

**MPCON LIMITED**

**Ground Floor, Rajiv Gandhi Bhawan-2, 35, Shyamla Hills, Bhopal**

Proposals are invited from Chartered Accountancy Firms empanelled with Comptroller and Auditor General of India for carrying out Internal Audit, having experience in conducting Internal / concurrent audit as per pre-qualification criteria mentioned . Scope of work is also given herewith. A firm not fulfilling any prequalification criteria would have its proposal summarily rejected. Quotations/ Financial Proposal of firms meeting all prequalification criteria would be considered and the lowest bidder would be selected. The appointment of Internal Auditor and the terms and conditions shall be subject to the approval of the Board of Directors of MPCON Ltd. The proposals should be submitted on or before 26/5/2023 in sealed envelope at **MPCON Limited, Rajiv Gandhi Bhawan-2, Ground Floor, 35, Shyamla Hills, Bhopal with the Subject: " Quotations for Internal Auditors"** clearly mentioned on the envelope.

### PREQUALIFICATION CRITERIA FOR INTERNAL AUDITORS

Sl. No.	Requirement	Criteria
1	The firm shall be a partnership firm of practicing Chartered Accountants empanelled with Comptroller and Auditor General of India.	Required
2	Number of years of experience as on 31/03/2023. Out of which at least 5 years should be in internal/concurrent audit of companies, PSUs and centrally funded institutions. Exposure to contractual/ statutory/ employee service matters. (Acceptable & Satisfactory Proof should be provided for the same) At least one audited entity shall have a turnover of more than 50 crores. – <b>Work orders to be submitted.</b> Completion certificates may be submitted later (Before issue of work order) if not available at the time of submission.	Minimum 10 years
3	Number of full time partners/ experienced and qualified professionals in full time employment at senior level with experience in handling similar or relevant projects. Out of 5 partners 3 should be FCA ( <b>Lead Partner/Manager Profile to be attached separately</b> )	Minimum 5
4	The firm shall have experience in handling regular GST returns and GST Audit/re-conciliation of Company having turnover of Rs.50 crores or above.	Minimum 2 such companies
5	Minimum annual turnover of the applicant each year in the last 3 financial years ( 2019-20 , 2020-21,21-22) – <b>audited balance Sheets/ P&amp;L to be submitted along with details in tabular form.</b>	Rs. 30 Lakhs
6	The Proposer/firm should provide names and contact details of 2 clients for whom they have earlier/recently carried out such Internal/Concurrent Audit assignment.	Required
7.	The Proposer/firm or no partner thereof should have been subjected to any disciplinary proceedings initiated by the Institute of Chartered Accountants of India and no such proceedings should be pending as on the date of appointment	- Self Certification to be provided
8.	The proposer/firm should not be currently blacklisted by any Government / CAG/ Government agency/ Bank / institution in India or abroad.	- - Self Certification/ Declaration to be provided
9.	Firms Should have a local office at Bhopal	Self certification along with address & contact details

## **1. SCOPE OF WORK:**

The audit will be carried out in accordance with the relevant accounting standards of auditing, and will include such tests and controls, as the auditor considers necessary under the circumstances.

The broad scope of internal audit shall be as follows:

The responsibilities of the Internal/Concurrent Auditors shall include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, the level of compliance with financial norms and procedures for the operational guidelines. The internal auditors so appointed for the purpose shall carry out the audit in terms of provisions laid down in the engagement letter issued by MPCON and shall ensure strict adherence thereto. These would also include the following:

- 1) Checking of cash book and all the vouchers (Cash, Bank, Journal, etc.) and receipts & payments.
- 2) Verification of Bank Reconciliation Statements
- 3) Expenditure Vouching of all the expenses
- 4) Checking and overall scrutiny of posting of General ledger.
- 5) Checking of Performa and provision entries.
- 6) Checking of Trial Balance and Groupings.
- 7) Checking of reconciliation of Control ledger with General Ledger.
- 8) Periodic reconciliation of Contra Accounts with Head Office and matching of Head Office / Unit balances with the books of account of Head Office and Unit
- 9) Verification and Age wise analysis of receivables, loans and advances, EMDS, deposits, Creditors, etc.
  
- 10) Employee Benefits and Administration Expenses vouching and verification
  
- 11) Taxation, Statutory and Regulatory compliances viz. Income Tax, TDS, GST,
- 12) PF, ESIC, Professional Tax, any other statutory levies, etc. -applicability, deductions and remittances. Compliance with legal provisions and maintaining time schedule.
- 13) Overall Compliance with policies and procedures
- 14) Verification of the stock, book of Fixed Assets and bank reconciliation statement to be checked with reference to bank book and remittances.
- 15) Checking that the deposit/FDR/Advance register are maintained properly
- 16) Review covering transactions, internal controls, systems and processes
- 17) Ensure that the accounting and financial management systems remain reliable and effective in design and to assess the extent to which they are being followed.

- 18) Review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensures the accuracy of the books of accounts.
- 19) Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications.
- 20) Identify areas of significant inefficiencies in existing systems and suggest necessary remedial measures.
- 21) Confirm the existence of financial propriety in all decision and verify compliance to government and statutory requirements.
- 22) Adherence to Accounting Practices and standards as per the ICAI
- 23) Adherence to requirements of Companies Act, 2013
- 24) Verification of the contractual obligations and contract management.
- 25) Payments to Service providers and other payments need to be checked with reference to compliance with the contract agreement, other policies of MPCON Ltd.
- 26) Review procedures and operational controls existing in various departments to ensure timely, efficient and accurate management information system.
- 27) Review of the Fixed Assets Register maintained by the company.
- 28) Physical verification of the fixed assets once in a year and certify the same.
- 29) Report on the outcome of litigations against the company/initiated by the Company and costs incurred thereon.
- 30) Any other financial and operational information verification

**The above list is only indicative in nature and Internal Auditor would be required to cover all the aspects considered to be important by Internal Auditor.**

**2. Terms and Conditions:**

- The appointment will be for a period of one year.
- No conveyance expenses and out of pocket expenses will be paid for audit conducted in local area
- The firm should provide trained staff for audit and the assignment should be supervised by the senior partner of the firm who will be available for discussion with the Management as and when deemed necessary.

**3. Payment Terms:** The payment shall be after submission of Final Report of every quarterly Audit to the Management