

WEST BENGAL STATE ELECTRICITY DISTRIBUTION COMPANY LIMITED

**Office of the General Manager (F&A)-Internal Audit.
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WBSEDCL

(A Government of West Bengal Enterprise)

NOTICE INVITING REQUEST FOR PROPOSAL

RFP DOCUMENT

For Empanelment of Internal Auditor

RFP Notice No: GM(F&A)/IA/DCL/

GM (F&A) – IA

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Section - 1

NOTICE INVITING REQUEST FOR PROPOSAL FOR EMPANELMENT AS INTERNAL AUDITOR

West Bengal State Electricity Distribution Company Limited (WBSEDCL), A Govt. of West Bengal Enterprise (hereinafter referred as Company), mainly engaged in Distribution and Hydel Generation, Pumped Storage, Solar Generation of power in West Bengal and having over 813 Auditable locations all over the state with the annual turnover of Rs 18687.88 Crores (FY2016-17), invites Request for Proposal (RFP), in sealed envelope, from experienced, reputed professional firms of Chartered Accountants, Cost Accountants, with specialization in Internal Audit preferably in Power & Energy Sector for empanelment & conducting Internal Audit in WBSEDCL. Interested firms after ensuring fulfillment of all the qualification and other criteria as specified in this RFP documents may submit duly filled in proposal in sealed envelope only as per the prescribed format and addressed to "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" so as to reach within due date & time of 05.02.2018 upto 16.00 Hrs.

1.0 Key Dates

1.1 The schedule of issue, submission and opening of RFP documents are given hereunder

Sl No	Action	Date & time
1	Issue of RFP document	RFP documents to be downloaded from the company website at www.wbsecl.in from 19.01.2018
2	Pre-RFP discussion	At Seminar Hall-1, 7 th Floor, Vidyut Bhavan, WBSEDCL. Salt Lake. Kolkata – 700091 on 25 th January 2018 at 15:00 Hrs
3	Last Date & Time of submitting completed RFP, i.e. only Technical Bid (Part-1 of the RFP) together with documents as stated in this notice.	At the office of "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3 rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" within due date of 05.02.2018 upto 16.00 Hrs.
4	Opening of Technical Bid (Part-1 of RFP)	At Seminar Hall-1, 7 th Floor, Vidyut Bhavan, WBSEDCL. Salt Lake. Kolkata – 700091 on 08.02.2018 at 11.00 Hrs.
5	Last Date & Time of submitting Price Bid (Part-2 of the RFP)	The firms who shall qualify in Technical Bid shall only be invited subsequently for submission of Price Bid.
6	Opening of Professional Fees cum Price Bid (Part-2 of RFP)	Shall be opened subsequently with prior intimation only to successful bidder in Technical Bid.

- 1.2 If any 'Holiday' falls on any of the scheduled date, then the next working day (between mentioned working hours) shall be considered as scheduled date and scheduled time.

2.0 Qualifying Criteria (Eligibility conditions)

- 2.1 Firms of Chartered Accountants, Cost Accountants, with specialization in Internal Audit preferably in Power & Energy Sector and who can provide adequate skilled, qualified and experienced dedicated core teams may submit the RFP.
- 2.2 Head Office of the firm must be in the state of West Bengal.
- 2.3 Minimum 5 (five) years' experience in conducting Internal Audit. Details of experience in Internal Audit with particular reference to Power & Energy Generation, Transmission and Distribution Sectors, if any, to be submitted enclosing copy of Engagement Letter along with terms of reference and type of audit. Assignments relating to physical verification of stock, fixed assets etc which are mere counting of physical items against book quantity and not an independent check and / or audit on the functional& system control, shall not be considered as an Internal Audit experience.
- 2.4 At least 5 (five) full time working partners in the immediately preceding three financial years and should continue up to 30.09.2017. Copy of Partnership Deed and Certificate of Practice (COP) of all the Partners to be submitted. Firm's registration number and date of establishment to be provided.
- 2.5 The annual turnover of the professional firm should not be less than Rs 50 (Fifty) lakh per annum in each of the immediately preceding three financial years. Copy of Audited Balance Sheet and Profit & Loss A/c OR Income Expenditure A/c and Receipt Payments A/c whichever is applicable along with return of Income Tax for the Financial Years 2014-15, 2015-16 and 2016-17 to be submitted.
- 2.6 The firm should have a valid PAN. Copy of valid PAN card to be submitted
- 2.7 The firm should have a valid GSTIN Registration. Copy of valid GST Registration Certificate to be submitted.
- 2.8 An affidavit (duly notarized in non-judicial stamp paper) to the extent that No Criminal Proceedings are pending w.r.t to the Firm and/or Partner in any Court of Law in India or before any Disciplinary Committee of ICAI/ICAI(erstwhile ICWAI) / ICSI or any other professional institutes / bodies to be submitted duly.
- 2.9 The intended firms need to qualify by securing qualifying score in the score based evaluation methodology against set parameters as detailed under clause 14.4 & 14.5 of this RFP document.

3.0 Pre-RFP submission conference

- 3.1 In order to avoid clarification/confusion after opening of bids, Pre-RFP conference shall be held so as to provide an opportunity to the participating bidders to interact with WBSEDCL with regard to various RFP provisions/specifications, before the RFPs are submitted. Any such queries to the RFP document seeking clarification / modification / revision / deletion etc may be submitted.
- 3.2 The duly signed request seeking clarification / modification / revision / deletion etc to be submitted at the office of "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" positively by

24.01.2018 upto 16.00 Hrs. The requests so received shall only be taken for discussion during the Pre-Bid conference.

- 3.3 In case, due to the points/doubts raised by the prospective bidders, any specific terms & conditions (which is not a part of the terms and conditions of tender) needs to be modified, then the same will be considered for modification.
- 3.4 After pre-bid conference, the specifications & other tender conditions will be frozen. No change in specifications and tender conditions will be permissible after bid opening. All the bidders must ensure that their bid is complete in all respects and conforms to tender terms and conditions, and the tender specifications are complied with, failing which their bids are liable to be rejected without seeking any clarifications on any exception/deviation taken by the bidder in their bid.
- 3.5 Bidders should depute their authorized representative, not more than one person from each firm, who should be competent to attend & decide on the outcome of the pre-bid conference.
- 3.6 Non attendance in Pre-RFP conference shall not be criteria for disqualification.

4.0 Submission of RFP

- 4.1 The RFP is to be submitted only as per enclosed prescribed format (refer Section-2 of this RFP document) in two parts viz Part-1: Technical Bid & Part-2: Professional Fees cum Price Bid separately in a sealed cover marked as "RFP for Internal Audit Empanelment - PART-1" and "RFP for Internal Audit Empanelment - PART-2".
- 4.2 **The firms intending to participate in the Bid initially need to submit only the Part-1: Technical Bid in a sealed cover marked as "RFP for Internal Audit Empanelment - PART-1". Since price bid shall be invited subsequently and only from the firms who qualify in the Technical Bid as per evaluation system set forth elsewhere in this RFP document, no Professional Fees cum Price Bid i.e. Part-2 need to be submitted at the initial stage.**
- 4.3 **In the event of any RFP found to have submitted with both the Part-1 & Part-2 shall be considered as non-responsive and will be rejected forthwith.**
- 4.4 The RFP to be submitted in sealed envelope bearing the name & address of the firm submitting the RFP and addressed to "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091"
- 4.5 The RFP once submitted by intending firm cannot be revised, modified or re-submitted.
- 4.6 More than one RFP from same bidder shall lead to treat both the offers as non-responsive and will summarily be rejected.
- 4.7 RFP can be submitted in person / courier / registered post so as to reach within the last day & time as mentioned at Sl No-3 under Clause-1.0. RFP shall however be received at the office of "The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091" during the working days between 10:00 Hrs to 16:00 Hrs on Monday to Friday & between 10:00 Hrs to 13:00 Hrs on Saturday. Submission of RFP beyond the stipulated last date & time will not be entertained and shall be

summarily rejected. WBSIEDCL will neither be responsible nor shall entertain in receiving any RFP intended for submission beyond the stipulated last date and time.

4.8 RFP sent through fax /email will be summarily rejected and disqualify the concerned bidder even the same also sent in person / courier / registered post.

5.0 Signing of RFP documents

5.1 The original RFP only in prescribed format (refer Section-2) along with the entire set of supporting, documents, papers etc, as stipulated in this RFP document, should be signed manually by the authorized signatory (ies) mentioning name & designation under common seal / stamp of the firm.

5.2 The complete RFP including both parts must be neatly typed / written by the bidders in indelible ink. RFP written in pencil, irrespective of any part / whole will be summarily rejected.

5.3 Any interlineations, erasures or overwriting shall be valid only if they are initialed by the person or persons signing the bid.

6.0 Professional Fees cum Price Bid

6.1 The bidders who only qualify in the technical bid shall be invited subsequently for submission of Part-2: Professional Fees cum Price Bid within the date and time as will be intimated in due course.

6.2 The bidders shall indicate the net unit prices (wherever applicable) on the appropriate price schedule at Part-2 of the RFP. The Daily allowances are inclusive of lodging, boarding & other incidental expenses to be incurred during audit only where stay at audit location may be required as indicated under Clause 25.0 of this RFP document.

6.3 The quoted rate in Part-2 of RFP shall be inclusive of all applicable taxes and duties except applicable GST. The applicable GST shall be paid at applicable rules & rates

6.4 Prices quoted by the bidder shall remain firm during the bidder's performance of the contract and not subject to variation on any account.

6.5 The quoted Professional Fees cum price Bid to be written in figure as well as in word. In the event of any dispute arises, the price written in word shall prevail.

6.6 All the section of price offer to be quoted and should not be left blank. In absence of any quoted offer against any particular section (in figure and / or in word) shall make the Professional Fees cum price Bid non-responsive and be rejected.

7.0 Validity of RFP

7.1 The offered rate shall be valid for acceptance for a period of 120 days from the next day of opening of Professional Fees cum Price Bid (Part-2 of RFP), and shall not be withdrawn or revised on or after the opening of bids till the expiration of the validity period or any extension agreed thereof.

7.2 RFP offer made valid for a period less than the required time as stipulated at Clause-7.1 above would liable to be rejected.

7.3 In exceptional circumstances, prior to expiry of the original bid validity period, the WBSIEDCL may request the bidder for a specified extension in the period of validity. The requests and the

responses shall be made in writing. The Bidder will undertake not to vary/modify the bid during the validity period or any extension agreed thereof.

8.0 Responsibility of Bidder

- 8.1 The bidder is expected to examine and conform to all instructions, forms, terms and specifications in the RFP document before submission of RFP. Failure to furnish and / or not complying with RFP conditions towards all the instructions, forms, terms and specifications in the bidding document will be treated as Non-responsive and may result into rejection of the RFP without seeking any clarification.
- 8.2 It shall be sole responsibility of the bidder to determine and satisfy themselves by such means as they consider necessary or desirable for all matters pertaining to this RFP including, in particular, all factors that may affect the cost, duration and execution of the work.
- 8.3 The bidder shall entirely & exclusively bear all costs and expenses associated with attending Pre-RFP conference, discussions, presentations etc and providing any additional information, development, preparation and submission of RFP Document. WBSEDCL will in no case shall be held liable for those costs and expenses regardless of the outcome of the bid.

9.0 Formation of Cartel & Penal Measures

- 9.1 Any form of canvassing / lobbying / influence etc by the bidder / participant will result disqualification of such bidder.
- 9.2 Any evidence of unfair trade practices, including overcharging price fixing, cartelization etc, as defined in various statutes, will automatically disqualify the bidder / participant.
- 9.3 Occurrence of such evidence shall be viewed seriously by WBSEDCL authority and penal measure as deemed fit, including barring from present & future bidding process, would be imposed upon the relevant bidder / participant.

10.0 Language of RFP

- 10.1 The RFP prepared by the bidder and all correspondence and documents relating to the bid exchanged by the Bidder and the WBSEDCL shall be written in English language. Supporting documents and printed literature furnished by the Bidder may be in another language provided they are accompanied by an accurate translation of the relevant passages in English duly endorsed by the bidder, in which case, for purposes of interpretation of the bid, the translation shall prevail.

11.0 Currency in RFP

- 11.1 Bidders should quote firm prices in Indian rupee only. Prices quoted in any other currency shall not be considered and the bid will be treated as non-responsive.

12.0 Tenure of Engagement

- 12.1 The tenure of engagement under the RFP shall initially be effective for two financial years of 2018-19 & 2019 -20 and shall be effective from the date of acceptance of engagement letter OR 1st April 2018, whichever is later.
- 12.2 However the tenure may be extended only once at the same terms and condition for a maximum period of further one financial year subject to satisfactory performance of the firm(s).

12.3 As per company policy, on expiration of the engagement in terms of this RFP further engagement of the same Internal Auditor shall not be made for next three years.

13.0 Termination of Engagement

13.1 The engagement may be terminated without assigning any reason at any point of time & by serving one calendar months' notice from either side.

13.2 In case of any firm fails to commence the stipulated audit within one month from the date of award of the contract, WBSEDCL shall have right to terminate the contract awarded to the concerned firm by giving a notice of termination.

14.0 Evaluation & Selection Criteria

14.1 The Technical Bid (Part-1 of RFP) i.e. the sealed envelope marked '**RFP for Internal Audit Empanelment - PART-1**' shall be opened on the due date and time as mentioned at Sl No-1 under Clause-1.1 of this RFP document and in the presence of firms submitted the RFP. The firms submitted their RFPs may choose to depute their authorized representative, not more than one person from each firm, to be present in the opening.

14.2 The Technical Bid (Part-1 of RFP) which found not in conformity with the required manner and details as mentioned elsewhere in this RFP document would be treated as non-responsive and rejected outright.

14.3 Subsequently examination of required documents as set forth in this RFP document shall be done for assessment of fulfilling the eligibility criteria. The Technical Bid shall be evaluated based on score card methodology. The scoring pattern as defined against each of the attributes of the eligibility criteria shall be summed up against each of the bidder.

14.4 The total score value in Technical Part is 100. A bidder has to secure a minimum of 60.00% (value rounded off to two decimal) score out of the total value to be qualified in Technical Part. Only the bidder who will qualify accordingly, be invited to submit the Price Bid on a subsequent date.

14.5 The different attribute wise scoring pattern is tabled below-

SI No	Criteria	Sub-criteria	Documents to submitted	Max marks	Admissible marks
1	Establishment of the firm and age as of 30.09.2017	if 5 - 10 Yrs	Copy of Constitution certificate issued by concerned Institute	15	10
		if 11-15 Yrs			12
		if > 15 Yrs			15
2	Number of full time working Partners during each of the last three immediately preceding financial years i.e. 2016-17, 2015-16, & 2014-15 and continued upto 30.09.2017	If 5 – 7	Copy of Firm Registration Certificate and date of establishment	15	13
		If 8-10			14
		If > 10			15
3	Sum of years that all the partners as of 30.09.2017 associated with the current firm in the last three immediately preceding years, i.e. 2016-17, 2015-16, & 2014-15. <i>Example: number of partner as on 30.09.2017 is 7 out of which only 3 continued as partner in all the last three years, then sum will be (3X3) = 9</i>	If <= 15	Copy of Firm Registration Certificate and date of establishment	10	6
		If > 15			10
4	Number of fully qualified staff as of 30.09.2017 who continued during the last three immediately preceding financial years, i.e. 2016-17, 2015-16, & 2014-15.	2 mark per staff	Copies of engagement / appointment letter and final pass certificate issued by the concerned institute.	10	10
5	Annual Turnover in each of the last three immediately preceding financial years, i.e. -2014-15, 2015-16, & 2016-17	If Rs 50.00 lakh to Rs 75.00 lakh	Copy of Audited Financial Statement OR Income Expenditure A/c and Receipt Payments A/c whichever is applicable along with Return of Income Tax for the financial years - 2014-15, 2015-16, & 2016-17	15	12
		If Rs 75.01 lakh to Rs 100.00 lakh			14
		If more than Rs 100.01 lakh			15
6	Total Experience in Internal Audit	If 5 - 10 Yrs	Copies of engagement order, terms of reference & completion certificate.	20	15
		if 11-15 Yrs			18
		if > 15 Yrs			20
7	Experience in Internal Audit in Power & Energy Generation, Transmission and Distribution Sectors	Each Internal Audit assignment will carry 5 marks	Copies of engagement order, terms of reference & completion certificate.	15	15

14.6 The Professional Fees cum Price Bid(Part-2 of RFP) i.e. the sealed envelope marked as ‘**RFP for Internal Audit Empanelment - PART-2**’ of only the firms found qualified in the technical bid shall be opened in presence of firm’s representative on any subsequent pre-intimated date.

14.7 The L-1 offer shall be arrived after taking into account both the quoted price of Professional Fees and Daily Allowances.

14.8 As more than one firm shall be shortlisted for empanelment, option to provide services for conducting internal audit by way of matching L-1 price shall be offered to other firms.

14.9 The written confirmation stating acceptance of matching L-1 price of both the Professional Fees and Daily Allowances duly signed by the authorized person of the firm, who has signed

the RFP documents, must be submitted at the office of ‘The General Manager (F&A) - Internal Audit, WBSEDCL, Vidyut Bhavan, Block-B, 3rd Floor, Salt Lake City, Sector-II, DJ-Block, Kolkata-700091’ within 7 (seven) working days from the date of finalizing the L-1 price.

14.10 The confirmations so received from the firms, shall only be considered for subsequent selection and empanelment.

15.0 Scope of Work

15.1 The scope of work under this RFP includes inter alia, conducting Internal Audit of the business processes in identifying & testing of design and operating effectiveness of internal controls under Risk based Internal Audit model and management reporting of required risk mitigation and / or control development aspects.

15.2 The objective of the audit shall be strengthening the Internal Control in the company and not only limited to control testing services but extend to such other review, examination, inspection, assessment, evaluation, detection and analysis of various business processes i.r.o. power purchase & load dispatch, technical data on energy transformation & distribution, various IT application systems including SAP, recording of financial transactions & reporting assets, liabilities, income & expenditure etc as may be required including any such required procedure to test compliance with the Laws & Regulations.

15.3 Conduct Internal Audit based on audit checklist covering all the audit steps and maintaining evidence of test performance.

15.4 Ensure test of controls to all the risk as per Audit Programme Sign-off Checklists are duly completed and status of results were accurately reflected.

15.5 Review & report implementation status of earlier audit recommendations.

15.6 Review and recommend for incorporation of any control for emerging risks due to change in business process and / or the framework

15.7 Preparation and communication of audit finding with recommendation to Auditee in standardized Issue Summary Sheet.

15.8 The Audit Programme being formed as basis of scope of work for each audit assignment may vary depending upon the different processes to be audited and at different locations. It is expected that prudence shall be exercised by the concerned audit team going beyond such programme for necessary completion of the audit observation wherever the circumstances demand & in consultation with Supervising Officer.

15.9 In course of conducting Internal Audit access to all documents, records, policy & procedures, guidelines, manuals etc including any other information as may deemed necessary shall be made, save & except those which are Company confidential and / or for limited access only.

15.10 The Internal Audit being a dynamic activity and scope of audit depends upon criticality of the processes to be audited, the Rights and Obligation of Auditor & Auditee of each engagement will be guided by the provision of this RFP and the Contract.

15.11 A periodic presentation on process wise broad audit findings and their suggested mitigation to be made before the Directors and CMD, WBSEDCL and if required such presentation may also have to be made before the Board of the Company as when asked for to do so.

16.0 Audit Team

- 16.1 A dedicated core team consisting of Partner of the firm, Audit Team Leader & Team Member (Audit Assistants) to be deputed. The members of the core team cannot be changed / replaced without prior consent of the Project Administrator.
- 16.2 Each audit assignment shall be constituted with a team having one Audit Team Leader & two Team Members (Audit Assistants). The formation of the team shall have to be confirmed by the Partner well in advance of the particular assignment and the corresponding credentials / curriculum vitae along with copies of qualification and experiences to be sent to Project Administrator before commencement of audit.
- 16.3 Since the scope of work under this RFP is process based Internal Audit in a technology intensive organization carrying business in Distribution of energy & Hydel Generation, the successful bidder need to deploy resources having corresponding adequate skill sets& experience.
- 16.4 The Audit Team Leader shall be a Qualified personnel &Team Member (Audit Assistants) shall be Semi-Qualified person. In case of non-Finance Audit, the Team Leader must be Graduate Engineer from Electrical/ IT as per the specific requirement of the particular Audit and Masters in HR in case of HR Audit.
- 16.5 The qualification criteria & desired experience and skill sets of Audit Team Leader & Team Member (Audit Assistants) are as below.
- 16.5.1 Qualified Person means: Final qualified Chartered Accountant/Cost Accountant/Graduate Engineer/Certified Information System Auditor (CISA)/ Diploma in Information System Auditor (DISA)/Certified Internal Auditor (CIA)/Graduate in LAW/Post Graduate in HR, etc. having adequate post qualification Audit experience of at least 3 years.
 - 16.5.2 Semi-Qualified Person means: Inter CA/Inter CMA/Inter CS/ Diploma in Engineering/Graduate in Science/Commerce/ Management etc, having adequate post qualification Audit experience of at least 3 years.
 - 16.5.3 In case of non-Finance Audit, the Team Leader must be Graduate Engineer from Electrical/ IT as per the specific requirement of the particular Audit and Masters in HR in case of HR Audit. In case of non-finance audit the team leader must be Qualified Person as explained in 16.5.1 above having post qualification Audit experience of at least 3 years.
- 16.6 An authorization or identity proof dully issued by authorized signatory of the firm engaged for conducting Internal Audit is to be provided in case of Team Leader as well as Team Members at the time of audit.

17.0 Audit Reports

- 17.1 The Internal Audit Report in standard format must be submitted in triplicate along with Audit Programme Sign-off Checklists, Issue Summary Sheet, Audit working papers & other documents forming part of the report, within 15 (fifteen) days from the scheduled date of completion of field work of Audit. A soft copy of the report in a CD also to be submitted.
- 17.2 The report to be included with an Executive Summary of the critical issues/ findings that requires attention of the senior management by providing financial involvement, wherever applicable. The report should be structured in a manner giving the observations / weaknesses, the implications, suggestions for improvement and the auditee comments. The status of the actions taken by the management on the recommendations of the previous report should also be provided.
- 17.3 The Internal Audit report as submitted is subject to review of their intended coverage and focus on the existence, design & operating effectiveness of internal control. In course

of review of submitted Audit Reports, if those were found incomplete / deficient / partial and thus forming an opinion on the design / operating effectiveness of control and / or the business process could not be formed for management reporting, those shall not be accepted and returned back for necessary revision / rectification and resubmission. The Company shall not be liable for any cost & expenses as may be incidental for carrying out such revision / rectification and will be borne by the relevant firm only.

17.4 A periodic presentation of reported audit findings in the manner as set out under Clause 15.11 of this RFP shall form the deliverables of Audit Reports.

18.0 Ownership of Material

18.1 Any study report or other documented material, presentation, graphics, software or otherwise prepared / developed by the Audit firm exclusively for the purpose of conducting internal audit as per engagement under this RFP shall belong to and remain the property of the Company.

18.2 Publication and/or any other form of use by the Audit firm of those documented material, presentation, graphics, software or otherwise prepared / developed cannot be made without written permission of the Company.

19.0 Completion Time

19.1 Timely completion with satisfactory performance of each audit assignment including submission of report is the essence of contract. Internal Audit Report to be submitted within 15 (fifteen) days from the scheduled date of completion of field work of Audit.

19.2 Each of the audit assignment shall be allotted with specified man-days before commencement of audit work. Variation of actual man-days shall be limited to 10% (+/-) from the allotted man-days.

20.0 Penalty

20.1 The Professional Firm should submit the Internal Audit Report within 15 (fifteen) days from the scheduled date of completion field work of Audit. If there is a delay in submission of Internal Audit Report Penalty shall be imposed @ 1/2% (half percent) per week or part of delay subject to a maximum of 10% (ten percent) of the professional fees w.r.t. each Audit.

21.0 Performance Standards

21.1 The Audit firm should perform the Audit with the highest standards of professional and ethical competence and integrity.

21.2 It is expected that compliance to different standards of auditing as may have been issued time to time by professional institutes / bodies etc with particular emphasis on Risk Assessment & Internal Control including ITGC shall be harmoniously exercised while carrying the audit work under the engagement.

21.3 Regular review of audit performances shall be conducted in assessment of improvement in quality of services and effective utilization.

22.0 Controlling Officer

22.1 The WBSEDCL designates General Manager (F&A)-IA as the Project Administrator. The Project Administrator will co-ordinate all the activities under the engagement viz the

acceptance and approval of reports, approving bills for payment and other deliverables.

22.2 The WBSEDCL designates Addl. General Manager (F&A)-IA & Sr Manager (F&A)-IA as the Supervising Officers. The Supervising Officers will supervise the entire Internal Audit activities including liaison with Auditee, Partner of the Audit firm and / or Audit Team Leaders.

23.0 Confidentiality

23.1 During the tenure of this engagement and within two years after its expiration, professional firm should not disclose any proprietary or confidential information relating to the Services under this engagement or the WBSEDCL's business or operations without the prior written consent from the Authorities of WBSEDCL.

24.0 Assignments

24.1 The firm will not be able to assign any part of the services as contained in the engagement under this RFP to a Third Party and / or any Associates without prior written consent of the Company.

25.0 Terms of Payment

25.1 There will be no scope of paying Mobilization Advance or Advance in any other form.

25.2 The payment is subject to completion of each audit assignment in accordance with respective audit programme followed by submission & acceptance of Audit Report and based on actual man-days worked.

25.3 Concerned Partner of the Audit firm may visit the Auditee site for supervising the audit work for a period limited to maximum 10% of the total man-days allotted for the concerned audit assignment.

25.4 GST at applicable rules & rates will be paid. However all the Invoices to be raised complying with GST Invoice Rules.

25.5 Daily allowances will be payable only in case of the audit locations (offices of Auditee) are beyond a distance of 50km from the Head Office of Auditor and stay at audit location is required by the audit team.

25.6 Travel entitlements & reimbursements shall be made as per the following rules

25.6.1 Travel beyond 50km. Reimbursement is subject to production of original tickets. Travelling by Bus is subject to the route is not connected with Rail

	By Train	By Bus
Partner	AC First Class	As per actual
Team Leader	AC Two Tier	As per actual
Team Member	AC Three Tier	As per actual

25.6.1 Travel within 50km. Reimbursement is subject to production of original tickets.

	By Train	By Bus (Non-AC)
Partner	As per actual	As per actual
Team Leader	As per actual	As per actual
Team Member	As per actual	As per actual

26.0 Force Majeure

- 26.1 In the event of either party to the engagement under this RFP being rendered unable by Force Majeure to perform any obligation required to be performed by them, the relative obligation of the party affected by such Force Majeure shall be suspended for the period during which such cause lasts.
- 26.2 The term 'Force Majeure' as employed herein shall mean acts of God, War, Civil Riots, Fire directly affecting the performance of the engagement, Flood and Acts & Regulations of respective government of the either party to the engagement.
- 26.3 Upon the occurrence of such cause and upon its termination, the party alleging that it has been rendered unable as aforesaid thereby, shall notify the other party in writing, the beginning of the cause amounting to Force Majeure as also the ending of the said clause by giving notice to the other party within 72 hours of the ending of the cause respectively. If deliveries are suspended by Force Majeure conditions lasting for more than 2 (two) months, the Company shall have the option of canceling the engagement in whole or part at his discretion without any liability at his part. Time for performance of the relative obligation suspended by Force Majeure shall then stand extended by the period for which such cause lasts.

27.0 Dispute Resolution

- 27.1 Applicable Laws:- This contract shall be governed as per relevant provision of Applicable Laws of India.**
- 27.2 Amicable settlement of dispute. Efforts be made by the parties to resolve the disputes amicably through mutual negotiation.**
- 27.3 If the matter still unsettled, then either party can invoke arbitration as per relevant provision of Arbitration & conciliation Act'1996.(including Subsequent amendments) Place of Arbitration shall be in Kolkata**
- 27.4 In case of litigation, between the parties, it will be within the jurisdiction of High Court, Calcutta or any competent Subordinate Courts.**

28.0 General Terms & Conditions

- 28.1 All the section of both the Part-1: Technical Bid & Part-2: Professional Fees cum Price Bid has to be filled in. Any section left blank would make the offer non-responsive and be rejected. Please write "Not Applicable" wherever necessary.
- 28.2 Any RFP document submitted in a manner other than as set out at Clause-4 and / or attaching any condition shall not be treated as eligible and rejected in the selection process.
- 28.3 This Request for Proposal (RFP) document has been prepared solely to enable WBSEDCL for framing Risk Based Internal Audit model for further strengthening Internal Controls in the company. The RFP document is not a recommendation offer or invitation to enter into a contract, agreement or other arrangement in respect of the services.
- 28.4 As per company policy the firms who have been empanelled / engaged for conducting Internal Audit during FY 2015-16, 2016-17 & 2017-18 or part thereof, are not eligible to participate in the RFP.
- 28.5 Participation in this RFP in the form of a Consortium and/or Joint Venture is not allowed.
- 28.6 No binding relationship will exist between any of the Bidders and the Company until constitution of the contract. The successful firms eligible for empanelment shall need to sign the contract agreement as per proforma provided in Section – 3 of this RFP.

- 28.7 The Internal Auditors engaged under this RFP will not be eligible to take-up any other Job/Services/Work for the Company till the continuance of the engagement.
- 28.8 No preference based on size and geographical location will be considered for the purpose of selection. All participants to the RFP will be treated with same status.
- 28.9 The cost of insurance of bidders owned computer and / or any instrument required in course of audit including their storage at site shall be borne by the bidder. The Company will not be responsible for any such cost and / or for any loss or damage of bidders owned computer and / or any instrument.
- 28.10 The Audit firm to be engaged as the Internal Auditor of the Company will not render an attestation or assurance report or assurance report opinion under the engagement, but may include:
- 28.10.1 An audit, review or examination of financial statements in accordance with generally accepted accounting standards,
 - 28.10.2 An examination of prospective financial statements in accordance with applicable professional standards,
 - 28.10.3 A review to detect fraud or illegal acts
- 28.11 Non-solicitation of Personnel: - During the tenure of engagement and for subsequent 12 (twelve) months following its termination for any reason, the Audit firm will not solicit for employment, or hire, any present personnel of the Company involved in the performance of the Services, except as otherwise agreed in writing by the Company.
- 28.12 The Audit Firm, including any Partner or other personnel in the firm will not solicit for a position on the Company's Board of Directors, nor hire, any present professional employee of the Company, if such solicitation, hiring or employment may impair the independence of the Company under ANY other law, regulation, rule, listing requirement or professional standards governing the independence of accountants. Without limiting the foregoing, the Internal Auditors agrees not to solicit, hire or employ, without the prior written consent of the Company, any present professionally qualified employee of the Company.
- 28.13 The Company reserves the right to accept / reject any or all the RFPs without assigning any reason whatsoever.
- 28.14 The Company also does not bind itself to accept the lowest quotation.

Section - 2

REQUEST FOR PROPSAL- Part-1

TECHNICAL BID

(PLEASE FILL THE FOLLOWING RFP-1 IN BLOCK LETTERS AND PRINT TO SUBMIT)

1a. Name of the Firm.				
1b. Date of establishment (in dd/mm/yyyy format)				
1c. Firm's Registration Number				
1d. Address of the Firm (Head Office) with contact details.				
1e. Address of the Branch Office (if any) with contact details.				
1f. Nature of the Firm CA/CMA/Engineers/IT etc				
2. Total number of Partners(as on 31 st March of respective year)		FY-2014-15	FY-2015-16	FY-2016-17
3. Details of Partners as on 30.09.2017 (enclose required documents in the manner as specified in the RFP)				
Full Name of the Partner		Membership number	Date of admission as Partner in the current firm (dd/mm/yyyy)	
4a. Number of qualified staff (as on 31 st March of respective year)		FY-2014-15	FY-2015-16	FY-2016-17
4b. Details of qualified staff as on 30.09.2017 (enclose required documents in the manner as specified in the RFP)				
Full Name of the Staff		Qualification	Year of qualification	Date of admission as staff in the current firm
				Name of the Organization where audit conducted
5. Annual Turnover of the firm (in Rs and as per audited financial statements OR Income Expenditure A/c and Receipt Payments A/c whichever is applicable.)		FY-2014-15	FY-2015-16	FY-2016-17
6. Experience of the firm in Internal Audit(enclose required documents in the manner as specified in the RFP)				
Name of the Organization where engaged as Internal auditor		Period of engagement (please mention from most recent)		Concerned Year
		Date from	Date to	
				If the Audit is in Power & Energy Generation, Transmission and Distribution Sector (Yes / No)

7. PAN number of the Firm :

8. GST Registration number of the firm. :

9. Whether any criminal / disciplinary proceedings are pending:

YES/NO

Please Tick (√) appropriately

10. List of documents submitted (Refer Clause-2.0 of the RFP) dully signed by the authorized signatory with name & designation under common seal of the Firm.

Please Tick (√) appropriately:

- | | |
|---|----------|
| a) Copy of Firms Registration Certificate and / or Constitution Certificate | YES / NO |
| b) Copy of Firms Constitution Certificate | YES / NO |
| c) Copy of Certificate of Practice of all the Partners (refer point 3 above) | YES / NO |
| d) Copies of qualification certificates of the fully qualified staff (refer point 4 above) | YES / NO |
| e) Copies of appointment letter issued to the fully qualified staff | YES / NO |
| f) Copy of the latest Partnership agreement | YES / NO |
| g) Copy of Audited Balance Sheet and Profit & Loss A/c OR Income Expenditure A/c and Receipt Payments A/c whichever is applicable for the period- | |
| 1. FY 2014 – 15 | YES / NO |
| 2. FY 2015 – 16 | YES / NO |
| 3. FY 2016 – 17 | YES / NO |
| h) Copy of Income Tax Return for the period – | |
| 1. FY 2014 – 15 | YES / NO |
| 2. FY 2015 – 16 | YES / NO |
| 3. FY 2016 – 17 | YES / NO |
| i) Copy of PAN card | YES / NO |
| j) Copy of GST Registration Certificate | YES / NO |
| k) Affidavit in original (duly notarized in non-judicial stamp paper of Rs....) in support of no criminal / disciplinary proceedings as per template in Section-3 of this RFP | YES/NO |
| l) Copies of Engagement Letter along with terms of reference in support of Internal Audit experience of the firm | YES/NO |

Date:

Place:

(Signature of the authorized signatory with name & designation under common seal of the Firm)

REQUEST FOR PROPSAL- Part-2

PROFESSIONAL FEES CUM PRICE BID

(PLEASE FILL THE FOLLOWING RFP-2IN BLOCK LETTERS AND PRINT TO SUBMIT)

Sl. No	Key Professionals	Professional Fees per <i>Man- Day</i>	Daily Allowances	TOTAL
1.	Partner	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)
2.	Audit Team Leader	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)
3.	Team member (Audit Assistant)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)	(quote the amount both Rs in figure and in word)

Date:

Place:

(Signature of the authorized signatory with name & designation under common seal of the Firm)

Section - 3

Format of declaration:

Non Judicial Stamp Paper – Rs. 10/-

Duly Notarized

DECLARATION

I Sri on behalf of M/s. hereby solemnly affirm as follows:

1. I along with my audit team have carefully perused the RFP in its totality and understood its implication.
2. I along with my audit team have carefully examined the entire RFP and having obtained all requisite information about the assignment. We do hereby propose to provide the desired professional service as detailed in the RFP.
3. I along with my audit team accept the professional fees earmarked for this assignment as stated in RFP and it should be remain firm during the tenure of the audit.
4. I along with my audit team do state that if WBSEDCL sustains any damages or loss as a result of negligence on our part, such loss or damages should be mitigated by indemnifying WBSEDCL without any preconditions and pretext.

Signature of the Authorized signatory

Section - 4

General Business Profile of WBSEDCL

Background: The Government of West Bengal has restructured the erstwhile WBSEB into two successor entities, namely West Bengal State Electricity Distribution Company Limited (WBSEDCL) and West Bengal State Electricity Transmission Company Limited (WBSETCL), under the ownership of the State Government. The two Companies started functioning from April 1, 2007.

Operational Performance: WBSEDCL covers electricity distribution to almost 96% of West Bengal, catering to every sector - from ordinary villages to huge industrial units having a consumer base of more than 178.43 lakhs across the State of West Bengal. The service network spans over 554 Sub-stations having installed transformation capacity of 8744 mva, 1.76 lakh ckm of HT line and 3.25 lakh ckm of LT line controlled by 5 Zones, 19 Regional Offices, 72 Distribution Divisions and 508 Customer Care Centers in ensuring reliable and quality power availability, regular O&M work and consumer services. The energy demands are met from own generation and purchase from different sector of power producer. Surplus & deficits are controlled through trading and power banking (SWAP).

Major Projects: Purulia Pumped Storage Project (PPSP) – this state of the art technology based eco-friendly hydroelectric project has been set up to mitigate short term power requirement with an installed capacity of 900 MW Hydel power. Similar pumped storage project at Turga is ongoing. Other Hydel projects are Rammam, Jaldhaka Stage-I & Stage-II, Teesta Canal Fall, Masanjore, Mangpoo, Fazi, Rinchington, Little Rangit & Sidrapong. Solar generation as a part of renewable energy sources has already in place. Various Govt sponsored schemes viz, RGGVY, R-APDRP, BRGF, NEF, IPDS, DDUGJY etc are taken-up towards intensive work of electrification, development & strengthening of distribution network system with a focus to reduce ATC loss.

Technology Initiative: CRM application has been introduced to address faster connection management, reduce customer grievances. Major initiatives like feeder and DTR metering, preparation of baseline data for consumer indexing, GIS mapping of entire distribution network system, automatic data logging for all the DTRs and feeders, IT applications for meter reading & data acquisition, billing and collection, energy accounting and auditing, management information system reports, establishment of IT enabled consumer service centers etc. have been implemented. SCADA controlled operation center has been started.

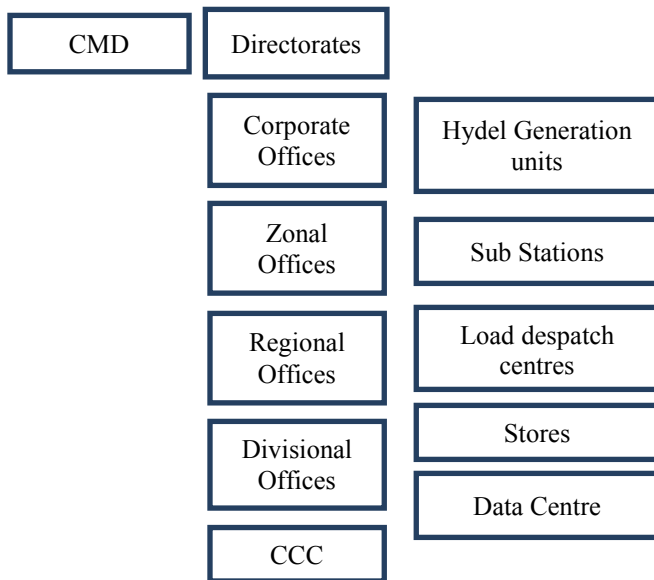
SAP Implementation: Across the company the energy billing system has been automated by implementation of SAP-ISU solution. Implementation of SAP in FICO, MM, PMPS & HR modules are already completed and presently live.

Employee Base: The Company has total employee base of 14171 (as on 31.3.17) constituting large number of professionally qualified & skilled manpower having Engineering, Finance, HR, Legal, IT and other backgrounds. The % of women employee is around 11% and the average employee age has been lowered. Regular training is imparted for skill up gradation.

Financial Performance: The total revenue stood at Rs 17878.88 Crore as on 31st March'17 (Rs 15813.92 Crore as on 31st March'16). Total Non-Current Assets include Rs 17610 Crores of Generation and Distribution assets and Inventory of Rs 205 Crores as on 31st March'17.

Audit Universe: the different location wise indicative total number of auditable units is tabled below. The

allotment of audit in each unit is based on Audit Plan as approved by Audit Committee. There are 15 Mega Processes having 51 Major Processes attached which are subject to modification. A single line organogram and brief business process overview is produced below for reference.



Auditable Location	Total Units
Customer Care Center (CCC)	508
Division Offices	72
Region Offices	19
Zonal Offices	5
Store Units	76
Generation Units	7
Head Quarter – Corporate Offices	11
Project Audits	14
Accounting Units	101
Total:-	813

Business Process Overview:

