prior to award of Contract, without thereby incurring any liability to the affected bidders or bidders and of any obligation to inform the affected bidders of the grounds for RailTel's action and without assigning any reasons.

12.2 Credential Evaluation

The credential bids will be evaluated by a duly nominated Tender Committee. Bids, not satisfying the eligibility criteria will be rejected. tender committee will evaluate information submitted in **Annexure-A** as per Tender terms. On request from the tender committee, the bidders may have to submit additional information. The tender committee may call the eligible bidders for a presentation of the work handled by them. The time limit, in which the bidders have to submit the additional information or present their work, will be decided by the tender committee and its decision will be final in this regard. Bidders failing to adhere to the specified time limit will be rejected.

Section-13: Signing of contract and Award of Contract (Appointment)

- a. On written communication from RailTel for having qualified for appointment the bidder will sign the contract (letter of appointment) within 7 days of such communication. Failing which the offer will be treated as withdrawn and EMD forfeited. RailTel reserves the right to extend the offer to the next eligible bidder.
- e. The conditions stipulated in the contract will be strictly adhered to and violation of any of these conditions will entail termination of the contract without prejudice to the rights of the RailTel. In addition, RailTel will be free to forfeit the EMD/Security deposit and getting the assigned work done from alternate sources at the risk and cost of the defaulting bidder.

Section-14: Termination for Insolvency, Dissolution etc

RailTel may at any time terminate the appointment by giving written notice to the Bidder without any compensation if the bidder becomes bankrupt or otherwise insolvent or in case of dissolution of firm or winding up of company/firm, provided that such termination will not prejudice or effect any right of action or remedy which has accrued thereafter to RailTel.

Section-15: Change of Name of the Firm

During the period of engagement if the bidder's name got changed due to acquisition, amalgamation etc., bidder must inform RailTel with all required documents within one month of its name change. RailTel will not entertain any name change requests during the bidding process. In this case the bid will be rejected straightaway.

Section-16: Termination for Convenience

RailTel reserves the right to terminate by prior written notice, the whole or part of the contract. The notice of termination will specify that termination is for RailTel convenience, the extent to which performance of work under the contract is terminated and the date on which such termination becomes effective.

Section-17: No Claim Certificate

The bidder will not be entitled to make any claim, whatsoever, against RailTel under or by virtue of or arising out of this contract nor will RailTel entertain or consider any such claim for the jobs accepted after completion of Audit.

Section-18: Suspension

RailTel may by a written notice of suspension, suspend all payments to the bidder under the contract, if the bidder fails to perform any of its obligations under this contract provided that such notice of suspension:

- a. will specify the nature of the failure and
- b. will request the bidder to remedy such failure within a specified period from the date of issue of such notice of suspension.

Section-19: Confidentiality

The Bidder and their personnel will not, either during the term or after expiration of this contract, disclose any proprietary or confidential information relating to the services, contract or business or operations of RailTel or its clients without the prior written consent of RailTel.

Section-20: SECURITY

- a. The agency or its deployed personnel, by virtue of working on RailTel, can't claim any rights on the work performed by them. RailTel will have absolute rights on the work assigned and performed by them. Neither any claims of the agency or its deployed professionals will be entertained on the deliverables.
- b. The agency will ensure that no information shall be leaked out about the software, hardware, including Electronic form or otherwise, by the manpower posted by them.

Section-21: Termination for Insolvency & Default

21.1 Termination for Insolvency

RailTel may at any time terminate the work order / contract by giving written notice of four weeks to the appointed firm, without any compensation to the said firm, if the said firm becomes bankrupt or otherwise insolvent.

21.2 Termination for Default

- a. Default is said to have occurred
 - i. If the agency fails to deliver any or all of the services within the time period(s) specified in the work order or any extension thereof granted by RailTel.
 - ii. If the agency fails to perform any other obligation(s) under the contract / work order.
 - b. If the agency, in either of the above circumstances, does not take remedial steps within a period of 30 days after receipt of the default notice from RailTel (or takes longer period in spite of what RailTel may authorize in writing), RailTel may terminate the contract / work order in whole or in part. In addition to above, RailTel may at its discretion also take the following actions.
 - c. RailTel may transfer upon such terms and in such manner, as it deems appropriate work order for similar support service to other firm and the defaulting firm will be liable to compensate RAILTEL for any extra expenditure involved towards support service to complete the scope of work totally.
- 21.3 RailTel has full right on all the document related to assignment carried out for RailTel. The same may be asked by RailTel at any time from the bidder and it will be the duty of bidder to return all such document to RailTel.

Section 22: Review of Progress of allotted work

22.1 Review of progress of work

RailTel will monitor the progress of work very closely and will have the right to terminate the contract, in case of non-satisfaction or non-performance or for non-completion of work within the stipulated time.

Supervise the progress of work until its full completion. Bidder will ensure that the assigned job is completed as per the schedules given in the work order.

22.2 Penalty for delays

This assignment will have a definite date of completion. For any time slippages, the bidders can induct more resources at their cost to meet the time schedules. Delays on account of the bidder will attract a penalty of 0.5% (point five percent) per day of the total value of work subject to maximum of 10% of the value of work for delay beyond 30 days. **RailTel will be free to get the job done from an alternate source at the risk and cost of the defaulting bidder.**

Section 23: Payment Terms

- a. Quarterly payments will be released against pre-receipted bills in the name of RailTel accompanied with necessary documents of deliverables as per Part-5 section-3. Payment will be made within 30 days of submission of complete documents.
- b. GST, as applicable, will be paid extra on actual basis
- d. The agencies may provide service all over India. No TA/DA is admissible to the deployed Resources. However, if a resource has to undertake a tour in the interest of the Company with the prior approval of the RailTel, the TA/DA as per RailTel rates will be applicable. TA/DA for Senior partner (as applicable to the General Manager), for other partner (Deputy General Manager), for Chartered Accountant employee (Senior Manager) and for other staff (Manager) in RailTel respectively will be reimbursed on production of original documents. Each work order will be considered a separate work. TA/DA shouldn't exceed 15% of the work order value.
- e. All payments will be made subject to TDS (Tax deduction at Source) as per the income- Tax Act, 1961 and other taxes if any as per Government of India rules.

Section 24: General Terms and Conditions

- a. The bidder will not outsource the work to any other associate/franchisee/third party under any circumstances. If it so happens then RailTel will impose sanctions which will include: forfeiture of the security deposit, revocation of bank guarantees (including the ones submitted for other work orders) and termination of the contract for default.
- b. RailTel may by written notice sent to the bidder; terminate the work order and/or the Contract, in whole or in part at any time of its convenience. The notice of termination will specify that termination is for RailTel's convenience, the extent to which performance of work under the work order and /or the contract is terminated, and the date upon which such termination becomes effective. RailTel reserves the right to cancel the remaining part and pay to an agreed amount for partially completed Services.
- c. In the event of the bidder's company or the concerned division of the company is taken over / bought over by another company, all the obligations under the agreement with RailTel, should be passed on for compliance by the new company / new division in the negotiation for their transfer.
- d. All bidders automatically agree with RailTel for honoring all aspects of fair trade practices in executing the work orders placed by RailTel.
- e. The bidder will be responsible for any damage to equipment's, property and third-party liabilities caused by acts on part of its deployed person at RailTel/User's premises.
- f. The staff deployed by the bidder will maintain office decorum. They will be courteous, polite and cooperative and able to resolve the users' problems
- g. Intellectual Property Rights: The Bidder will indemnify RailTel of any infringement of third party rights be they under the Patents Act.

Section 25: Force Majeure

Force majeure shall mean –

- War, hostilities (whether war be declared or not), invasion, act of foreign enemies.
- rebellion, revolution, insurrection, or military or usurped power, or civil war,
- Ionizing radiation, or contamination by radio-activity from any nuclear fuel, or from any nuclear waste from the combustion of nuclear fuel, radioactive toxic explosive or other hazardous properties of any explosive nuclear assembly or nuclear component thereof.
- Presume waves caused by aircraft or other aerial devices travelling at sonic or supersonic speeds.

- Riot, commotion or disorder, unless solely restricted to employees of the Contractor or of his Subcontractors and arising from the conduct of the Works.

Section 26: Arbitration and Jurisdiction

The parties through respective signatories shall settle any dispute or disagreement with respect to performance, non-performance or defective performance of respective obligation amicably. In the event of disputes remaining unresolved, the parties shall refer the matter to a single arbitrator under arbitration law that may be applicable, whose appointment shall be done by Chairman and Managing Director, RailTel Corporation of India Limited, 143, Sector 44 Gurgaon Haryana. The place of arbitration shall be Gurgaon and the language used shall be English.

Section 27: Applicable Law

The work orders will be governed by the laws and procedures established by Govt. of India, within the framework of applicable legislation and enactment made from time to time concerning such commercial dealings/processing. Any default in the terms and conditions of the tender by the bidder will lead to rejection of bid/work order and forfeiture of EMD/Security Deposit.

Credential Bid Form

Annexure – A

To,
Sh. Sandeep Kumar Sharma
Dy General Manager Finance
RailTel Corporation of India Ltd
143, Sector 44, Gurgaon (Haryana)

S.No	Item	Supporting Evidence
1	The firm should have offices in any of the following cities : Delhi/NCR, Kolkata, Mumbai, and Hyderabad.	Attach documentary evidence
2	The firm must have strength of minimum five full time partners and additional ten full time qualified CA (or Partner).	Attach ICAI Constitution Certificate generated online from The Institute of Chartered Accountants of India
3	The firm must have knowledge of Oracle based ERP/Accounts in any of the company having turnover of Rs 340 Crore or more	Attach copy of PO received from any such company along with audited P&L account and confirmation of the Company that they are using ORACLE based ERP.
4	The firm should be Statutory/Internal auditor of any of the companies having turnover of more than 340 Crore p.a. or more (excluding Banks and cooperative society) in any one of last five years.	Attach copy of PO received from any such company along with audited P&L account of that company.
5	The firm should have experience of internal/statutory auditor with one Telecom sector Company having turnover of Rs 340 Crore or more (Any Telecom operator having UASL, NLD, ISP, IP, UL License) Or Central PSU having turnover of Rs 340 Crore or more in any two of last five financial years.	Attach copy of PO received from any such company along with audited P&L account of that company.
6	Firm should have minimum turnover of Rs. 2.5 Crore *	Attach audited P&L account of the firm along with copy of income tax return.
7	The firm should not be blacklisted or banned by any of the government department of PSU	Self-attested affidavit on stamp paper of Rs. 100 to be given in this regard by the partner of the firm.
8.	Certify that firm including all of its partners will not be engaged in any activity of RailTel including consultancy during Audit period under consideration.	Self certification

9.	Certify that the firm has not provided any consultancy work other than internal audit to RailTel in preceding two Financial Years.	Self certification
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*** In case Audited P&L Account of FY 2017-18 is not available, Audited P&L Account of FY 2016-17 will be considered.**

Annexure-B

EMD Payment details:

S

Particulars	Amount (Rs.)	Draft No.	Date	Bank	Branch

Documents in support of the above may be furnished with page numbers indicated in the index.
Please use separate sheets wherever necessary.

Date:
Place:

Authorized Signatory:
Name:

SEAL

Name of the Bidder:

Performa for Performance Bank Guarantee

PERFORMANCE BANK GURANTEE BOND

(On Stamp Paper of Rs one hundred)
(To be used by approved Scheduled Banks)

1. In consideration of the RailTel Corporation of India Limited, having its registered office at 6th Floor, IIIrd Block, Technology Park, Shastri Park, New Delhi-110053 (Herein after called RailTel) having agreed to exempt (Hereinafter called “the said Contractor(s)”) from the demand, under the terms and conditions of Purchase Order No. dated.....made between and for (hereinafter called “ the said Agreement”) of security deposit for the due fulfillment by the said Contractor (s) of the terms and conditions contained in the said Agreement, on production of a Bank Guarantee for Rs. (Rs only). We , (indicate the name of the Bank) hereinafter referred to as “the Bank”) at the request of Contractor(s) do hereby undertake to pay the RailTel an amount not exceeding Rs. against any loss or damage caused to or suffered or would be caused to or suffered by the RailTel by reason of any breach by the said Contractor(s) of any of the terms or conditions contained in the said Agreement.
2. We , Bank do hereby undertake to pay the amounts due and payable under this Guarantee without any demur, merely on demand from the RailTel stating that the amount claimed is due by way of loss or damage caused to or would be caused to or suffered by the RailTel by reason of breach by the said Contractor(s) of any of terms or conditions contained in the said Agreement or by reason of the Contractor(s) 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
3. We, bank undertake to pay to the RailTel any money so demanded notwithstanding any dispute or disputes raised by the Contractor(s) / Tenderer(s) in any suit or proceedings pending before any court or Tribunal relating thereto our liability under this present being, absolute and unequivocal. The payment so made by us under this Bond shall be a valid discharge of our liability for payment there under and the Contractor(s) / Tenderer(s) shall have no claim against us for making such payment.
4. We, Bank 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 RailTel under or by virtue of the said Agreement have been fully paid and its claims satisfied or discharged or till RailTel certifies that the terms and conditions of the said

Agreement have been fully and properly carried out by the said Contractor(s) and accordingly discharges this Guarantee. Unless a demand or claim under the Guarantee is made on us in writing on or before the We shall be discharged from all liability under this Guarantee thereafter.

5. We,..... (indicate the name of Bank) further agree with the RailTel that the RailTel shall have the fullest liberty without our consent and without affecting in any manner our obligations hereunder to vary any of the terms and conditions of the Agreement or to extend time of to postpone for any time or from time to time any of the powers exercisable by the RailTel against the said contractor(s) and to forbear or enforce any of the terms and conditions relating to the said Agreement and we shall not be relieved from our liability by reason of any such variation, or extension to the said Contractor(s) or for any forbearance, act or omission on the part of RailTel or any indulgence by the RailTel to the said Contractor(s) or by any such matter or thing whatsoever which under the law relating to sureties would, but for this provision, have affect of so relieving us.

This Guarantee will not be discharged due to the change in the Constitution of the Bank or the Contractor(s) / Tenderer(s).

(indicate the name of Bank) lastly undertake not to revoke this Guarantee during its currency except with the previous consent of the RailTel in writing.

Dated the day of 2018

For
(Indicate the name of the Bank)

Witness

1. Signature
 Name

2. Signature
 Name

NOTE: - This will be applicable only for firms, need not be submitted at the time of submission of bid.

OFFER LETTER

To
RailTel Corporation of India Limited,
(A Govt. of India Undertaking, Ministry of Railways)
Plot No. 143, Industrial Area, Opp Gold Souk Mall,
Sector-44, Gurgaon - 122003

Subject: - Appointment Internal Audit for its Corporate Office at Gurgaon and its Regional offices at Mumbai, Kolkata, Hyderabad and New Delhi.

I/We _____ (*kindly mention PAN No, Date of Constitution of firm and ICAI firm registration number-Mandatory*) have read the various conditions detailed in Tender documents attached here to and hereby agree to ABIDE BY THE SAID CONDITIONS. I/We also agree to keep this offer open for acceptance for a period of 180 days from the date of submission and in default thereof, I/We will be liable for forfeiture of my/our Earnest Money. I/We offer to provide services of Internal Auditors at the rates quoted in the annexure G and hereby bind myself/ourselves to complete the work within the prescribed period as mentioned in LOA. I/We also hereby agree to abide by the Various Conditions of Contract and to carry out the services as per the Standards prescribed by the ICAI/ICWAI.

A sum of **Rs. 25,900/- as an Account Payee Demand Draft in favour of RailTel Corporation India Ltd.** No. _____ dt. _____ issued by _____ is herewith forwarded as "Earnest Money" & TENDER cost. The full value of Earnest Money shall stand forfeited without prejudice to any other rights or remedies if, I/We withdraw or modify the offer within validity period or do not deposit the security deposit (Performance Bank Guarantee) within **7 days** after receipt of call to sign Contract Agreement.

SIGNATURE OF Bidders

Date:

Bidder address.

SIGNATURE OF WITNESS:

- 1.
- 2.

Annexure-E

Compliance statement

<u>S. No</u>	<u>Section No & Clause No</u>	<u>Compliance (Yes/No)</u>
<u>1</u>		
<u>2</u>		
<u>3</u>		
<u>4</u>		
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<u>27</u>		

FINANCIAL BID

Annexure F

RCIL/Finance/New/03
RAILTEL CORPORATION OF INDIA LIMITED
(A Govt. of India Undertaking)
143 Sector 44, Institutional Area
Gurgaon, Haryana - 122003

TENDER No.RailTel/Tender/OT/CO/Fin/2018-19/Appointment of internal Auditor/444

Empanelment of Chartered Accountant Firms to undertake work of Internal Audit for its Corporate Office at Gurgaon and its Regional offices at Mumbai, Kolkata, Hyderabad and New Delhi. (Two-Packet System)

Bidder are required to quote their fee region wise in the below mentioned format. The same auditor shall be appointed for next half year on the same terms and condition, subject to their performance in the internal audit of previous period.

Particulars	Fee 2018-19 First Half	fee 2018-19 Second Half	fee 2019-20 First Half	fee 2019-20 Second Half	Total
	A	B	C	D	E=A+B+C+D
Corporate Office Gurgaon					
Northern Region Office New Delhi					
Western Region Mumbai					
Southern Region Secunderabad					
Eastern Region Kolkata					
Total					

Note : The fee is required to be quoted exclusive of GST.

Selection will be made on the basis of total cost (Region wise as per column E above). In the event of the bidder being lowest in all the regions, the bidder will be allotted a maximum of one region as per his order of preference to be indicated in the offer.

Your firm is hereby requested to please offer sealed quotation in the format as mentioned above for the scope of work as per credential along with the below mentioned certificate.

Certificate of conflict of interest

- "The Internal Auditor is independent and has arm's length relationship with the Company. Certified that firm including all of its partners will not be engaged in any activity of RailTel including consultancy during Audit period under consideration"***

2. Certified that the firm has not provided any consultancy work other than internal audit to RailTel in preceding two Financial Years.

As per the terms and condition, audit will be awarded for 2 years on half yearly basis. In case of extension for the FY 2020-21, rates for 2019-20 will be applicable.