

**NOTICE INVITING TENDER**  
**FROM CHARTERED ACCOUNTANT FIRMS**  
**FOR INTERNAL AUDIT SERVICES**  
**FOR THE FINANCIAL YEAR 2022-23**

PNB investment services Ltd. (PNBISL)(hereinafter referred to as “ the Company”) Invites open tenders from Chartered Accountants firms for Internal audit services (detail mentioned in the scope of work under para 2.2.) for the financial year 2022-23, which may be further extended on yearly basis on satisfactory submission of internal audit report.

**1.1. BIO-DATA SHEET**

<b>Tender Number and Date</b>	PNBISL/Tender/2022/01 Dated 05/07/2022
<b>Issue of Tender Form</b>	Complete Tender Document of 8 page can be download from company website.
<b>Last Date of Submission of Tender</b>	17/07/2022
<b>Opening of Tender ( Pre- qualification Bid evaluation )</b>	18/07/2022
<b>Contact Persons</b>	Ms. Vishali Arora, Manager: mobile no. 7206818707 Mr. Samarth Agarwal, Dy. Manager: mobile no: 7428130549 Ms. Isha Goel, Company Secretary: mobile no: 9899785811
<b>Contact Address</b>	10, Rakesh Deep Building, Yusuf Sarsi Commercial Complex, Gulmohar Enclave, New Delhi 110049
<b>Website of the Company</b>	www.pnbisl.com

**2.1. Background**

**PNB Investment Services Limited (PNBISL)** is a 100% subsidiary of Punjab National Bank. PNBISL was incorporated on 02.02.2009 for providing Corporate Finance and

Merchant Banking and other related services to the corporate clients. PNBISL is registered with SEBI as category 1 Merchant Banker and Debenture Trustee. PNBISL specializes in Corporate Debt Restructuring, Debt Syndication, conducting Techno Economic Viability (TEV) Study, Merchant Banking, Debenture Trustee and Security Trustee etc. for the corporate clients. The Company has its corporate Office in Mumbai, registered office in Delhi and its branch office in Ahmedabad.

PNBISL in maintaining its Accounts on accrual basis as per Indian Accounting Standards, issued by the Institute of chartered accountant of India and central government. The Accounting work is self managed by company on Tally software at Delhi office whereas merchant banking related activity are carried out at Mumbai office and Corporate Advisory work carried out at Delhi and Mumbai office, and Trusteeship business activity are carried out through all business centers vis Delhi, Mumbai & Ahmedabad. To ensure the timely compliance of statutory obligations, assessment of risk, effectiveness of internal control and improving the efficiency of management operations, quarterly internal audit of the company shall be conducted as per policy of the company. Therefore, company invites bids tender form Chartered Accountant Firms. for internal audit services of the company. The criteria for eligibility of the Chartered Accountant firms are mentioned at para 2.4.

## **2.2. Schedule and Scope of work**

The scope of work of internal auditor shall include:

### **Accounting and Expenses Control**

- a. To review that accounting entries are in accordance with Generally Accepted Accounting Principles, IND AS, other applicable standards and guidelines issued by the ICAI/Central government from time to time and as per policy of the company.
- b. To review that expenses are properly authorized with all supporting vouchers & approvals, any expenditure incurred without proper approvals & supporting vouchers should be reported & rectified.
- c. To review internal controls & accounting policies, procedures and the orders issued from time to time.
- d. To check that the internal controls are in place to ensure that purchases and revenue payments are properly approved, for bona fide purposes, and are accurately classified and recorded.

- e. Verification of Heads of Accounts of various transactions recorded in the books of accounts and check that no unauthorized head of account is operated and Periodical review of all accounts records.
- f. To check that Cash Book, Bank ledger and other accounting records are properly maintained.
- g. To check that all invoices have been raised timely as per the mandate.
- h. To look into the compliance of previous audit objections raised (if any) and to verify or comment on the supporting documents/ vouchers submitted at later stage, to settle the audit qualifications in the Statutory Audit Report of this assignment.
- i. To check that all payments and receipt has been reconciled with account statement receipt from Banks.

#### Receipts:

- a. To review that all money due to the Company is received, correctly identified, properly and completely recorded and promptly deposited on the same day or the next day.
- b. To verify the Interest accrued and received on the funds parked in the form of FDRs with various banks or in any other form has been correctly calculated and is properly accounted for

#### Statutory Requirements:

- a. Tax Deduction at Source to review that Company is regular in deducting and depositing tax on various payments like salaries, consultation fees, professional fees, payments to contractors etc
- b. Review that the Company is issuing TDS certificates in correct form and in prescribed time.
- c. To check that Income Tax has been calculated correctly
- d. To check that all legal compliances are being followed, which includes timely deposit of TDS, EPF, Advance tax & GST with the relevant authorities and proper and timely compliances of all statutory and regulatory guidelines issued from time to time.

#### Fixed Assets:

- a. To conduct the physical verification of the fixed assets and submit the physical verification report.
- b. To verify the method of charging Depreciation being followed by the company and provision for depreciation at year end.
- c. Checking of procedures with regard to disposal of assets to ensure that adequate procedures exist for scrapping, condemning and the same is followed

Other Assets and liabilities:

- a. To review various loans and advances and timely recovery of the same.
- b. Staff advances - comment on the regular and timely clearance of staff advance.
- c. To review current liabilities and also provisioning of various liabilities.

Ledger Scrutiny:

- a. To conduct a quick ledger scrutiny and give comments on that.
- b. To verify that all the accounting entries with respect to income, expenses, banks, journals, cash etc., are incorporated in the books of accounts.
- c. Scrutiny of advances outstanding, Security Deposits and Sundry Creditors & Debtors.

## **HR**

- a. To check the payroll processing as per HR policy of the company.

## **Corporate Advisory**

- a. To verify all the mandates for the given period and check the billing system as per the milestones.

## **Debenture and Security Trusteeship**

- a. Check and ensure that all transaction specific compliance related to debenture and security trustee have been complied with, which includes compliance of SEBI (related to Listed Debentures), RBI and companies Act 2013 regulations, as may be applicable.

- b. Check and verify the safekeeping of physical documents/Titles etc in fire proof cabinets, it includes updating of document register/Mortgage register/MIS /SOP (excel sheet).
- c. Check and ensure that all the directives issued by the government with respect to CERSAI have been complied with, it includes checking of registration with CERSAI in respect of security interest created in favor of Trustee for the benefit of lenders along with all information within the time period specified.
- d. Check that relevant CHG forms have been filed on MCA site within the time period in respect of each charge creation/modification/release.
- e. Check and ensure that timely raising of invoices for Annual Fees, Initial Acceptances fees and Modifications fees (wherever applicable).
- f. Half yearly/Quarterly reporting to SEBI with respect to Debenture Trustee, AIF assignments as per SEBI guidelines/regulations.
- g. To update changes in regulatory guidelines with respect to reporting and compliances.
- h. Compliances with respect to online reporting using Distributed Technology platforms as per recent SEBI guidelines.
- i. Investor Charters as per SEBI guidelines.

### **Equity Capital Market (ECM)**

- a. Check and ensure that all compliance of SEBI regulation with respect to Merchant banking activity have been complied with.
- b. Checking to correctness of timely submission of the SEBI Half Yearly Report and Risk Based Supervision report.
- c. Ensure timely updation of the Track Record of Public Issues on the Company website from time to time in compliance with SEBI Regulations.
- d. Investor Charters as per SEBI guidelines.

### **Risk Management and Anti Money Laundering**

- a. Evaluating risk exposures and security threat of the organization's information.

- b. Evaluation for rendering assurance of risk management, corporate governance systems, that is to say, the systems are functioning as intended to meet the organization's goals.
- c. Evaluating risk exposures and security threat of the organization's information.
- d. Detect and report to the management of any fraudulent activity within the Organization.
- e. Review of internal control system, it includes reporting on deficiency in internal control, suggestion on its improvement and requirement of internal control in any special area.
- f. Evaluation of risk with respect to different parameters, as per the Risk Management Policy of the Company.
- g. All the compliances with respect to Anti-Money laundering.

### **Miscellaneous**

- To ensure that the company is adhering to all the Statutory and regulatory guidelines including any amendments/changes in guidelines advised by SEBI/RBI/CAG/Central Government etc. from time to time on an ongoing basis.

### **2.3. Time period & Execution**

**2.3.1.** The contract is initially for a period of one year, which may be renewed further on "annual basis" for a total term of 3 years. On successful completion of the initial term of 3 years, the contract term may, at the sole discretion of the Company, be further extended for another term of 3 years with "yearly renewals" on the same terms and conditions.

It's clarified that even though the total term of the contract is 3 years, the contract may be renewed annually at the option of the Company. However, if the performance of the CA firm is not found satisfactory or upto the required standards in Company's sole judgment, the company has the right to refuse the renewal / extension at any time.

Notwithstanding anything contained herein above, the company reserves the right to discontinue the services of Chartered Accountant firm in the event their services are evaluated as unsatisfactory at any time during the period.

The intention to renew the contract should be given at least 2 months in advance (before the expiry of the annual contract) by the CA firm. Otherwise, it shall be presumed that the CA firm is not interested in its annual renewal.

**2.3.2.** The selected firm shall provide internal audit report on quarterly basis, which shall be placed before the company's Audit Committee of the Board (ACB) for review.

**2.3.3.** All the required information will be provided to the chartered accountant firms through either email or physically depending upon the relevance and importance of documents. Internal audit work shall be performed by senior staff who may visit the company's registered office at Delhi or other offices physically to carry out the audit. The team interested with the company's audit should have at least one member who is practicing Chartered Accountant with ACA/FCA qualification.

#### **2.4. Pre-qualification Criteria**

The bids of only those firms will be considered which satisfy the following eligibility criteria:

- I. The Chartered Accountant Firm should be a Partnership firm with at least 3 partners, out of which one must be a FCA member.
- II. The Chartered Accountant Firm should be registered with The Institute of Chartered Accountant of India (ICAI) and have Income Tax Permanent Account Number (PAN) and GSTIN no.
- III. The Firm should have been in operation for at least 5 years after its registration,
- IV. The Firm should be empanelled with the Comptroller and Auditor General of India (C&AG),
- V. The Average Annual Income (i.e. Average Gross Professional Fees earned during the 3 years) of the Firm in the last 3 financial years i.e. (2019-20, 2020-21 and 2021-22) must be equal to or more than Rupees Twenty Five lakhs (Rs.25 lakhs),
- VI. The CA firm must have the experience of handling bank audit at least during last three years.
- VII. The firm must have an office, headed by a Chartered Accountant (Head office and/or Branch Office) at New Delhi.
- VIII. The firm should not have provided any types of services presentably to company.

In case, any ambiguity is found in the tender documents, whereby the company has doubts or is not very clear whether the bidder qualifies the above eligibility criteria, the company shall have the right to make its own assessment based on the documents submitted, to decide on whether the bidder is eligible or not or deserves any additional weightage. In such a case, the company decision shall be final and the bidder shall have no right to challenge the same. Therefore, the bidders are advised to submit the complete information and documents in support of their claims to fulfill the eligibility criteria as above.

## **2.5. Payment Terms**

The payment shall be made against the internal Audit report submitted by firm, subject to the following terms and conditions:

- The payment during the entire contract period shall be made in accordance with the financial bid submitted by the selected bidder and accepted by the Company. No price variation would be allowed during the contract period. The financial price quoted by the contracting firm shall be final. The rates quoted should have validity at least for the initial one year.
- However, the Company may, at its sole discretion, consider giving an annual increment upto 10% in the settled Fee, subject to satisfactory performance by the CA firm as per company's judgment and standards.
- Goods and Services Tax (GST) extra as per applicable rates.
- Payment shall be subject to TDS under Income tax at applicable rates.
- Payment shall be made on services performance basis.
- In addition to fees payable, all the out-of-pocket expenses actually and reasonably incurred, iner-alia, legal expenses, travel, lodging and boarding will be reimbursed to your firm. No out-of-pocket expenses for local travel of any kind shall be reimbursable to the firm.
- The Company reserves the right to deduct amount from the bill raised by the firm as may be considered reasonable for unsatisfactory services or delay in providing of services or any interest/ penalty imposed by any authority due to gross negligence of CA firm. The decision of the company will be the final in this regard.

## **2.6. SUBMISSION AND EVALUATION OF THE TENDER**

### **2.6.1 Submission of Tender**

- Interested firms are requested to submit their Tender in a Zip folder on email id:**coo@pnbisl.com** and also send the hard copies by the registered post at *PNB Investment Services Limited, 10 Rakesh Deep building, Yusuf Sarai Commercial Complex, Gulmohar Enclave, Green Park, New Delhi-110049*, containing Prequalification Bid & Technical evaluation information including documents /Information specifically mentioned above para 2.4 along with all supporting documents and financial bid for quarterly internal audit.
- Details may be verified from company's website [www.pnbisl.com](http://www.pnbisl.com).
- Interested firms may call to following persons for pre-bid enquiry:
  - Vishali Arora, Manager: mobile no. 7206818707



- Samarth Agarwal, Dy. Manager: mobile no: 7428130549
- Isha Goel, Company Secretary: mobile no: 9899785811

## **2.7. Last Date of Submission of Tender**

Last date of submission of the Tender is 17/07/2022 upto 18:00 Hours

## **2.8. Date of opening of the Tender**

The authorized representatives of the firms carrying authority letter may attend the bid opening. The date(s) of opening the tender to evaluate prequalification criteria and financial bids will be on 18/07/2022 at 3:00 p.m.

## **2.9. Evaluation of Tender.**

The Tender will be evaluated by the group members consisting COO, AVP and manager Accounts. The detailed evaluation method for the tender shall be as under:

- Pre-qualification bid evaluation as mentioned above para 2.4 along with all supporting documents
- Financial bid evaluation

Financial Evaluation:

Successful qualifier of “pre-qualification bid evaluation” will qualify for financial bid evaluation and the CA firm who will quote the **lowest financial bid** will be selected as Internal Auditor of the company.

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