

Invitation to the Tender

Bihar State Mining Corporation Limited (the Corporation) invites proposals under two bid system from eligible firms of Chartered Accountant for empanelment as an Internal Auditor for the financial years 2019-20 to 2021-22 in accordance with the scope of work set out in the tender document.

RFP Summary Sheet

Sr. No.	Information	Details
1.	Name of the Company	Bihar State Mining Corporation Limited
2.	Tender Cost	Free of Cost
3.	Date of issue of tender document	17/07/2020
4.	Last Date of Submission of Bid	27/07/2020 at 04:00 P.M.
5.	Opening of Technical Bid	29/07/2020 at 03:00 P.M.
6.	Place, Time and Date of opening of Financial Bid	To be communicated to technically successful firms
7.	Contact person for queries	General Manager Bihar State Mining Corporation Ltd. email: bih.minescorp@gmail.com csbsmc@yahoo.com
8.	Addressee and address at which proposal in response to RFP notice is to be submitted	General Manager Bihar State Mining Corporation Ltd. Room No. - 164, New Secretariat (Vikash Bhawan), Patna - 800015

The Corporation reserves the right to reject any or all offers without assigning any reason and the decision of the Corporation shall be final and cannot be subject to arbitration. Tender offers will be opened in the presence of the firm's representatives, who choose to attend the opening of the tender on the above mentioned schedule and place.

Technical Specifications, Terms and Conditions and various formats and proforma for submitting the tender are described in the tender document. The Corporation reserves the right to change the schedule and place mentioned above.

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1. Introduction

Bihar State Mining Corporation Limited (the Corporation) is a Public Sector Undertaking established by the Department of Mines & Geology, Government of Bihar. BSMCL is acting as a State Nominated Agency (SNA) of State Government for coal e-distribution amongst Micro Small and Medium Enterprises and other small consumers in the state of Bihar in accordance with the provisions of New Coal Distribution Policy, 2007.

Apart from acting as a SNA of the State Government for coal distribution, the Corporation is likely to engage itself in the trade of minor minerals by way of opening depot in different districts of the State.

The Corporation is looking for empanelment of a firm of Chartered Accountant as Internal Auditor the Corporation for the financial years 2019-20, 2020-21 and 2021-22 as detailed in the Scope of Work. Interested firms of Chartered Accountant may submit their proposal.

2. Scope of Work

The Board Scope of work is to manage operations as given below, however, not limited to the following:

- i. Review and analyze existing Accounting System in BSMCL;
- ii. Examine the relevant Accounting Standards and accounting practices being adopted in similar organizations wherein double entry accrual accounting has been adopted;
- iii. Review the Accounting Policies and Accounting procedures for BSMCL;
- iv. Review and Analyze Statutory Audit Reports & C&AG Audit Reports and incorporate recommendations provided in these reports to update financial statements and rules and charts of accounts etc.;
- v. Assist in strengthening the accounting system and assist in preparation of Financial Statements under scope;
- vi. Design the format of different accounting requirements.
- vii. Internal Audit should not be confined only to finance audit, should go beyond vouching, verification, checking the arithmetical accuracy etc.
- viii. Adequate emphasis would need to be accorded to testing the Internal Financial Control.
- ix. Internal Auditor should review and appraise the adequacy, reliability and effectiveness of Internal Control System and identify the absence of Internal Control System, if any and report the same with suggestions for improvement;
- x. To review and suggest overall improvement in regulatory compliance, if considered necessary;

The internal audit assignment for the respective financial years shall be conducted on an ongoing basis and the Audit Firm may be asked to furnish quarterly report, if directed by the Board.

3. Firm's Eligibility Criteria

Sr. No.	Criteria	Document to be submitted
1.	The firm should have been registered with the Controller and Auditor General of India and must be practicing continuously in India for the last 2 years as on 31/03/2020.	Proof of registration with the Controller and Auditor General of India.
2.	Firm should have minimum 5 partners (at least 2 FCA) and at least 10 employees / trainees as on 31/03/2020.	Details of respective partner, employees / trainees.
3.	Firm should have at least 2 years of experience of auditing in at least 3 Central / State level Govt. Departments or in any State Govt. or Central Govt. PSUs.	Provide brief details and a Declaration signed by the Principal Officer of the Firm and Appointment letter / Client letter issued by the PSU / Government Department.
4.	The firm should have a full-fledged office in Patna for at least last two years with at least two partners stationed in Patna.	Details to be provided for office in Patna for last two years.
5.	The firm should not have been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / govt. authorities and should not have any disciplinary proceedings pending against the firm with any govt. authority;	Undertaking by the firm in format as per Annexure VI.
6.	The firm should have average turnover of at least 50 lakhs during last financial year and should not have negative net worth.	Copy of Audited Financial Accounts for financial year 2018-19.

4. Bid Submission Process

- i. The Bid prepared by the firms, as well as all correspondence and documents relating to the Bid exchanged by the firm and the Corporation shall be written in English language;
- ii. The covering letter must be signed with the firm's name and by an Authorized Signatory of the firm, who is authorized for contractual obligations on behalf of the firm. All obligations committed by such signatories are liable to be fulfilled by the firm who would be selected to carry out the work as per the terms of this RFP;
- iii. RFP shall be submitted by the firms to General Manager at the address specified above, within due date and time failing which firm's submission is liable to be rejected. Technical Bid and Financial Bid should be sealed in separate envelopes and placed in one bigger envelope and sealed. This bigger envelope should be super-scribed with RFP for empanelment of GST and TDS Consultant.
- iv. Firms are required to submit bids in two parts:
 - a. Technical Bid; and
 - b. Financial Bid.

v. Technical Bid:

Interested and eligible firms may submit their proposal in the prescribed format (enclosed here) with complete information. The proposal duly filled in, along with all supporting document(s) / information should be submitted to the Corporation.

vi. Financial Bid:

The firm shall submit the financial bid as per the format given in Annexure VI. In the event of any difference between figures and words, the amount indicated in words shall be taken into account.

The Financial Offer should give all relevant information and should not contradict the Technical Bid document in any manner.

5. Bid Evaluation

Opening of RFP

For bids received within the prescribed closing date and time, the Technical Bid will be opened in the presence of firm's representatives who choose to attend the opening of the offer on the date and time mentioned in this document.

Any change shall be informed to firms through public notice to the authorized representative. The representatives of firms present shall sign a register of attendance.

Only the firms, who have been deemed qualified in technical evaluation, financial bid will be opened on prospective dates which will be communicated to them in due course.

Shortlisting of Firms

For responses received within the prescribed closing date and time, the Corporation will scrutinize the offers received to determine whether they are complete as per the requirements, and also whether all the required documents have been submitted and properly signed, etc.

Upon receipt of applications (RFP), the same shall be scrutinized and evaluated and the Corporation will shortlist firms as per requirement and the same shall be communicated to them. The Corporation reserves the right to accept or reject any or all applications without assigning any reason whatsoever.

During evaluation of the proposals, the Corporation may, at its discretion, ask respondents for clarifications on their proposal. The respondents are required to respond within the time frame as may be prescribed by the Corporation.

The areas of scrutiny and the weightage of evaluation of different aspects Technical Proposal are given below:

Sl. No.	Technical Evaluation - Areas of Scrutiny	Weights
1.	Firm's existence in years after its registration: (Copy of Registration Certificate) 5 years - 10 years: 70% More than 10 years - 15 years: 85% More than 15 years: 100%	25%

2.	Total number of FCA in the Firm: 2 - 5: 70% More than 5 - 10: 85% More than 10: 100%	25%
3.	Firm's Average Turnover in last 3 Financial Years: 50 lacs - 1 crores: 70% More than 1 - 3 crores: 85% More than 3 crores: 100%	25%
4.	No. of Internal Audit Assignments of Corporate / PSUs (except Bank Branch): 3 - 5 70% > 5 - 10: 85% > 10: 100%	25%

Only Bidders scoring more than 70 marks in the Technical Evaluation would qualify for opening of Financial Offer. Financial Offer of Bidders not qualifying in evaluation of Technical Offer would be returned unopened to the Bidders.

Financial Bid Evaluation

The Financial bids will be evaluated on the basis of the quotes, quoted in Annexure -VII by technically qualified firms.

Financial Offer shall be submitted for the consolidated professional (audit) fee to be charged by the firm. This audit fee shall be inclusive of the all fees, expenses and taxes, which shall be paid by BSMCL.

6. Terms and Conditions:

i. Modifications and withdrawal of bids

No bid can be modified by the firm, subsequent to the closing date and time for submission of bids.

ii. Clarification of bids

Any firm of Chartered Accountant requiring any clarification on RFP document may notify the Corporation in writing by e-mail provided in the "RFP Summary Sheet".

iii. Revised bids

If necessary, the Corporation reserves the right to call for revised technical or financial bid from all the eligible firms for empanelment as GST & TDS Consultant.

iv. Confidentiality

The information given in this document is confidential and is for use by the firms to whom it has been issued. Each party, i.e. the Corporation and the firm, shall treat the other party's information as confidential and will take necessary steps to prevent the disclosure of the other's confidential information to third parties. Both the parties will keep the contents of order / Agreement confidential, including the price information.

v. Compliance to Terms and Conditions

It is essential that all the firms should agree to all the terms and conditions mentioned in this document and they should submit one statement to that effect on the letterhead of the firm (as per Annexure-III) along with the technical bid; otherwise the offer shall be rejected.

vi. Applicable law and jurisdiction of court

This RFP shall be governed in accordance with the Laws of India for the time being in force and will be subject to the exclusive jurisdiction of Courts at Patna.

vii. Payment Terms

All payments shall be subject to deduction of taxes at source (TDS) as per applicable laws and the payment to the selected firm would be made on a yearly basis.

viii. Indemnity

The firm shall indemnify, protect and save the Corporation and hold the Corporation harmless from and against all claims, losses, costs, damages, expenses relating to or resulting directly or indirectly from an act or omission of the authorized signatory, its agents, or partners etc. in the performance of the services provided by the firm.

ix. Fraud and Corrupt Practices

The Bidders and their respective officers, employees, agents and advisers shall observe the highest standard of ethics during the Bidding Process. Notwithstanding anything to the contrary contained herein, the Corporation shall reject any Proposal without being liable in any manner whatsoever to the Bidder if it determines that the Bidder has, directly or indirectly or through an agent, engaged in corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in the Bidding Process.

x. Termination of Agreement

The agreement with the empanelled firm may be cancelled / terminated at the discretion of the Corporation on account of following or without assigning any reason:

- a. On refusal to take up the allotted assignment;
- b. If the firm stands dissolved;
- c. On not abiding by the terms and conditions stipulated in the agreement with the firm;
- d. If the performance of the firm is not found satisfactory;
- e. Any other reason at the discretion of the Corporation.

The Corporation will reserve the right to terminate the contract / cancel the contract with one month's notice after giving a reasonable opportunity to the firm for improvement in the services. This reasonable period will not exceed more than 45 days after a communication is sent to the firm by the Corporation to this effect.

xi. Resolution of Dispute and Arbitration

- a. All disputes or differences arising out of or in connection with the agreement or any part thereof, should be settled by bilateral discussions;
- b. Any dispute, disagreement or question arising out of or relating to the Agreement or relating to performance, which cannot be settled amicably, shall within sixty (60) days or such longer period as may be mutually agreed upon, from the date on which either party informs the other in writing by a notice that such dispute, disagreement or question exists, will be referred to a sole Arbitrator as acceptable to both the parties concerned;
- c. Within sixty (60) days of the receipt of the said notice, an arbitrator shall be nominated in writing by the authority agreed upon by the parties;
- d. The arbitration proceedings shall be conducted under the Indian Arbitration and Conciliation Act, 1996 and the award of such Arbitration Tribunal shall be enforceable in Indian Courts only;
- e. Each party shall bear its own cost of preparing and presenting its case. The cost of arbitration including the fees and expenses shall be shared equally by the parties, unless otherwise awarded by the sole arbitrator.

xii. Disciplinary action for professional misconduct

The selected firm should be subject to disciplinary rules as enumerated in the Chartered Accountant Act, 1949 or other such regulation relevant for the organization.

Annexure - I

Checklist for Bid Submission

Sr. No.	Section Heading	Pro-forma Given
Technical Bid Index		
1.	Firm Response Cover Letter	Annexure - II
2.	Conformity Letter	Annexure - III
3.	Eligibility Criteria Compliance	Duly filled Annexure - IV
4.	Firm's Details	Duly filled Annexure - V along with copy of Certificate of Membership issued by ICAI and other supporting documents in conformity with the information being provided.
5.	Self-Declaration	Annexure - VI
6.	Supporting documents for Office address	Constitution Certificate issued by ICAI and latest Electricity Bill.
7.	Supporting to Financial criteria compliance	Audited Financial Statement for financial year 2018-19.
Financial Bid Index		
8.	Financial Bid Details with price	Annexure - VII

(14)

Annexure - II

Firm Response Cover Letter

(To be submitted on letterhead)

To

The General Manager
Bihar State Mining Corporation Limited
Room No. 164, New Secretariat (Bailey Road)
Patna - 800015

Sir,

1. Having examined the Scope Documents including all Annexures, the undersigned offers to provide services for the scope of work mentioned in the 'Request for Proposal' and the other schedules of requirements and services for your company in conformity with the said Scope Documents.
2. If our Bid is accepted, we undertake to abide by all terms and conditions of this Scope.
3. This Bid, together with your written acceptance thereof, shall constitute a binding Contract between us.
4. We undertake that in competing for and if the work is allocated to us, we will strictly observe the laws against fraud and corruption for the time being in force in India.
5. We certify that we have provided all the information requested by the Corporation. We also understand that the Corporation has the exclusive right to reject this bid in case the Corporation is of the opinion that the required information is not provided.

Yours faithfully

Authorized Signatory
Designation

Annexure - III**Conformity Letter**

(To be submitted on letterhead)

To

The General Manager
Bihar State Mining Corporation Limited
Room No. 164, New Secretariat (Bailey Road)
Patna - 800015

Sir,

Further to our proposal dated, in response to the RFP document (hereafter referred to as "RFP Document") issued by Bihar State Mining Corporation Limited, we hereby warrant and confirm that:

2. We hereby agree to comply with all the terms and conditions / stipulations as contained in the RFP document and other documents shall form a valid and binding part of the aforesaid RFP document;
3. The Corporation is not bound by any other extraneous matters or deviations, even if mentioned by us elsewhere either in our proposal or any subsequent deviations sought by us, whether orally or in writing, and the decision of the Corporation not to accept any such extraneous conditions and deviations will be final and binding on us.

Yours faithfully

Authorized Signatory
Designation

Annexure - IV

Eligibility Criteria Compliance

Sr. No.	Criteria	Document to be submitted	Eligibility (Yes / No)
1.	The firm should have been registered with the Controller and Auditor General of India and must be practicing continuously in India for the last 2 years as on 31/03/2020.	Proof of registration with the Controller and Auditor General of India.	
2.	Firm should have minimum 5 partners (atleast 2 FCA) and at least 10 employees / trainees as on 31/03/2020.	Details of respective partner, employees / trainees.	
3.	Firm should have at least 2 years of experience of auditing in at least 3 Central / State level Govt. Departments or in any State Govt. or Central Govt. PSUs.	Provide brief details and a Declaration signed by the Principal Officer of the Firm and Appointment letter / Client letter issued by the PSU / Government Department.	
4.	The firm should have a full-fledged office in Patna for at least last two years with at least two partners stationed in Patna.	Details to be provided for office in Patna for last two years.	
5.	The firm should not have been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / govt. authorities and should not have any disciplinary proceedings pending against the firm with any govt. authority;	Undertaking by the firm in format as per Annexure VI.	
6.	The firm should have average turnover of at least 50 lakhs during last financial year and should not have negative net worth.	Copy of Audited Financial Accounts for financial year 2018-19.	

**Annexure - V
Firm's Details**

To

The General Manager
Bihar State Mining Corporation Limited
Room No. 164, New Secretariat (Bailey Road)
Patna - 800015

S. No.	Required Details	Response
General Details		
1.	Name of the Firm	
2.	Complete Postal Address of the Firm	
3.	Telephone, Email Id	
4.	Website address (if any)	
5.	Details of ownership / constitution	
6.	Date of Incorporation of the Firm	
7.	Firm Registration No. with ICAI	
8.	CAG Empanelment No.	
9.	GST Registration No.	
10.	Income Tax PAN	
Financial Information		
1.	Annual Turnover (FY 2018-19)	
2.	Net Worth	
Bank Details		
1.	Bank Name	
2.	Branch Address	
3.	Account Number	
4.	IFSC Code	
Others		
1.	Details of major assignments	
2.	Any other information considered relevant by the firm	

Particulars of Partners of the Firm

Sr. No.	Name of the Partner	Partner since	Name of other firms with which associated	Area of specialization	Membership No. of the Partner with ICAI
1.					
2.					
3.					
4.					
5.					

Particulars of employees / trainees of the Firm

Sr. No.	Name of the employee	Joining Date	Name of other firms with which associated	Area of specialization	Membership No. with ICAI / ICSI (if any)
1.					
2.					
3.					
4.					
5.					
6.					
7.					
8.					
9.					
10.					

Particulars of engagement with Govt. Department / PSU(s)

Particulars of engagement in Central / State Govt. PSUs or in any Govt. Organization as on 31st March, 2020 as Auditor.

Sr. No.	Name of the PSU / Govt. Undertaking	Brief details of scope of work	Name of person in-charge from client side with Contact No.	Period	
				From	To
1.					
2.					
3.					

*ICAI - Institute of Chartered Accountants of India

*ICSI - Institute of Company Secretaries of India

Declaration:

I hereby declare that I have verified the details indicated above and also confirm that all the information submitted is true to the best of my knowledge.

Authorized Signatory
Designation

Annexure - VI

Self-Declaration

(To be submitted on letterhead)

To

The General Manager
Bihar State Mining Corporation Limited
Room No. 164, New Secretariat (Bailey Road)
Patna - 800015

Self-Declaration

Sir,

I, on behalf of _____ (firm's name) declare the following:

2. I / We hereby declare that I / we have neither failed to perform on any engagement during the last two years nor been expelled from any project or agreement.
3. Further, we have neither been banned / declared ineligible for corrupt and fraudulent practices by the Govt. of India / State Governments / govt. authorities and nor any disciplinary proceedings are pending against the firm with any government authority.
4. We hereby undertake and confirm that we have understood the scope of work properly and shall comply with the terms of engagement.

Authorized Signatory

Annexure - VII

Financial Bid Format

(To be submitted on Letter head)

Sr. No.	Description of Service	Unit of Measure	Value in figures	Value in words
1.	Fees for Conducting Internal Audit per Financial Year.	Per Year		
2.	Taxes and duties			
3.	Total rate (inclusive of taxes and duties)			

(Signature, name and designation of the Authorised Signatory)