

**Request for Proposal**

**For**

**“Hiring of Chartered/Cost Accountant Firm for Internal  
Audit  
Of Bihar State Food & Civil Supplies Corporation  
Limited”**

**Issued By**

**Bihar State Food & Civil Supplies  
Corporation Limited, Khadya Bhawan,  
Road No. 2, Daroga Prasad Rai Path, R Block,  
Patna 800001.**

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## NOTICE INVITING TENDER

Location: Patna, Bihar

Bihar State Food & Civil Supplies Corporation Limited was established on 2nd April 1973, under the Companies Act, 2013. Bihar State Food & Civil Supplies Corporation Limited, Under Food and Consumer Protection department, Government of Bihar manages one of India's largest Public Distribution System (PDS) supply chain by the help of which major commodities like wheat, rice etc. are distributed through a network of more than 45,000 Fair Price Shops covering a population (AAY and Priority Household) of more than 76 million in the state.

The BSFC (Client) hereby invites sealed tender offers from eligible, reputed and interested Chartered/Cost Accountant Firms for its Internal Audit. The terms of reference, format for technical bid and financial bid for participating in the bid are hereby enclosed. The other details are as follows:

### **1. Eligibility Criteria:**

- i) Bidder must be registered with ICAI/ICMAI (ICAI/ICMAI constitution certificate must be attached)
- ii) Bidder must be registered with Income tax and GST
- iii) Bidder must have at least 10 years existence as practicing firm in India
- iv) Bidder must have at least 5 full time partners associated with the firm as per ICAI/ICMAI Certificate.
- v) Bidder must have a minimum average annual turnover of Rs. 50 lacs or more in the three financial year 2015-16, 2016-17 and 2017-18
- vi) Bidder must have experience of at least 3 assignments of internal audit in government sector/PSUs.
- vii) **The CA/CWA Firm Which are/Were associated with the organization as district level/ State level for accounting or Financial consultancy service for the period of internal audit will not eligible to participate in the tender. List of CA/CWA firms not eligible is annexed in Annexure I.**
- viii) Bidder should not be blacklisted by any institution/organization and government undertaking.

- 2. Earnest Money Deposit & Cost of RFP:** Earnest Money Deposit of Rs. 25,000.00 (Rupees Twenty Five Thousand Only) and cost of RFP of Rs. 5000.00 (Rupees Five Thousand Only) by way of Demand Draft/Pay Order favoring **Bihar State Food & Civil Supplies Corporation Limited payable at Patna** for participation in tender is to be enclosed with the Technical Bid.

Bids received without earnest money and cost of RFP or not fulfilling the above

eligibility criteria shall be summarily rejected. The earnest money deposit (EMD) will be forfeited if the bidder withdraws or amends/impairs and derogates from the tender in any respect within the period of validity of tender. The earnest money deposit (EMD) of only unsuccessful firms will be refunded after the completion of the selection procedure. No interest shall be paid on EMD.

3. The tender should be submitted in a single large envelope containing three separate inner covers. First inner envelope will cover EMD & Cost of RFP Documents; Second envelope will cover Technical Bid in the format given in Section 3: technical Forms and the supporting documents. Third envelope will cover Financial Bid as per format given in Section 4: Financial Proposals. Each envelope should be sealed and super scribed in bold letters as (i) Technical Bid  
(ii) Financial Bid and should be in the prescribed format duly filled in and signed by the bidders in both bids and these three envelopes should be contained in a single sealed bigger envelope.
4. The Pre- bid Meeting will be held on 7<sup>th</sup> Sept 2019 at 4:00 PM in the Headquarter of the corporation.
5. Technical Bid shall be opened on 27<sup>th</sup> Sept 2019 at 3:00 PM in Khadya Bhawan, BSFC office in presence of the bidders or their authorized representative who intend to be present. The Financial bid will be opened, only if, the bidder fulfills the stipulated conditions for technical bid. After scrutiny of the Technical bid, date of opening of the financial bid will be intimated later.
6. The period of the contract shall be three years from the date of award of contract. The said period shall be extended only at the discretion of the BSFC (Client) on mutual consent with the Chartered/Cost Accountant Firm, subject to satisfactory completion of audit work during contract period. The decision of the BSFC (Client) shall be final and binding on the bidder.
7. The Tender shall remain valid for a period of 90 (ninety) days from the date of opening of the Financial Bid.
8. Joint Venture/Association with other Chartered/Cost Accountant Firms is allowed.

Yours sincerely,  
The Managing Director  
Bihar State Food & Civil Supplies Corporation Limited  
Khadya Bhawan, Road No. 2, Daroga Prasad Rai Path, R Block, Patna-800001, Bihar,  
India  
E-mail: [bsfc.controlroom@gmail.com](mailto:bsfc.controlroom@gmail.com)  
Website: <http://sfc.bihar.gov.in>

## **SECTION 1: LETTER OF INVITATION**

## Section 1 – Letter of Invitation

Ref:

Date:

**From:**

**Managing Director,  
Bihar State Food & Civil Supplies Corporation  
Limited Khadya Bhawan, Daroga Prasad Rai Path,  
Patna**

To:

(The Eligible Bidders)

Attention: Mr /Ms

- a) The Bihar State Food & Civil Supplies Corporation Limited invites proposals for internal audit assignment of the corporation.
- b) The Background Information and Terms of Reference for the Consulting services are provided in the Section 5 of the Request for Proposal(RFP)
- c) This RFP is available to all eligible prospective consulting firms.
- d) Firm will be selected under QCBS method.
- e) The RFP includes the following documents:
  - Section 1 - Letter of Invitation
  - Section 2 - Instructions to Consultants (including Data Sheet)
  - Section 3 - Technical Proposal - Standard Forms
  - Section 4 - Financial Proposal – Standard Forms
  - Section 5 - Terms of Reference
- f) A Pre-proposal meeting has been scheduled 7<sup>th</sup> Sept 2019 at the office of the undersigned at 16:00hrs, where all issues/clarifications could be discussed and finalized.
- g) The deadline for receipt of proposals shall be 26<sup>th</sup> Sept 2019 up to 3:00 PM.
- h) BSFCSCL reserves the right to accept or reject any or all proposals, and to annul the selection process and reject all proposals at any time prior to the award of contract, without thereby incurring any liability or any obligation in any form to the affected firms on any grounds.

Yours sincerely,

**The Managing Director.  
Bihar State Food and Civil Supplies Corporation  
Limited, Patna, Bihar**

## **SECTION 2: INSTRUCTION TO CONSULTANTS**

## **Section 2- INSTRUCTIONS TO CONSULTANTS**

### **Definitions:**

For the purpose of this RFP, the following words and expressions shall have the meanings hereby assigned to them except where the context otherwise requires:

- a) “The Client” means Bihar State Food & Civil Supplies Corporation Limited hereinafter referred to as “BSFC”, “BSFCSCCL” or “SFC”.
- b) “Bidder/Chartered/Cost Accountant Firm” means a Chartered/Cost accountant firm (proprietary or partnership) having relevant experience in the field of internal audit, that has participated in the bid with an intention to enter into contract (with the Client) and shall include his/its heirs, legal representatives and successors
- c) The “Contract” shall mean agreement entered into between the Client and the Chartered/Cost Accountant Firm as recorded in the contract form signed by the parties including all attachments, the notice of tender, the sealed quotation, the tender documents and acceptance thereof together with the documents referred to therein, and the accepted conditions with annexure mentioned therein.
- d) “Hired Consultant Firm” means the Chartered/Cost Accountant Firm which has been awarded the Contract for the internal audit of the Client.
- e) “Overhead Cost” means other incidental costs required to be borne for performing this assignment, to be quoted by the Chartered/Cost Accountant Firm for providing services other than the supply of manpower for the internal audit of the Client.
- f) “Validity of Proposal” means the period for which the Bidder’s proposal must remain valid after the submission date.
- g) “Predefined reporting format” means the format provided by the Client for reporting of internal audit findings.

## **1. INTRODUCTION**

### **General**

Bihar State Food & Civil Supplies Corporation Limited (BSFCSCCL), Patna, Bihar, INDIA will select a consulting firm /organization (the Consultant) in accordance with the method of selection specified in the Data Sheet.

Consultants should familiarize themselves with local conditions and take them into account in preparing their Proposals. To obtain first-hand information on the assignment and local conditions, Consultants are encouraged to visit the project site.

Consultants shall bear all costs associated with the preparation and submission of their Proposals. Costs might include site visit; collection of information; and, if selected,



attendance at contract negotiations etc.

The BSFCSCCL is not bound to accept any Proposal and reserves the right to annul the selection process at any time prior to contract award, without thereby incurring any liability to the Consultants.

In preparing their Proposals, Consultants are expected to examine in detail the documents comprising the RFP. Material deficiencies in providing the information requested may result in rejection of a Proposal.

### **Conflict of Interest**

BSFCSCCL requires that Consultants provide professional, objective, and impartial advice and at all times hold the Client's interests paramount, avoid conflicts with other assignments or their own corporate interests and act without any consideration for future work. Consultants shall not be recruited for any assignment that would be in conflict with their prior or current obligations to other clients, or that may place them in a position of not being able to carry out the assignment in the best interest of the BSFCSCCL.

### **Fraud and Corruption**

The BSFCSCCL requires that consultants observe the highest standard of ethics during the procurement and execution of such contracts. In such pursuance of this policy, the BSFCSCCL

- (i) defines, for the purposes of this provision, the terms set forth below as follows:
  - (a) "corrupt practice" means behavior on the part of officials in the public or private sectors by which they improperly and unlawfully enrich themselves and/or those close to them, or induce others to do so, by misusing the position in which they are placed, and it includes the offering, giving, receiving, or soliciting of anything of value to influence the action of any such official in the procurement process or in contract execution; and
  - (b) "fraudulent practice" means a misrepresentation of facts in order to influence a procurement process or the execution of a contract to the detriment of the borrower, and includes collusive practices among bidders (prior to or after bid submission) designed to establish bid prices at artificial, non-competitive levels and to deprive the borrower of the benefits of free and open competition).
- (ii) will reject a Proposal for award if it determines that the bidder recommended for award has engaged in corrupt or fraudulent practices in competing for the contract; and
- (iii) will declare a firm ineligible, either indefinitely or for a stated period of time, to be awarded any BSFCSCCL contract if it at any time determines that the firm has engaged in corrupt or fraudulent practices in competing for, or in executing, any BSFCSCCL contract.

## **Proposal Validity**

The Data Sheet indicates how long the Consultants' Proposals must remain valid after the submission date. During this period, the Consultants shall maintain the availability of experts nominated in the Proposal. The Client will make its best effort to complete negotiations within this period. In case of need, the Client may request Consultants to extend the validity period of their Proposals.

## **Participation of Government Employees**

No current government employee shall be deployed by the consultant without the prior written approval by the appropriate authority.

## **Bid Security (Earnest Money Deposit)**

The bid security of amount indicated in Data Sheet in favor of "Bihar State Food & Civil Supplies Corporation Limited" payable at Patna & shall be in the form of Account Payee Demand Draft or Banker's Cheque from any of the commercial banks in an acceptable form. The bid security is to remain valid for a period of forty-five days beyond the final bid validity period.

The Employer shall reject any bid not accompanied by appropriate bid security, as nonresponsive.

Bid securities of the unsuccessful bidders shall be returned to them at the earliest after expiry of the final bid validity and latest on or before the 30th day after the award of the contract to successful bidder.

The bid security may be forfeited:

- (a) If a Bidder withdraws its bid during the period of bid validity.
- (b) if the successful Bidder fails to:
  - (i) Sign the Contract within required timeframe;

## **2. CLARIFICATIONS AND AMENDMENTS TO RFP DOCUMENTS**

Consultants may request a clarification of any of the RFP documents up to the date of pre- bid meeting indicated in the Data Sheet. Any request for clarification must be sent in writing to the address indicated in the Data Sheet. The Client will respond in writing and will send written copies of the response, including an explanation of the query but without identifying the source of inquiry, to all Consultants. Should the Client deem it necessary to amend the RFP as a result of a clarification, it shall do so following the procedure under Sub-Clause 2.2.

At any time before the submission of Proposals, the Client may, whether at its own initiative, or in response to a clarification requested by a firm, amend the RFP by issuing an addendum/corrigendum. The addendum/corrigendum shall be published on the website of the corporation, sfc.bihar.gov.in and shall be binding on all the consultants. Such notice may or may not be circulated in newspaper. The prospective bidders are requested to keep visiting the corporation's website for any updates. To give Consultants reasonable time in which to take an amendment into account in their Proposals, the Client may at its discretion, if the amendment is substantial, extend the deadline for the RFP submission

### **3. PREPARATION OF THE PROPOSAL**

Consultant's Proposal (the Proposal) will consist of three (3) components

- (i) **Envelope I:** Bid Security(as mentioned in clause 1.11), Cost of RFP Document (if any),
- (ii) **Envelope II:** Technical Proposal with evidences of proving Bid Eligibility; Proof of experience with supporting, and other documents as required.
- (iii) **Envelope III:** the Financial Proposal

If the bid security, cost of RFP document, and evidences supporting bid eligibility are found proper then only technical and financial proposals will be entertained.

The Proposal, as well as all related correspondence exchanged by the Consultants and the Client, shall be in English. All reports prepared by the contracted Consultant shall also be in English and will be covered with nondisclosure agreement.

The Proposal should include a cover letter signed by person(s) with full authorization to make legally binding contractual (including financial) commitments on behalf of the firm.

The Technical Proposal should clearly demonstrate the Consultant's understanding of the assignment requirements and capability and approach for carrying out the tasks set forth in the TOR through the nominated experts.

### **4. THE TECHNICAL PROPOSAL**

#### **a) PROPOSAL GENERAL**

The Technical Proposal shall not include any information related to financial proposal and any Technical Proposals containing information related to financial proposal shall be declared non-responsive.

#### **b) TECHNICAL PROPOSAL FORMAT**

- (i) The consultant shall submit technical proposal in the formats of the Technical Proposal to be used for the assignment. Submission of the wrong type of Technical Proposal will result in the Proposal being deemed non-responsive.

### **c) TECHNICAL PROPOSAL CONTENT**

The Technical Proposal shall contain information indicated in the following paragraphs from (i) to (xiii) using the Standard Technical Proposal Forms (Form TECH-1 to Form TECH-3). Such information must be provided by the Consultant and each Associate.

**(i)** A brief description of the organization and outline of recent experience of the consultant assignments of a similar nature is required in prescribed form. For each assignment, the outline should indicate *inter-alia*, the assignment, contract amount and the consultant's Involvement. Information should be provided only for those assignments for which the consultant was legally contracted by the client as a corporate entity or as one of the major participating consulting firms within an association (Joint venture). In case the assignment was carried out in joint venture then the JV agreement is to be submitted. Assignments completed by individual experts working privately or through other consulting firms cannot be claimed as the experience of the Consultant. Consultants should substantiate the claimed experience if so requested by the Client.

**(ii)** A concise, complete, and logical description of how the Consultant's team will carry out the services to meet all requirements of the TOR.

**(iii)** A work plan showing in graphical format (bar chart) the timing of major activities, anticipated coordination meetings, and deliverables such as reports required under the TOR.

**(iv)** An organization chart indicating relationships amongst the Consultant and any Associate(s), the Client, and other parties or stakeholders, if any, involved in the assignment.

**(v)** Comments, if any, on the TOR to improve performance in carrying out the assignment. Innovativeness will be appreciated, including workable suggestions that could improve the quality/effectiveness of the assignment. In this regard, unless the Consultant clearly states otherwise, it will be assumed by the Client that work required to implement any such improvements, are included in the inputs shown on the Consultant's Staffing Schedule.

**(vi)** The Technical Proposal shall not include information related to financial proposal. Technical Proposals containing information related to financial proposal shall be declared nonresponsive.

### **5. FINANCIAL PROPOSAL**

All information provided in Consultants' Financial Proposal will be treated as confidential.

The Financial Proposal is to be submitted in the requisite forms enclosed.

No proposed schedule of payments should be included in Consultants' Financial Proposals.

Consultants shall quote the rates in Indian National Rupees only.

Form FIN-2 is an acknowledgement that, in preparation and submission of the Technical and Financial Proposals, Consultants has:

- (i) not taken any action which is or constitutes a corrupt or fraudulent practice;
- (ii) Documents and records relating to the Consultant's Proposal and to the performance of the ensuring Consultant's Contract.

The rates to be quoted shall be in the format given in Data Sheet and it shall include all costs / expenses excluding GST. The Client shall pay GST as applicable on prevailing rates.

## 6. SUBMISSION, RECEIPT AND OPENING OF PROPOSALS

The original Proposal (Earnest Money Deposit, Technical and Financial Proposals) shall contain no interlineations or overwriting, except as necessary to correct errors made by Consultants themselves. Any such corrections, interlineations or overwriting must be initialed by the person(s) who signed the Proposal.

An authorized representative of the Consultant shall initial all pages of the original copy of the Technical and Financial Proposal. No other copies are required.

The Technical Proposal to be sent to the Client shall be placed in a sealed envelope clearly marked "**TECHNICAL PROPOSAL.**" Similarly, the Financial Proposal shall be placed in a sealed envelope clearly marked "**FINANCIAL PROPOSAL**" and with a warning "**DO NOT OPEN WITH THE TECHNICAL PROPOSAL.**" The envelopes (Envelope 1 -Earnest Money Deposit Envelope 2 Technical Proposal and Envelope 3 - Financial Proposals) shall be placed into an outer envelope and sealed. The outer envelope shall bear the submission address, reference number and title of the assignment, and other information indicated in the Data Sheet. **If the Financial Proposal is not submitted by the Consultant in a separate sealed envelope and duly marked as indicated above, this will constitute grounds for declaring both Technical and Financial Proposals non-responsive.**

Proposals must be delivered at the indicated Client submission addresses on or before the time and date stated in the Data Sheet or any new date established by the Client according to provisions.

## 7. PROPOSAL EVALUATION GENERAL

From the time the Proposals are opened to the time the contract is awarded, the Consultant should not contact the Client on any matter related to its Technical and/or Financial Proposal. Any effort by a Consultant to influence the Client in examination, evaluation, ranking of Proposals or recommendation for award of contract may result in rejection of the Consultant's Proposal.

The envelope 1 shall be opened first. If the bid security or cost of RFP documents is not found to be in order then the proposal shall be treated as nonresponsive and shall not be evaluated further.

## **Evaluation of Technical Proposals**

Detailed technical evaluation will be taken up in respect of only those bidders, who meet with the prescribed eligibility criteria.

The Client's 'Consultants Selection Committee' (CSC) will be responsible for evaluation and ranking of Proposals received.

The CSC evaluates and ranks the Technical Proposals on the basis of Proposal's responsiveness to the TOR using the evaluation criteria and points system specified in the Data Sheet. Each Technical Proposal will receive a technical score. A Proposal shall be rejected if it does not achieve the minimum 600 technical mark as specified in the data sheet from the maximum of 1000points.

### **A Technical Proposal may not be considered for evaluation in any of the following cases:**

1. The Consultant that submitted the Proposal or one of its Associated Consultants belongs to one of the cases described in Sub-Clause 5.5(i) to and failed to make a the Consultant that submitted the Proposal or
2. one of its Associated Consultants was proper statement to that effect in the cover letter ; or
3. found not to be legally incorporated or established in India; or
4. The Technical Proposal was submitted in the wrong format;
5. The Technical Proposal included details of costs of the services; or
6. The Technical Proposal reached the Client after the submission closing time and date specified in the Data Sheet.

After the technical evaluation is completed, the Client shall notify Consultants whose Proposals did not meet the minimum qualifying technical mark or Consultants whose Technical Proposals were considered non-responsive to the RFP requirements, indicating that their Financial Proposals will be returned unopened after completion of the selection process. The Client shall simultaneously notify, in writing Consultants whose Technical Proposals received marks equal to or higher than that specified in the data sheet, indicating the date, time, and location for opening of Financial Proposals. (Consultants' attendance at the opening of Financial Proposals is optional).

## **7. PUBLIC OPENING AND EVALUATION OF FINANCIAL PROPOSALS**

### **Public Opening of Financial Proposals**

At the public opening of Financial Proposals, Consultant representatives who choose to attend will sign an Attendance Sheet.

- a. The marks of each Technical Proposal that met the minimum mark as specified in the data sheet will be read out aloud.
- b. Each Financial Proposal will be checked to confirm that it has remained sealed and unopened.
- c. The Client's representative will open each Financial Proposal. Such representative will read out aloud the name of the Consultant and the total price shown in the Consultant's Financial Proposal. This information will be recorded in writing by the Client's representative..

### **Evaluation of Financial Proposals**

Following the ranking of Technical Proposals, when selection is based on QBS method financial proposal of first ranked bidder only will be opened and he will be invited to negotiate its Financial Proposal and the Contract. For others, financial proposals shall be opened publicly and read out; and the highest ranked bidder based on cumulative technical and financial evaluation ranking will be invited for contract negotiations.

Consultants' attendance at the opening of Financial Proposals is optional but it is advisable that the Consultants must present at the time of opening of proposals.

The evaluation committee will review the detailed content of each Financial Proposal. During the review of Financial Proposals, the Committee and any Client personnel and others involved in the evaluation process, will not be permitted to seek clarification or additional information from any Consultant, who has submitted a Financial Proposal. Financial Proposals will be reviewed to ensure these are:

- (i) complete, to see if all items of the corresponding Technical Proposal are priced; if not, for material omissions, the Client will price them by application of the highest unit cost and quantity of the omitted item as provided in the other Financial Proposals and add their cost to the offered price, and correct any arithmetical errors.
- (ii) computational errors if there are errors these will be corrected;
- (iii) Other errors, such as activities which are shown as different time lines in technical proposal and different in financial; price for these will be based on the technical proposal.

The detailed contents of each Financial Proposal will be subsequently reviewed by the Client.

The evaluated total price (ETP) for each Financial Proposal will be determined.

**When the QCBS Method is used:** Score of each financial proposal is inversely proportional to its ETP and will be computed as follows:

$$Sf = 1,000 \times Fm/F$$

Where:

**Sf** is the financial score of the Financial Proposal being evaluated

**Fm** is the ETP of the lowest priced Financial Proposal

**F** is the ETP of the Financial Proposal under consideration

**The lowest evaluated Financial Proposal will receive the maximum score of 1,000 marks.**

The financial bids will be opened in the manner as described below:-

### **Ranking of Proposals (QCBS)**

Following completion of evaluation of technical and financial proposal final ranking of the proposal will be determined. **This will be done by applying a Weightage of 0.10 (or Ten percent) and 0.90 (or Ninety percent) respectively to the technical and financial scores of each evaluated qualifying Technical and Financial Proposals and then computing the relevant combined total score for each Consultant.**

The technical and financial scores shall be added and the Contract will be awarded to the agency which scores maximum points.

### **Contract Negotiations and Award of Contract**

The Consultant who is invited for contract negotiations will, as a pre- requisite for attendance at the negotiations, confirm availability of all experts named in its proposal except in the cases of absence on account of death or medical incapacity. Failure in satisfying such requirements may result in the Client proceeding to initiate the negotiation process with the next-ranked Consultant. Representatives conducting negotiations on behalf of the Consultant must have written authority to negotiate and conclude the Contract

The selected Consultant is expected to commence the Assignment on the date and at the location specified in the Data Sheet.



## DATA SHEET

The contents of this Data Sheet of RFP shall form part of the General Instructions to the intending bidders.

**1. Name of the Client:**

Bihar State Food & Civil Supplies Corporation Limited

**2. The Address for communication and submission of proposal:**

Bihar State Food & Civil Supplies Corporation Limited Khadya Bhawan, Road No. 2, Daroga Prasad Rai Path, R Block, Patna-800001

Bihar, India

E-mail: [bsfc.controlroom@gmail.com](mailto:bsfc.controlroom@gmail.com) Website: <http://sfc.bihar.gov.in>

**3. Financial Proposal to be submitted together with Technical Proposal: Yes**

Name of the assignment is “**Hiring of Chartered/ Cost Accountant Firm for Internal Audit of Bihar State Food & Civil Supplies Corporation Limited**”

More details on the services are provided in the Terms of Reference (ToR) under Section 5

**4. Pre Bid Meeting:**

A Pre-bid meeting has been scheduled on 7<sup>th</sup> Sept 2019 at the office of the Client at 04:00 PM, where all issues/clarifications could be discussed and finalized. Clarifications may be requested not later than 5 days before the submission date.

The address for requesting clarifications is: THE MANAGING DIRECTOR  
Bihar State Food & Civil Supplies Corporation Limited  
Khadya Bhawan, Road No. 2, Daroga Prasad Rai Path, R Block, Patna-800001  
Bihar, India

E-mail: [bsfc.controlroom@gmail.com](mailto:bsfc.controlroom@gmail.com) Website: <http://sfc.bihar.gov.in>

**5. The Client will provide the following inputs and facilities:**

Mentioned in Terms of Reference (ToR)

**6. The documents for preparation of proposal:**

- Format of Technical Bid - Form Tech 1 to 3
- Format of Financial Bid - Form FIN 1 to 2

**7. Validity of Proposal:**

90 (Ninety days) from the date of submission.

8. Managing Director NOT permits Association Arrangements with other Chartered/Cost Accountant Firms for this assignment.
9. Under this contract the Consultant's payments are on Input Based as mentioned in Terms of Reference (ToR). The Consultant shall quote Consultancy Charges for satisfactory performance of the services under the contract as per the format of the Financial Quotation Separately. It is expected that consultant has quoted its fee considering all requirements for satisfactory performance of the services included in ToR.

**10. Schedule of Selection Process:**

- Proposal submission due date: The proposal as stated in the data sheet should be submitted before 26<sup>th</sup> Sept 2019 on 03:00 PM.

**11. Submission of proposal:**

It shall be in the form of Technical Proposal and Financial Proposal. The envelopes must be clearly marked as

- EMD and Cost of RFP
- Technical Proposal
- Financial Proposal

These three envelopes must be contained in a single bigger envelope super scribed as "Quotation for Hiring of Chartered/Cost Accountant Firm for Internal Audit of Bihar State Food & Civil Supplies Corporation Limited".

**12. Evaluation of proposal:**

Proposal Evaluation shall be based on Technical scores obtained by the bidders on the basis of details submitted.

- **Technical Evaluation:**
  - The technical bids will be opened in the presence of the bidders or their authorized representative who intend to be present at the time of opening of technical bid. The bidders who score minimum 600 out of 1000 marks will be considered for further evaluation.
  - Proposals shall be evaluated on the basis of following pre-identified criteria as illustrated in **Appendix- I to Data Sheet for Selection of Consultant:**

	<b>Criteria</b>	<b>Score</b>
1	Profile of the Firms, General Experience & Experience in Similar Assignments	1000
Total Score		<b>1000</b>

- **Financial Evaluation:** The financial Proposal will be opened in the presence of the bidders or their authorized representative who intend to be present at the time of opening of financial bid.
- Tender will be awarded to bidders getting highest rank as per QCBS method.
- The duration of the assignment shall be Thirty Six Months (36). Financial Proposal will be evaluated by taking cost of all the three years together.
- Important Events & Cost details for the tender are enumerated below:-

**Appendix-I to Data Sheet for Selection of Consultant**  
**DETAILED MARKING SCHEME FOR TECHNICAL EVALUATION**

Sl No.	Criteria	Weight age	Maximum Marks
<b>1</b>	<b>General Profile of the Firm</b>	<b>100%</b>	<b>450</b>
<b>A.</b>	<b>Establishment of the Firm</b>	<b>33.33%</b>	<b>150</b>
	Up to 10 years		25
	More than 10 years but up to 15 years		50
	More than 15 years but up to 20 years		100
	More than 20 Year		150
<b>B.</b>	<b>Turnover of the Firm</b>	<b>33.33%</b>	<b>150</b>
	50 Lacs or more but up to 100 Lacs		50
	More than 100 Lacs but up to 200 Lacs		75
	More than 200 lacs		150
<b>C.</b>	<b>No. of Partners</b>	<b>33.33%</b>	<b>150</b>
	Up to 5 partner		50
	More than 5 partners but up to 7 Partners		100
	More than 7 partners		150
<b>2.</b>	<b>Firms General Experience &amp; Experience in Similar Assignments including Internal Audit or financial management with Government Sector</b>	<b>100%</b>	<b>450</b>
<b>A</b>	<b>General Experience of Firm with any PSU and Government Department</b>	<b>33.33%</b>	<b>150</b>
	Upto 3 Projects		50
	More than 3 Projects but up to 7 Projects		75
	More than 7 Projects		150
<b>B</b>	<b>Experience of firm in financial management or internal audit with government Departments/PSU with value more than 1 Crores</b>	<b>33.33%</b>	<b>150</b>
	1 Assignment		50
	2 Assignment		75
	3 Assignment		150
<b>C.</b>	<b>Experience of the firm in Bihar with any government department/PSU of Financial management or Internal Audit</b>	<b>33.33%</b>	<b>150</b>
	Upto 1 Assignment		50
	More than 1 but up to 3		100
	More than 3 Assignment		150
<b>3.</b>	<b>Agency Presence In Bihar</b>	<b>100%</b>	<b>100</b>
	If agency do not have HQ/Branch Office in Bihar		0
	If Agency have HQ/Branch Office in Bihar		100

## **SECTION 3: TECHNICAL FORMS**

## FORM TECH-1: TECHNICAL PROPOSAL SUBMISSION FORM

[Location, Date]

To:

**The Managing Director,**

**Khadya Bhawan, Road No. 2, Daroga Prasad Rai Path, R Block, Patna – 1.**

Dear Sir/Madam:

We, the undersigned, offer to provide the consulting services for [Insert title of assignment] Zone No.....in accordance with your Request for Proposal dated [Insert Date] and Our Proposal. We are hereby submitting our Proposal, which includes this Technical Proposal, and a Financial Proposal sealed under a separate envelope.

We are submitting our Proposal in individual capacity or by entering in association with/as a Joint Venture. We hereby declare that all the information and statements made in this Proposal are true and accept that any misinterpretation contained in it may lead to our disqualification.

If negotiations are held during the period of validity of the Proposal, i.e., before the date indicated in the Data Sheet, we undertake to negotiate on the basis of the proposed personnel. Our Proposal is binding upon us and subject to the modifications resulting from Contract negotiations.

We undertake, if our Proposal is accepted, to initiate the consulting services related to the assignment not later than the date indicated in the Data Sheet (*Please indicate date*).

We undersigned certify that I/we have carefully gone through and clearly understood the terms and conditions of the tender documents, the work requirements and undertake to comply with them in time of KMS period as stated in request for proposal.

We further undertake to execute the work as per tender's terms and conditions and the bids submitted by us. We have signed every page of the tender documents as token of our acceptance of all terms and conditions of the tender.

We enclose herewith the Earnest Money deposit (EMD) of Rs.25, 000/- (Rupees Twenty Five Thousand only) by demand draft/pay order No. \_ dated\_\_\_drawn on \_\_\_\_\_favoring Bihar State Food & Civil Supplies Corporation Limited and payable at Patna.

We also undertake to comply with all the acts/enactments/modifications and to deposit the applicable GST, etc and other statutory liabilities.

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_

Name and Title of Signatory: \_\_\_\_\_

Name of Firm:

Address: \_\_\_\_\_

## FORM TECH-2: CONSULTANT'S ORGANIZATION AND EXPERIENCE

### A - Consultant's Organization

*[Provide here a brief (two pages) description of the background and organization of the Consultant and then annex the data as required in the format mentioned below]*

Sr.	Particulars	Annexure at	
No.		Page	
		No.	
1.	Name of the Chartered/Cost Accountant Firm		
2.	Status of Applicant (Proprietorship, Partnership, etc.)		
3.	Name of Proprietor/Partners		
4.	Full Particulars of Office: A) Address  B) Telephone /Mobile No.: C) Fax No.: D) Email Id:		
5.	Registration Details: A) PAN/GIR No: B) GST No.: C) Firm Registration No.:		
6.	Details of Earnest Money Deposit: A) Demand Draft No.: B) Demand Draft Date: C) Drawn Bank & Branch: D) Valid Upto:		
7.	Annual turnover details for last three Consecutive years.		2017-2018 – Rs. 2016-2017 – Rs. 2015-2016 – Rs.

## B - Consultant's Experience

[The following information should be provided in the format below for each reference assignment for which your firm, either individually as a corporate entity, was legally contracted by the Employer stated below.]

<b>Assignment name:</b>	<b>Approx. value of the contract (in current Rs):</b>
<b>Country:</b> <b>Location within country:</b>	<b>Duration of assignment (months):</b>
<b>Name of Client:</b>	<b>Total NO. of person-months of the assignment:</b>
<b>Address:</b>	<b>Approx. value of the services provided by your firm under the contract</b>
<b>Start date (month/year):</b> <b>Completion date (month/year):</b>	<b>No of professional person-months provided by the joint venture partners or the Sub-Consultants:</b>
<b>Name of joint venture partner or sub-Consultants, if any:</b>	
<b>Name of senior regular full time employees of your firm involved and functions performed (indicate most significant profiles such as Secretary/Coordinator, Team Leader):</b>	
<b>Narrative description of Project</b>	
<b>Description of actual services* provided in the assignment:</b>	

\* Allotment letters should be attached.

**Firm's Name:**

**Signature of Authorized Representative:**



**Form TECH-3: Comments and Suggestions on the Terms of Reference by the Client**

**A - On the Terms of Reference [For Full Technical Proposals Only]**

[Present and justify here any modifications or improvement to the Terms of Reference you are proposing to improve performance in carrying out the assignment (such as deleting some activity you consider unnecessary, or adding others, or proposing a different phasing of the activities). Such suggestions should be concise and to the point, and incorporated in your Proposal.]

- 1.
- 2.
- 3.
- 4.
- 5.
- ..

## **SECTION 4: FINANCIAL PROPOSAL**

## FIN-1: FINANCIAL PROPOSAL SUBMISSION FORM

[Location,

Date] To:

**Managing Director  
BIHAR STATE FOOD & CIVIL SUPPLIES CORPORATION  
LIMITED( BSFCSCCL)  
KhadyBhawan, DarogaPd.Roy path  
R.Block Road No-2  
Patna -800001**

Dear Sir /Madam:

We, the undersigned, offer to provide the consulting services for **Internal Audit of the Bihar State Food & Civil Supplies Corporation Limited** in accordance with your Request for Proposal dated [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures<sup>1</sup>]. This amount is inclusive of all taxes except GST which will be identified during negotiations and shall be added to the above amount.

Our Financial Proposal shall be binding upon us subject to the modifications resulting from Contract negotiations, up to expiration of the validity period of the Proposal, i.e. before the date indicated in Para 7 of the Data Sheet.

**No fees, gratuities, rebates, gifts, commissions or other payments have been given or received in connection with this Proposal.**

We understand you are not bound to accept any Proposal you receive.

We remain,

Yours sincerely,

Authorized Signature [In full and initials]: \_

Name and Title of Signatory:

Name of Firm: Address: \_\_\_\_\_

1 Amounts must coincide with the ones indicated under Total in Form FIN-2.

**FORM FIN-2: SUMMARY BY COSTS**

**Financial Bid for 3 Year**

Sr. No.	Description of Services	Fees	
		Rs. (in figures)	Rs.( in words )
A.	Fee for Financial year 2014-15 including Full KMS 13-14.		
B	Fee for Financial Year 2015-16		
C	Fee for Financial Year 2016-17		
D.	Fee for Financial Year 2017-18		

**\* GST at prevailing rates**

## **SECTION 5 TERMS OF REFERENCE**

**TERMS OF REFERENCE FOR HIRING OF CHARTERED/COST ACCOUNTANT FIRM  
FOR INTERNAL AUDIT IN BIHAR STATE FOOD & CIVIL SUPPLIES  
CORPORATION LIMITED**

**I. Introduction:**

Bihar State Food & Civil Supplies Corporation is a corporation incorporated under the Companies Act 2013 with an aim to provide essential & other commodities to the mass population at reasonable prices. The corporation basically carries out two activities, as mentioned under:-

1. Decentralized procurement of Food grains

2. Distribution of Food grains to the Targeted Public the Corporation procures food grains directly from the farmers through Own Purchase Centers & PACS. This food grains are then processed & stored in godowns. For distribution to the targeted public, the food grains procured from farmers are utilized and the deficiency is met by purchase through FCI. The distribution is made through a dealer of approx. 45000 dealers.

**II. The broad objectives of the management by carrying out internal audit assignment are as under:-**

- The management aims to bring a systematic and disciplined approach in the book keeping system, evaluating and improving the effectiveness of the internal control system and thereby strengthening the Financial Management of the organization as a whole.
- The management also aims at highlighting the organizational problems and getting professional solutions by analyzing business processes, procedures and activities.
- The management also wishes to ascertain its compliance with established policies, plans, procedures, laws and regulations and focus on issues relating to the efficacy of operations, reliability of financial reporting.

**III. Brief Description of Task:-**

The Bihar State Food & Civil Supplies Corporation Limited is planning to strengthen its internal audit & financial management system by hiring Chartered/Cost Accountant firm for the Internal Audit function. The Details of 38 districts are as under:

Districts	Number of blocks
Buxar	11
Rohtas	19
Kaimur	11
Arwal	5
Jehanabad	7
Aurangabad	11
Gaya	28
Nalanda	20
Nawada	14
Bhojpur	14
Patna	23
Lakhisarai	7
Sheikpura	6
Jamui	10
Munger	9
Bhagalpur	16
Banka	11
Katihar	16
Purnea	14
Vaishali	16
Saran	20
Siwan	19
Gopalganj	14
Motihari	27
Betiah	18
Muzzfarpur	16
Samastipur	20
Sitamarhi	17
Seohar	5
Begusarai	18
Dharbhanga	19
Madhubani	21
Sharsha	4
Supaul	11
Madhepura	13
Kishanganj	7
Araria	9
<b>Total</b>	<b>526</b>

**Performance of the Hired Consultant Firm would be reviewed periodically as decided by the management and the contract may be terminated after giving one month notice if performance is found unsatisfactory.**

#### **IV. Scope of Internal Audit:**

The general scope of the internal audit expected by the management is as under:-

- a) **Audit to be done for the period FY 2014-15, 2015-16, 2016-17 and 2017-18 including KMS 13-14. One Financial Year covers 2 KMS Season. Hence, the annual audit report should specifically be bifurcated KMS Wise. In the report submitted for FY 2014-15, the KMS 13-14 procurement in the FY 2013-14 should specifically be mentioned and report should be submitted accordingly covering the FY 14-15 including Full KMS 13-14.**
- b) To verify & reconcile the Stock Inward & Stock Outward Register.
- c) To verify the dispatch (SIO maintained/accounted along with RT Notes) at the godowns/Paddy Purchase Centre level with the data entry made in Stock Register & Stock Outward Register.
- d) To verify the inward at the godowns/Paddy Purchase Centre level with the data entry made in Stock Register.
- e) Verification of **Central R.O Register** For lifting of food grain on day to day basis with daily lifting report submitted by lifting in charge with Truck Challans, Gate Passes and 'M' Form.
- f) Reconciliation of R.O Purchase with the central R.O register and Central stock register with the godown records received at district on monthly basis and a periodical stock statement should be prepared for the period covered under audit.
- g) Verification of Gunny Bag Register.
- h) Verification of recoveries made from the different parties i. e Miller, Staff AGMs.
- i) Verification of advance register and its adjustment for expenses with appropriate bills or vouchers.
- j) To verify the RO register maintained at the district level with the stock inward register from the details verified at the godowns/Paddy Purchase Centre level.
- k) To verify the central stock register maintained at the district level from the details verified at the godowns/Paddy Purchase Centre level.
- l) To verify annual Grain Statement from Central Stock Register.



- m) To verify the bill of transportation based on the actual records available at the godown/paddy procurement level.
- n) To verify the payment of godown rent & other important expenditures, as identified by the management from time to time.

**V. Period of Internal Audit:** The internal audit will be undertaken for financial year 2014-15, 2015-16, 2016-17 and 2017-18 and KMS 13-14. Annual report should be bifurcated KMS wise. The period of assignment will be 3 years from the date of assignment. It is proposed that there will be quarterly audits but the management on its own may alter this frequency.

**VI. Reporting:** The Hired Consultant Firm will provide a report to the Managing Director in sealed cover with defined reporting format highlighting its findings in the format of Management Audit Report for the regular periods as prescribed by the management and within such prescribed time to enable the management to take timely corrective action. In cases where predefined reporting format report should be structured in a manner to clearly provide the following: (a) audit observations; (b) implications of the observations; (c) suggested recommendations; (d) management's comments/agreed actions, (e) status of action taken on the previous recommendations and any other major information as required to enable management for proper decision making. In addition, the Hired Consultant Firm should prepare and submit a consolidated report on periodical basis as directed by the management, summarizing the individual district wise reports and highlighting the critical issues which require the immediate attention of the management.

**VII. Action Taken Report:** The Hired Consultant Firm will bring out in his report aspects relating to the compliance with audit observations made in the reports relating to earlier audits duly elaborating the corrective action taken.

**VIII. General:** The Hired Consultant Firm will be given access to all legal documents (agreements), correspondence, financial manuals, notices from the State/Districts and any other information associated with the project as deemed necessary by the Hired Consultant Firm.

**IX. Payment Schedule:-**

The payments will be made on the basis of submission of Annual report of the financial year. The payment will be proportionately disbursed on the submission and approval of district wise audit report. Once the complete audit report is submitted and approved for a Financial Year, the final payment for that period will be disbursed.

LIST OF CA FIRMS NOT ELIGIBLE TO PARTICIPATE IN TENDER.

1. S.K Patodia & Associates
2. KRA & Co.
3. Jaiswal Brajesh & Co.
4. Pandey & Co.
5. P Jyoti & Co.
6. R N Singh & Co.
7. Chankya Ashoka & Co.
8. Chamaria & Co.
9. Mashi Maheshwari & Co.
10. Shamse Rub & Associates
11. Thakur Bhubnesh & Associates
12. G.K. Sureka & Co.
13. Sanjay Kr. Jha & Associates
14. Kumar Kishore & Co.
15. K.Hariji & Co.
16. P.Jyoti & Co.
17. Tibrewal Dalmian & Associates
18. P. Puneet & Co.

LETTER OF AUTHORITY TO ATTEND MEETINGS

Bid No. -

DATE:

To,  
Managing Director  
BIHAR STATE FOOD & CIVIL SUPPLIES CORPORATION LIMITED  
Khadya Bhawan, Daroga Prasad Rai Path, R Block, Patna-800001, Bihar, India.

Sub: Authorisation for attending meetings.

Dear Sir,

I/We\_\_\_\_\_ hereby authorize following representative(s) to attend pre bid meeting, Technical Bid opening, Financial Bid opening and for any other correspondence and communication against above Bid Document:

1. Name & Designation ----- Signature
2. Name & Designation ----- Signature

I/We confirm that I/we shall be bound by all commitments made by aforementioned authorized representatives.

Yours faithfully,  
Signature  
Name & Designation

For and on behalf of

Note: This letter of authority should be on the letterhead of the bidder and should be signed by a person competent and having the power of attorney to bind the bidder.

