



Indian Renewable Energy Development Agency Limited
(A Government of India Enterprise)

Ref No.: IA/2020-21/APP2/001

Date: 19.06.2020

Clarifications on Pre-Bid Queries for Appointment of Internal Auditor of the Company
(RFP Reference: 2020-21/INTERNAL AUDITOR/2)

IREDA has issued RFQ for Appointment of Internal Auditor for the FY 2020-21 on the CPPP portal and website of IREDA on 08.06.2020. As per the key timelines, the Last date and time of receiving vendor Pre-bid clarifications in writing through email was 15.06.2020 at 1700 hrs. IREDA has received total **9 Queries** till the said time.

Replies to the Clarifications sought by the prospective bidders have been worked upon and has been tabulated below: -

S. No	Doc Ref	Page No	Clause No	Description in RFP	Additional Remark (if any)	Reply / Clarification by IREDA
1	RFP	Page 5	Para (c)	<p>C) Scope of Audit: Risk Assessment: The Audit firm will assess the risk involved in the various activities of the company in consultation with the management and how this risk can be minimized. Internal Auditor will have a Risk Based Internal control evaluation and Audit process.</p> <p>Risk Based Audit : The Audit firm is required to check/perform the audit on the basis of the risk assessment related to activities of the company.</p>	<p>Risk Assessment is to be conducted by IA team based on Risk based internal audit is to be done –</p> <p>a. Whether this process is already in place or being carried out first time?</p> <p>b. Whether there would be additional processes need to be covered as given in scope of work in this para on risk based audit?</p> <p>c. Which additional processes were covered by earlier auditors based on risk assessment carried out by them?</p>	<p>a. The process is already in place, however management of IREDA wants to reinvent the entire process and re-asses the the risk involved in the various activities of the company. The auditor has to do the audit based on the risk perception of the company.</p> <p>b. No additional process apart from what is given in the scope of work is to be covered for the subject matter.</p> <p>c. No Comments. Not relevant to RFQ.</p>
2	RFP	Page 7	Para 7 (a)	<p>7. General</p> <p>a. Representation in various purchase, tender, screening committees like Settlement Advisory Committee for One Time Settlement, Write off/ Wilful Defaulter Committee etc. as nominated/decided by the Management of IREDA from time to time in the capacity of Internal Auditors of IREDA and to give views in such capacity;</p>	<p>IA to represent various working committee – how many committees would be there?</p> <p>1. Frequency of meeting wherein presence of IA is required?</p> <p>2. Detailed Role and responsibility of IA in these committees?</p>	<p>Internal Auditors of IREDA are ex-officio members of its Settlement Advisory Committee of the company constituted for One Time Settlements.</p> <p>1. The frequency of the meeting is as per requirement and no such fixed frequency can be determined.</p> <p>2. The role of internal auditors in such committees is to be present as a member of</p>

						such committee and express their views and suggestions.
3	RFP	Page 8	Para 7(h)	h. To coordinate with Statutory Auditors wherever required for early completion of statutory audit.	Coordination with Statutory auditor – a. Please provide the role of IA team in coordination with Statutory audit? Whether its limited to IA report discussion or any another aspect is to be covered?	a. The Internal Auditors shall discuss their report including observations and management comments with the statutory auditors as and when required by them.
4	RFP	Page 8	Para 7(p)	Any other work related to the internal audit functions of IREDA.	Any other work related to the internal audit functions of IREDA. -please explain the expectation from IA team	Normally no additional function is assigned except for the internal audit of IREDA, However, if management require any other major work, the same cannot be denied by the selected Internal Auditor and may be treated as a separate assignment.
5	RFP	Page 8	Para 7(q)	q. Any other requirement as desired by IREDA's Audit Committee and Board, if any, during the tenure of Audit.	Any other requirement as desired by IREDA's Audit Committee and Board, if any, during the tenure of Audit. – a. Whether these would be part of existing scope or would be treated as additional scope?	The other requirements (if any) based on the Internal Auditors Report as desired by IREDA's Audit Committee and Board, , during the tenure of Audit shall be considered as the part of existing scope of work.
6	RFP	Page 11	D) Evaluation Process: - 9 point	Presentation on Audit process and procedures (Either in person or through Video Conferencing or any other mode as the management of IREDA may deem fit)	Do we have to submit the presentation along with technical and financial bid?	Those Eligible Bidders whose Technical Bids are opened shall be invited to give a presentation to the Management of IREDA Either in person or through Video Conferencing or any other mode as the management of IREDA may deem fit. Thus there is no requirement to submit the presentation with the Technical/ Financial Bid.

7	Other query	NA	NA	NA	Locations other than Delhi, if any to be covered in audit	<p>IREDA has two offices in Delhi. The registered office is situated at Indian Habitat Centre, Lodhi Road, New Delhi and the Corporate Office at Bhikaji Cama Place, New Delhi. IREDA also has a 50 MW solar power plant at Kerala. However, all the Accounts are maintained in Corporate Office of IREDA.</p> <p>Thus, as of now there is no requirement to cover any other location during the audit subject to the fact that auditor obtains required comfort. However, it may be noted that IREDA shall not pay any other amount and other expenses like travel and accommodation etc. except the agreed professional fee and applicable Taxes.</p>
8	RFQ	Page 9	Eligibility Criteria	The bidder should have at least (7) professionals CA qualifications permanently employed by them in India including partners with minimum 10 years of post qualification experience and minimum 10 years with the firm.	Out of the requirement of 7 professionals, we have 5 of the CAs at our firm are fulfilling the minimum criterion of 10 years of post-qualification, but the other 2 CA professionals are 9 years and 7 years.	It is clarified that IREDA requires atleast (7) professionals with relevant qualifications permanently employed by them in India <u>including minimum (02) partners with minimum 10 years of post-qualification experience and minimum 10 years with the firm.</u>
9	RFQ	Page 9	Eligibility Criteria	The Bidder should have business Income received or receivable given in audited Financial Statement of INR 1.50 crores in average of the three financial years (2016-17 ,2017- 18, 2018-19) from Accounts and Auditing Services.	On the Average Income, we are in between INR 1 to 1.5 Crore for the three financial years, can we still apply for your organisation.	The eligibility criteria states that the business Income received or receivable given in audited Financial Statement in average of the three financial years (2016-17 ,2017- 18, 2018-19) from Accounts and Auditing Services should be minimum Rs. 1.50 crores. Hence, any amount below 1.50 Crores, cannot be considered.

All concerned are requested to take a note of the above. This issues with the approval of the competent authority.

Sd/-
Punnu Grover
Deputy General Manager-F&A