



KARNATAKA FOREST DEVELOPMENT CORPORATION LIMITED
(A Government of Karnataka undertaking)

CIN:U02001KA1971ULL001999

Regd: 1st Floor, Vana Vikas, 18th Cross,
Malleswaram, Bangalore-560 003.

e-mail : info@kfdcl.com

Phone Off : 23345192, 23345711,
23343712

website : www.kfdcl.karnataka.gov.in

Fax : 23461647

Ref No : KFDC/Accounts/IA/2023-24/ 539

Date: 16.08.2023

SHORT TERM DETAILED TENDER NOTIFICATION
(Manual Tender)

Sub:- Appointment of Practicing Chartered Accountants for conducting
Internal Audit of KFDCL for the Financial Year 2023-24

Applications are invited for Appointment of Practicing Chartered Accountants for conducting Internal Audit of Karnataka Forest Development Corporation Limited for the Financial Year 2023-24 having a turnover of around Rs.75.00 Crores on half yearly basis as per the scope specified in **Annexure II**.

The Tender Notification may be viewed on the company website at **www.kfdcl.karnataka.gov.in**. The complete set of bidding document prepared by KFDCL will be available for free download. KFDCL reserves the right to accept or reject any or all the bids and the decision of the management is final in this regard.

Last date for submission of application is **23.08.2023** on or before 4 PM with sealed Tender to undersigned. The Tender will be opened on **24.08.2023** at 4.30 PM.

Contact details:

The Managing Director,
Karnataka Forest Development Corporation Limited,
Vanavikas, 1st Floor, 18th Cross, Malleswaram, Bangalore- 560003.
Phone: +80 23343712
Email: info@kfdcl.com


Managing Director



KARNATAKA FOREST DEVELOPMENT CORPORATION LIMITED
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TERMS AND CONDITIONS

1) TENDER FEE:

The Tenderer should pay Tender form fee of Rs.590/- (Inclusive of GST) in favouring 'Managing Director KFDC Limited Bangalore' through Demand Draft drawn on a Scheduled Bank (Non-refundable).

2) SCOPE OF SERVICE:

The Tenderer is required to apply for conducting half yearly Internal Audit of M/s Karnataka Forest Development Corporation Limited for the Financial Year 2023-24 for the locations specified in **Annexure I** as per the internal audit scope provided in **Annexure II**.

3) FURTHER INFORMATION:

Tenderer are encouraged to familiarize themselves with the Corporation activities and financial transactions and take them into account in preparing their proposals. Tenderer may contact The Managing Director, if they require any further information about KFDCL and its functioning. If required, Tenderer may visit the offices of KFDCL with advance intimation to the person mentioned above.

The Tenderer shall not contact any KFDCL personnel after the due date and time specified for submission of proposals. Any attempt to do so might result in disqualification of the proposals submitted.

4) ELIGIBILITY CRITERIA:

- Chartered accountants/ Chartered accountant firms with ACA/FCA qualification shall participate in bidding.
- CA/CA firm shall quote audit fees half yearly for the FY 2023-24.
- The CA/CA firm must have its head office @ Bangalore.
- CA/CA/ firm shall have sufficient number of auditing staff.
Note* Firm should submit the report on resources deployed along with the invoice
- CA/CA firm required minimum of 5 years' experience and handled Internal Audits of PSU's.

5) DOCUMENT'S COMPRISING THE TECHNICAL BID:

- Attested copy of ACA/FCA Certificate of Practice.
- Attested copy of GST Registration if applicable.

- c) Attested Copy of PAN card.
- d) Details of the partners in case of partnership firm/ proprietor in case proprietorship.
- e) Attested copy of Income Tax returns for the Latest two financial years.
- f) Attested copy of address proof for having office at Bangalore which applicant is bidding.
- g) Copy of experience letter of PSU audits.

6) BID FORM:

- a) Audit fees should be quoted in the financial bid format **Annexure- III** for rendering service of audit work (Financial bid). This format should not be changed in any manner. Addition/ deletion/ alteration of the text will automatically render the tender invalid and therefore will be summarily rejected.
- b) At any time, prior to the date of submission of bid, KFDC may, for any reason, whether on its own initiative or in response to a clarification required by a prospective Tenderer, modify the bid documents by amendments.
- c) EMD of unsuccessful Tenderer shall be returned after the tender awarded and accepted by the successful Tenderer.

7) BID PRICES:

- a) The CA/CA firm shall quote half yearly prices. The composite price shall include the out pocket expenses including travel, food and accommodation excluding GST etc., as applicable from time to time.
- b) The price quoted by the Tenderer shall remain fixed during entire period of contract & shall not be subject to variation on any account. A bid submitted with an adjustable price quotation will be treated as non-responsive and rejected.

8) EMD & BANK SECURITY DEPOSIT:

- a) Applicant - CA/CA firm should pay Earnest Money Deposit (EMD) Rs.25,000/- in the name of "Managing Director KFDC Limited" through Demand Draft drawn on a Scheduled Bank.
*However, no interest shall be payable on EMD.
- b) The successful Tenderer's EMD amount may be forfeited if the Tenderer fails to sign the contract.
- c) The EMD of unsuccessful Tenderer will be discharged/ returned as early as possible but not later than 30 days after the expiry of the period of bid validity.
*However, no interest shall be payable on EMD
- d) Bid validity:
 - a) The bids shall remain valid for 90 days after the date of opening of bids. A bid valid for a shorter period shall be rejected as non-responsive.
 - b) A Tenderer, accepting the request of KFDCL for an extension to the period of bid validity in exceptional circumstances, will not be permitted to modify their bid.

- c) If the management finds the services of the bidder at par by meeting the requirements of the company, the management reserves the right to extend the services for the future years.
- e) Process to be confidential:
Information relating to the examination, clarification, evaluation, and comparison of Bids and recommendations for the award of a contract shall not be disclosed to Tenderer or any other persons not officially concerned with such process until the award to the successful Tenderer has been announced. Any effort by the tenderer to influence the KFDCL processing of Bids or award decisions may result in the rejection of their Bid.
- f) Clarification of Bid:
During evaluation of Bids, KFDCL may, at their discretion, ask any Tenderer for clarification of their Bids, including breakup of charges. The request for clarification and the response shall be in writing or by cable, but no changes in the price or substance of the Bid shall be sought, offered, or permitted.

9) FINANCIAL BID:

The Tenderer shall quote the rate in the financial bid as per **Annexure-III**.

10) TENDER EVALUATION

The tender submitted by the Tenderer will be opened by the management. If the documents are technically found to be in order as specified above, only then the financial bid will be considered. Incomplete documents in the Technical documents will result in rejection of the entire tender and the financial bid. In the event of any discrepancy in respect to the rates quoted, the KFDCL reserves the right to accept the lowest rate, at its discretion.

11) AWARD OF CONTRACT

The KFDCL shall consider placement of Letter of Acceptance (LOA) to those Tenderers (in duplicate) whose offers have been found acceptable. The Tenderer shall return one copy of the LOA in token of their acceptance.

12) KFDC LTD., RESERVES RIGHT TO ACCEPT ANY BID AND TO REJECT ANY BIDS:

The KFDCL shall not be bound to accept the lowest or any tender and reserves to itself the right to accept or reject any bid or to accept whole or a portion of tender, as it may deem fit, without assigning any reason there-of and without incurring any liability to the affected Tenderer(s) for the action of KFDCL.

The KFDCL reserves the right to remove any Internal Auditor, if his work is not satisfactory (if audit observations are superficial & reports are not submitted on time). Further if the performance/conditions of the work of the auditor is not satisfactory such CA/CA firms will be replaced with L-2 tenderer.

13) SIGNING OF CONTRACT

Signing of Agreement shall constitute the award of contract on the Tenderer.

14) ANNULMENT OF AWARD

Failure of the successful Tenderer to comply with the requirement shall constitute sufficient ground for the annulment of the award and forfeiture of the bid security in which event KFDCL may make the award to any other Tenderer at the discretion of KFDCL or call for new bids.

15) TERMS OF PAYMENT:

Payment will be made at head office of KFDCL after deducting the applicable taxes etc. The payment will be made after timely submission of the internal audit report for a particular period and receipt of the bill.

16) TERMINATION OF CONTRACT:

In case of any default by the service provider and in any of the terms & conditions (whether General, special, statutory), may, without prejudice to any other right/ remedy which shall have accrued or shall accrue thereafter, terminate the contract, in whole or in part, by giving one month's notice in writing to the service provider.

All instructions, notice and communications under the contract given in writing and if sent to the last known place of business, shall be deemed to be served on the date, even in ordinary course of post these would have been delivered to the service provider.

Notwithstanding anything contained herein KFDCL also reserves the right to terminate the contract at any time or stage during the period of contract, by giving one month notice in writing without assigning any reason and without incurring any financial liability whatsoever to the service provider.

17) OTHER OBLIGATIONS:

- a) KFDCL prior to the expiry of the tender validity period, shall notify the Tenderer whose tender is accepted for the award of the contract. The terms of the accepted offer shall be incorporated in the acceptance letter issued.
- b) Notwithstanding the above KFDCL reserves the right to accept or reject any tender and to cancel the bidding process at any time prior to the award of the contract.
- c) The undersigned reserves the right to select from the candidates proposed by the successful Tenderer and also the right to ask for replacement at any time.
- d) TDS shall be made in the bills of successful Tenderer.



Managing Director

ANNEXURE I

I. HEAD OFFICE:

M/s Karnataka Forest Development Corporation
Vana Vikas, 1st Floor
18th Cross, Malleswaram
Bangalore-560 003

II. RUBBER WING:

SI No	Division	Address
1	Executive Director, Mangalore	P.B.No.930, Kulashekar, Mangalore-575005.
2	Divisional Manager, Subramanya Rubber Division,	Subramanya Rubber Division, K F D C Ltd., Chickamudnur Post, Puttur,
3	Divisional Manager, Aivernad Rubber Division,	Aivernad Rubber Division, Sullia, K F D C Ltd., Kurunjibagh Post, Sullia,
4	Divisional Manager, Sullia Rubber Division,	Sullia Rubber Division, Sullia, K F D C Ltd., Kurunjibagh Post, Sullia,
5	Manager (Factories)	Aletty Post, Medinadka, Sullia, K F D C Ltd., Aletty Post, Medinadka,

III. PULPWOOD WING:

SI No	Division	Address
1	Executive Director, Shimoga	Behind Jayanagar Police Station, DC Compound, Shimoga-577120
2	Divisional Manager, Shimoga Division,	Behind Jayanagar Police Station, DC Compound, Shimoga-577120
3	Divisional Manager, Dharwad Division,	Near KC Park, Pune-Bangalore Road, Forest Compound, Dharwad-580008.
4	Divisional Manager, Chickmagalur Division,	Jinkevana, Jyothinagar, KM Road, Chickmagalur-577102.
5	Divisional Manager, Bangalore Division,	Vana Vikas, Ground Floor, 18 th Cross, Malleswaram, Bangalore-560 003

ANNEXURE- II

The Scope of Internal Audit for the year 2023-24

Head Office

Sl. No.	Operations
1	Audit of all purchase transactions in respect of stores, raw materials, plants and machinery, equipment's and other similar purchases in accordance with the approved Budget and Purchase Committee approval and also to suggest improvements thereon and adequacy of Internal Control.
2	Audit of all sales transactions pertaining to rubber products including the approvals, authorization, access etc., and also to suggest improvements thereon and adequacy of Internal Control.
3	Audit of transactions relating to receipts and issues of stores, raw materials, finished goods in accordance with FIFO system and other fixed assets including physical verification of stock/stores. Further, to suggest improvements over the existing system in respect of internal control procedure.
4	Checking of transactions relating to work-in-progress of building, plant and machinery, vehicles, and others and checking of Fixed Asset registers.
5	Verification of Statutory records, including the records to be maintained as per factories Act, Industrial dispute Act and Plantation labour Act.
6	To conduct propriety audit of transactions relating to purchases, sales and other areas of the Corporation, effecting the productivity or otherwise and suggesting steps to be taken by the Management regarding short comings, deficiency and irregularities, if any.

Sl. No.	Financial
1	Audit of all the vouchers (payments, receipts & journals) maintained in the office.
2	Audit of transactions relating to sale of Rubber and Sale of Pulpwood and other allied products. payment of FDF, GST, Income Tax, and monthly e-TDS returns and all other Statutory compliances etc.
3	Checking of loans and advances given to employees and recovery of the same. Further suggesting the improvements needed on existing internal control system.
4	Checking of recoveries and remittances of Statutory deductions like TDS, FDF, GST, Income Tax, & PF, ESI, Professional Tax etc.
5	Verification of adequacy or other wise of Insurance coverage for fixed and current assets and suggestions thereof.

6	<p>Checking of financial transactions.</p> <p>a) Payment to employees towards salary, wages, TA, Bonus and all other allowance etc.,</p> <p>b) Verification of all cash transactions.</p> <p>c) Review of vehicle records.</p> <p>d) Other Bank cash transactions and reconciliation thereon.</p> <p>e) Verification of petty cash transactions.</p> <p>f) Reconciliation in respect of Transfers of revenue to Head Office from Unit offices in accordance with realization of revenue.</p>
7	Verification of interest calculations, payment and receipt of term loans, fixed deposits, customers' dues etc.
8	Verification of Depreciation calculations.
9	Guidance for review of Statutory and Accountant General Audit suggestions and observations made during the previous years and ensure that the management has taken proper action on each of the observation.
10	Revising the Annual Accounts including verification of trail balance, final accounts, groupings, consolidation statements etc.
11	Verification of leave encashment benefit/ gratuity provision/ lease rent.
14	To intimate about the TDS & GST rates, as and when there is amendment in this regard
15	Verification as to the compliance of Accounting Standards, which are mandatory in the preparation of books of Accounts
16	Reconciliation of Bank accounts, Interdivision Balance, Inventories and Fixed assets on quarterly basis.

Rubber Wing

Sl. No.	Operations
1	Audit of all purchase transactions in respect of stores, raw materials, plants and machinery, equipment's and other similar purchases in accordance with the approved Budget and Purchase Committee Approval and also to suggest improvements thereon and adequacy of Internal Control.
2	Audit of transactions relating to receipts and issues of stores, raw materials, finished goods in accordance with FIFO system and other fixed assets including physical verification of stock/stores. Further, to suggest improvements over the existing system in respect of internal control procedure.
3	Checking of transactions relating to work-in-progress of building, plant and machinery, vehicles, plantation assets and others and checking of Fixed Asset registers.
4	Verification of basic records and internal control systems in respect of latex collection and processing, plantation raising and maintenance expenditure of Rubber, etc.,
5	Verification of Statutory records, including the records to be maintained as per factories Act, Industrial dispute Act and Plantation labour Act.
6	To conduct propriety audit of transactions relating to purchases, sales and other areas of the Corporation effecting the productivity or otherwise and suggesting steps to be taken by the Management regarding short comings, deficiency and irregularities, if any.

Sl. No.	Financial
1	Audit of all the vouchers (Sales, payments, receipts & journals) maintained in the office of the Executive Director, Divisional Manager, Manager (Factories) and Plantation Superintendent.
2	Audit of transactions relating to sale of Rubber and Rubber trees, payment of FDF, GST, Income Tax and monthly e-TDS returns and all other Statutory compliances etc.
3	Checking of loans and advances given to employees and recovery of the same. Further suggesting the improvements needed on existing internal control system.
4	Checking of recoveries and remittances of Statutory deductions like TDS, FDF, GST, Income Tax, & PF, ESI, Professional Tax etc.
5	Verification of adequacy or other wise of Insurance coverage for fixed and current assets and suggestions thereof.
6	<p>Checking of financial transactions at all Divisions.</p> <p>g) Payment to employees towards salary, wages, TA, Bonus and all other allowance etc.,</p> <p>h) Verification of all cash transactions particularly cash payments by the Plantation Superintendents to contractors, petty works contractors, job workers for miscellaneous expenses etc.,</p> <p>i) Cash balance of all Divisions/ Factory Division, Units, Executive Director Office etc.,</p> <p>j) Review of vehicle records.</p> <p>k) Other Bank cash transactions and reconciliation thereon.</p> <p>l) Verification of petty cash transactions.</p> <p>m) Transfers of revenue to Head Office in accordance with realization of revenue.</p>
7	Verification of interest calculations, payment and receipt of term loans, fixed deposits, customers' dues etc.
8	Verification of Depreciation calculations.
9	Guidance for review of Statutory and Accountant General Audit suggestions and observations made during the previous years and ensure that the management has taken proper action on each of the observation.
10	Revising the Annual Accounts including verification of trail balance, final accounts, groupings, consolidation statements etc.
11	Verification of leave encashment benefit/ gratuity provision/ lease rent.
12	To intimate all offices about the TDS & GST rates, as and when there is amendment in this regard
13	Verification as to the compliance of Accounting Standards, which are mandatory in the preparation of books of Accounts
14	Reconciliation of Bank accounts, Interdivision Balance, Inventories and Fixed assets on quarterly basis.

Pulpwood Wing

Sl. No.	Operations
1	Audit of all purchase transactions in respect of stores, raw materials, plants and machinery, equipment's and other similar purchases in accordance with the approved Budget and Purchase Committee Approval and also to suggest improvements thereon and adequacy of Internal Control.
2	Audit of all sales transactions pertaining to pulpwood products including the approvals, authorization, access etc., and also to suggest improvements thereon and adequacy of Internal Control.
3	Audit of transactions relating to receipts and issues of stores, raw materials, finished goods in accordance with FIFO system and other fixed assets including physical verification of stock/stores. Further, to suggest improvements over the existing system in respect of internal control procedure.
4	Checking of transactions relating to work-in-progress of building, plant and machinery, vehicles, plantation assets and others and checking of Fixed Asset registers.
5	Verification of basic records and internal control systems in respect of Extraction and Transportation of plantation raising and maintenance expenditure of Pulpwood Plantations etc.,
6	Verification of Statutory records, including the records to be maintained as per factories Act, Industrial dispute Act and Plantation labour Act.
7	To conduct propriety audit of transactions relating to purchases, sales and other areas of the Corporation, effecting the productivity or otherwise and suggesting steps to be taken by the Management regarding short comings, deficiency and irregularities, if any.

Sl. No.	Financial
1	Audit of all the vouchers (payments, receipts & journals) maintained in the office of the Executive Director, Divisional Manager, Manager (Factories) and Plantation Superintendent.
2	Audit of transactions relating to sale of Pulpwood, Eucalyptus Poles and other allied products, of payment FDF, GST, Income Tax and monthly e-TDS returns and all other Statutory compliances etc.
3	Checking of loans and advances given to employees and recovery of the same. Further suggesting the improvements needed on existing internal control system.
4	Checking of recoveries and remittances of Statutory deductions like TDS, FDF, GST, Income Tax, & PF, ESI, Professional Tax etc.
5	Verification of adequacy or other wise of Insurance coverage for fixed and current assets and suggestions thereof.
6	<p>Checking of financial transactions at all Divisions.</p> <p>n) Payment to employees towards salary, wages, TA, Bonus and all other allowance etc.,</p> <p>o) Verification of all cash transactions particularly cash payments by the Plantation Superintendents to contractors, petty works contractors, job workers for miscellaneous expenses etc.,</p> <p>p) Cash balance of all Divisions, Units, Executive Director Office etc.,</p> <p>q) Review of vehicle records.</p>

	r) Other Bank cash transactions and reconciliation thereon. s) Verification of petty cash transactions. t) Transfers of revenue to Head Office in accordance with realization of revenue.
7	Verification of interest calculations, payment and receipt of term loans, fixed deposits, customers' dues etc.
8	Verification of Depreciation calculations.
9	Guidance for review of Statutory and Accountant General Audit suggestions and observations made during the previous years and ensure that the management has taken proper action on each of the observation.
10	Revising the Annual Accounts including verification of trail balance, final accounts, groupings, consolidation statements etc.
11	Verification of leave encashment benefit/ gratuity provision/ lease rent.
12	To intimate all offices about the TDS & GST rates, as and when there is amendment in this regard
13	Verification as to the compliance of Accounting Standards, which are mandatory in the preparation of books of Accounts
14	Reconciliation of Bank accounts, Interdivision Balance, Inventories and Fixed assets on quarterly basis.

Others

1. The Internal Auditor should ensure that the Corporation has complied with all the applicable Acts and in accordance with the internal business process including Approvals as per the financial powers, Budget, Committee Approvals, Board Approvals etc., of the Corporation.
2. The Internal Audit should conduct Internal Audit on Half Yearly basis, for the period April-September, October-March and submit the reports for both operational and financial separately.
3. Internal Audit should draft the checklist based on the internal controls involved or expected & accordingly Audit should be performed.
4. The Internal Audit should include the adequacy of Internal Control and also to suggest improvements thereon.

ANNEXURE III (FINANCIAL BID)

I hereby agree to take up the Audit work in your corporation at the rates indicated against them for the period of 2023-24

Sl No	Period (Half Yearly)	Audit Fee (Inclusive of out of Pocket expenses) (in Rs.) *Excluding of GST
1	April, 2023 to September, 2023	
2	October, 2023 to March, 2024	

***GST will be paid separately if applicable.**

SIGNATURE OF THE TENDERER WITH SEAL.

ANNEXURE-IV

**APPLICATION FOR APPOINTMENT OF INTERNAL AUDITORS FOR KFDCL,
BANGALORE FOR THE YEAR 2023-24.**

To,
The Managing Director,
Karnataka Forest Development Corporation Limited,
Vanavikas, 1st Floor,
18th Cross, Malleswaram,
Bangalore- 560003.

Dear Sir/Madam,

With reference to your bid notification dated .08.2023 we are interested to take up Internal Audit work of your esteemed organization for the year 2023-24.

I/we furnish herein below the particulars as required by you.

- 1) Name of the CA/CA firm and local address proof with Telephone and e-mail.
- 2) Membership Number and PAN & GST Registration certificate.
- 3) Details of year of establishment, partnership firm/ proprietorship
- 4) Income Tax paid certificate for the last two financial years.
- 5) Experience letters of last five years.
- 6) EMD & Tender Fees Demand Draft
- 7) Any other document produced

Place:

Date:

**Signature with Seal
(Tenderer)**



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Last date for submission of application is **23.08.2023** on or before 4 PM.

Sd/-
Managing Director