

**REQUEST FOR PROPOSAL FOR APPOINTMENT OF INTERNAL AUDITORS FOR
FY 2023-24**

1. INTRODUCTION

IFIN Commodities Ltd (ICOM), a Subsidiary of IFCI Financial Services Limited., registered member of the Multi Commodity Exchange of India Ltd (MCX), National Commodity and Derivatives Exchange Ltd (NCDEX) is primarily engaged in the business of providing Commodity market related transaction services. (For detailed information visit website- - www.ifinltd.in)

2. OBJECTIVE OF RFP

ICOM seeks to appoint internal auditor of the company for FY 2023-24.

3. ELIGIBILITY CRITERIA:

The eligibility criteria is as follows:

1. Audit Firms registered with ICAI (Partnership/LLP/Company)
2. A minimum of 2 partners/ Designated Partners/Directors etc
3. Experience of minimum 05 years standing in practice.
4. Minimum of 5 corporate clients, atleast one corporate client from the Broking segment (equity or commodity) or Capital Market is preferred.
5. Carried out Audit of at least one Broking firm/ Exchange/ Clearing Corporation/ Depository/ Depository Participant/ Public sector bank
6. Atleast one partner situated in Chennai
7. The Firm should have experienced staff to handle our audit.
8. The CA firm should not have been black listed/ debarred by any institution of the Central Government or State Government of any state or by ICAI.

Applicant firms to submit details of their meeting the eligibility criteria.

4. SCOPE OF WORK: The scope of work of the internal audit is attached herewith as Annexure -I

The description of scope of work is indicative and not exhaustive. Changes /additions can be made by ICOM as and when necessary with due intimation.

5. DUTIES OF THE INTERNAL AUDIT FIRMS:

- a. The engagement pertains to F.Y 2023-24 starting from April 1st, 2023 to March 31st, 2024.
- b. The internal audit report to be issued on quarterly basis to management of ICOM for all the areas/ departments for adherences to regulatory/ exchange/ statute requirements and the laid down systems, procedures , risk mitigation measures and internal controls including review and strengthening of control, systems, processes, risk measures, SOP, Policies and Manuals w.r.t the business needs and applicable regulatory/exchange/ statute requirements to provide for transparent and good corporate governance practices.
- c. The audit will cover the current state of the company's risk management process, the controls environment, detect significant errors, irregularities, and material weaknesses in internal control while recommending to the management regarding improvements in controls to help strengthen control deficiencies. It will also provide assurance over compliance with laws and regulations while reporting on incidents of non-compliance identified and its regularization. It will also cover auditor's assessment on how the company responds to new risks and how the business is likely to undergo significant change in its operations, or changes in external risks and business environment.
- d. The Internal Audit will comprise a 100% audit on all aspects including all transactions, processes, systems, entries and related while also focusing on the applicable requirements of regulations and all aspects of client on-boarding, servicing, compliances and reporting.

6. AUDIT FEES FORMAT:

The Bidder should submit their fee quotation in the given format only:

Quarterly Internal Audit Fees Rs _____

*Out of Pocket Expenses Rs _____

The fee is exclusive of any applicable taxes and levies, if any.

**Note: the Bidder should specify the quantum of the out of pocket fees, otherwise out of pocket fees will be considered as NIL.*

7. MODE OF SUBMISSION OF APPLICATION:

- a) Only one application will be accepted from the bidder against the said RFP.
- b) The Bidder have to submit their application on the letter head duly signed by the authorized partner/directors/designated partners of the bidder along with the following documents in two separate sealed covers/password protected pdf files super scribing technical bid and financial bid in one sealed envelope/one mail:
 - i) Technical Bid (to be submitted in separate sealed cover/ password protected pdf file super scribing as Technical Bid in Cover 1/file 1)

- Application in the given format as Annexure A;
- Brief Profile of bidders along with the details and experience of the partners;
- List of existing Clientele;
- Details of work or assignment handled in Stock /Commodity broking firm (As per Annexure B)
- ii) Financial Bid (to be submitted in separate sealed cover/password protected pdf file superscribing as Financial Bid in Cover 2)
- Fees quotation as per Annexure C

c) Application in response to this RFP can be submitted through following two modes only:

i) through E-mail along with the supporting documents at cs@ifinltd.in with subject line- “For Appointment of Internal Auditor for FY 2023-24” The application submitted in one mail containing two password protected pdf files (Technical Bid- File 1 and Financial Bid- File 2). The password shall be disclosed by bidder at the time of opening of bid.

ii). Application in response to this RFP can also be submitted through post/ hand delivery in sealed envelope superscribed with “For Appointment of Internal Auditor for FY 2023-24” containing two sealed cover (Technical Bid –Cover 1 and Financial Bid- Cover 2) to the following:

To, IFIN Commodities Limited, Continental Chambers, 3rd Floor, 142 Mahatma Gandhi Road, Nungambakkam, Chennai-600034, Tamil Nadu.

Schedule of Events, contact & communication details

- | | |
|---------------------------------|----------------------------------|
| 1. Brief Description of the RFP | : Internal Audit for FY 2023-24 |
| 2. Company’s Address for | : IFIN Commodities Limited. |
| Communication and | Continental Chambers, 3rd Floor, |
| Submission of Tender | 142, Mahatma Gandhi Road, |
| | Nungambakkam, Chennai 600034. |
| 3. Date of issue /publication | : 24.04.2023 |
| 4. Last date & time for | |
| Submission of Bids | : 03.05.2023 by 03.00 PM |

5. Date and time of

Opening of Technical Bid : 04.05.2023 at 11.00 AM through video conferencing (the link will be shared on 04.05.2023).

6. Contact Person for any

Clarification : Mr. A V Pushparaj, CFO

7. Contact E-mail ids : pushparajav@ifinltd.in

Note: Only technically qualified bidders will be called for financial bid opening.

Disclaimer:

ICOM at its sole discretion can withdraw/cancel the said RFP at any point of time without assigning any reasons.

Annexure – A: Proposal Format

(To be submitted on bidders letter head in separate cover / email stating Technical bids)

Application for engagement of Internal Audit (Technical Bid):
1. Name of the Audit Firm:
2. Year of Establishment of the Firm: (With documentary evidence)
(i) In case of Company/LLP, a certified copy of the certificate of incorporation.
(ii) In case of Partnership Firm, along with a certified copy of the Partnership Deed.
3. Firm registration number
4. PAN Number issued by Income Tax Department. (Attach photocopy of PAN card)
5. a) Period of Practice
b) Place of Practice,
6. Address Details:
(a) Office:
(b) Residence:
7. Contact No. of Firm with Email Id.:
8. Name(s) and Contact details of the Authorised person (s):
9. Details of Following:
(i) GST No.-
10 Names of the Partner & other team members:
(i) Partner (ii) Sr. Associate(s) (iii) Associate(s)
11. Areas of Specializations:
12. Details of office/chambers Pan-India:
Declaration:

I _____ s/o/d/o Sh. _____ working as _____ in (name of the firm and firm address in full be mentioned), hereby declare that I/We have verified the details indicated above and also confirm that all the information submitted is true to the best of my /our knowledge and solemnly affirm and declare that I have been authorized by the firm to sign the response to this RFP. I hereby declare and certify through the firm that I have accepted all the terms & conditions mentioned in this RFP and I shall abide by all the terms & conditions in the event of acceptance of my/our Bid/Proposal.

(Signature with seal _____)

Name: _____

(Authorized Signatory)

Date:

Place:

Annexure – B : Format for Relevant Engagements

Please use the format below to provide information of the relevant engagements of the firms with Broking firm/ Exchange/ Clearing Corporation/ Depository/ Depository Participant/ Public sector bank.

Name of the Client(Broking firm/ Exchange/ Clearing Corporation/ Depository/ Depository Participant/ Public sector bank)	
Description of the Major assignments (Attach copy of the letter of assignment)	

(Signature of Authorized Signatory)

Full Name & Designation of Authorized Signatory

Date:

Seal of Respondent

(On letter head)

Annexure- C - Format of submitting quotations (Financial Bid)

(For conducting Internal Audit of IFIN Commodities Limited)

To
IFIN Commodities Limited
3rd Floor, Continental chamber 142,
M.G Road, Nungambakkam,
Chennai – 600034.

Sl. No	Description	Price Bid (Exclusive of taxes)
		Amount (in figures)
1.	Quarterly Internal Audit Fees for FY 2023-24	
2.	Out of pocket expenses	
	Total	

The fee is exclusive of any applicable taxes and levies, if any.

Note: The Bidder should specify the quantum of Out of pocket fees, otherwise it will be considered as NIL.

Total amount in words: Rupees _____ only

Signature:

Name & Designation of the Authorized Signatory: -----

Stamp of the Firm: -----

SCOPE OF WORK- 2022-24

Company Name: IFIN Commodities Limited (ICOM)

CIN: U93000TN2009G01070524

Registered Address: Continental Chambers, 3rd Floor 142, Mahatma Gandhi Road, Nungambakkam
Chennai TN 600034 IN.

INTRODUCTION:

IFIN Commodities Limited (ICOM) is a subsidiary of IFCI Financial Services Limited and IFIN Commodities Ltd, a registered member of the Multi Commodity Exchange of India Ltd (MCX), National Commodity and Derivatives Exchange Ltd (NCDEX), is primarily engaged in the business of providing Commodity market related transaction services.

1. Physical Verification of Cash
2. Complete audit of the Financial Books including:
 - > Verification of Cash Payment Vouchers
 - > Verification of Bank Payment Vouchers
 - > Verification of Bank Reconciliation Statement
 - > Verification of Accounting and operations masters
 - > Verification of Journal Vouchers
 - > Verification of Tax and all statutory requirement compliances
 - > Scrutiny of General Ledger, Party / Client Ledgers.
 - > Verification of Incomes recognized during the period of Audit
3. Verification of Pro- Trade transactions and Reconciliation of the Holdings in the account.
4. Verification of Fixed Assets Register, additions / deletions to Fixed Assets.
5. Review of all Statutory Compliance
6. Verification of HR related transactions such as TDS / PF/ ESI and other related compliances.
7. Verification of Rental / Lease Agreements
8. Verification of Insurance Policies — adequacy or otherwise of the cover taken.

9. Verification of the operational Books including:

- > Exchange wise accounts like Pool Account, Settlement Account and Beneficiary Account
- > Contract Notes
- > Transaction Statement of Beneficiary Accounts
- > Ledgers like Client ledger, Demat Ledger & Dividend Ledger
- > Master Details like Client Master, Ledger Master and Company Master.
- > Register of Securities client wise and scrip wise.
- > Review of Client wise outstanding and collaterals available as security
- > Verify that the trade orders are recorded on voice logger for all clients

10. To ascertain whether the provisions of the securities law and the directions and/or circulars issued there under by SEBI/Exchanges are being complied with.

11. To verify the calculation and payment of commission to Authorised Person.

12. Review of Internal control procedures.

13. Verification of information on Related Party Transactions to be submitted to board as to its correctness and adequacy.

14. To review the Inspection Report given by Multi Commodity Exchange of India Ltd (MCX), National Commodity and Derivatives Exchange Ltd (NCDEX), SEBI, CAG or any other regulators, if there is any inspection(s) conducted during the quarter under report.

15. To provide, in the quarterly Internal Audit Report, information regarding important observations made by these Regulators during their inspection conducted during the quarter under report and the responses of the Company on such observations / queries.

- > Audit of the statutory compliances required by the exchanges / regulators should be conducted in line with relevant circulars being issued by them from time to time.
- > The internal audit report shall be submitted on quarterly basis.