

KOCHI METRO RAIL LIMITED



INVITES REQUEST FOR PROPOSAL (RFP)
FOR

“ENGAGEMENT OF FIRM CHARTERED ACCOUNTANT/COST ACCOUNTANT FOR
INTERNAL AUDIT AND OTHER ASSIGNMENTS FOR THE YEAR 2020-2023”

Tender no: KMRL/FIN/Proc/Internal Audit/2019/232

February 2020

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DISCLAIMER

The information contained in this Request for Proposal Document (“RFP Document”) or subsequently provided to Bidder/ s, whether verbally or in documentary form by or on behalf of Kochi Metro Rail Limited (“KMRL”) is provided to Bidder(s)

On the terms and conditions set out in this RFP Document and any other terms and conditions subject to which such information is provided.

This RFP Document is neither an agreement nor an offer and is only an invitation by KMRL to the entities who are qualified to submit their Proposal (Bidders) as stated in the Notice Inviting Bid.

The purpose of this RFP Document is to provide the Bidders with information to assist the formulation of their Proposal.

This RFP Document may not be appropriate for all persons, and it is not possible for the KMRL, their employees or advisors to consider the investment objectives, financial situation and particular needs of each party who reads or uses this RFP Document.

Each Bidder should conduct its own investigations and analysis and should check the accuracy, reliability and completeness of the information in this RFP Document and where necessary obtain independent advice from appropriate sources.

The KMRL, their employees and advisors make no representation or warranty and shall incur no liability under any law, statute, rules or regulations as to the accuracy, reliability or completeness of the RFP Document.

KMRL may in their absolute discretion, but without being under any obligation to do so, update, amend or supplement the information in this RFP Document.

KMRL reserves the right not to proceed with the work, to alter the timetable reflected in this document or to change the process of procedures to be applied for selection of Service Provider.

No reimbursement of cost of any type whatsoever paid to persons, or entities, expressing interest in the work.

The profile for all the sections of Metro project, including stations, enclosed with the Bid is for general information of the Bidders and may undergo changes/ revisions.

SECTION 1
INFORMATION TO BIDDERS

1. GENERAL

- a. Kochi Metro Rail Ltd. (KMRL) was created as a Special Purpose Vehicle (SPV) for the implementation, operation and maintenance of the metro project. KMRL is a joint venture of Government of India & Government of Kerala. KMRL has started commercial operation from Aluva to Palarivattom on 17/06/2017, from Palarivattom to Maharajas College on 03/10/2017 and to Thykoodam on 03.09.2019. The stations along the stretch are architecturally themed and are attracting substantial ridership.
- b. KMRL is also executing the Water Metro project, Integrated Urban generation and water transport system (IURWTS) project ,the Vytilla Mobility Hub(VHMS) and the AMRUT projects.
- c. Proposals are invited for Engagement of Chartered Accountant/Cost Accountant firm for Internal audit and other assignments for the years 2020-2023 in a single stage bidding process .
- d. The interested firms may download the RFP document from the following websites – www.tenders.kerala.gov.in / www.kmrl.co.in .
- e. The intending Bidders must read the terms and conditions carefully and should only submit his tender if he considers himself eligible and he is in possession of all the documents required.
- f. The firms participating in the RFP hereafter will be called as “Applicants”/ “Bidders”.
- g. The applicants will be required to pay the non- refundable fee towards cost of tender documents as mentioned in key details at the time of the submission of the Bid proposal through www.etenders.kerala.gov.in. only.
- h. The proposal should be submitted by bidders in two parts. The two parts of the proposal are **Part 1: Technical Proposal** and **Part 2: Financial Proposal**. Stage -1 of the Evaluation shall consider the evaluation of the Technical Proposal (i.e. Part 1). The firms qualifying evaluation of technical proposal as mentioned in RFP shall only be considered for further evaluation. Under stage 2, the financial proposal of such firms as selected above shall be opened and evaluated. The applicants who has quoted lowest fee post correction of arithmetic error if any will be awarded the contract.

2. KEY DETAILS

The applicants shall take note of the following key details in connection with submission of proposal for the RFP:

a	Name of Work	Engagement of firm Chartered Accountant/Cost Accountant for Internal audit and other assignments for the year 2020-2023
b	Tender Security Amount (Earnest Money Deposit)	<u>NIL</u>
c	Tender Processing Fee (Non Refundable)	<u>Rs. 1180/- (Inclusive of GST@18%) Payable online at etenders.kerala.gov.in</u>
d	Date of publishing of tender	26.02.2020
e	Clarification seeking end date	06.03.2020 upto 17:00hrs
f	Tender submission start Date and Time	09.03.2020 at 9:00 hrs
g	Tender submission end Date and Time	17.03.2020 upto 17:30 hrs
h	Date & Time of opening of Tender	19.03.2020 at 15:00 hrs
g	Validity of Tender	180 days from the last date of submission of tender
h	Completion Period	3 financial years from 2020
h	Authority and Place for submission of required documents (if any) and seeking clarifications on tender documents	Joint General Manager (F&A) Kochi Metro Rail Ltd, 4 th Floor, JLN Metro Station, Kaloor-682017

3. DETAILS OF WORKS TO BE IMPLEMENTED BY THE CONSULTANT

A. The Assignment includes

- Internal Audit
- Pre Audit of Payment Vouchers above the threshold limit set by KMRL from time to time (at present limit is Rs. 1 lakh).
- Certification/ Verification works
- Special Audit assignment

B. SCOPE OF INTERNAL AUDIT

The assignment of Internal Audit shall be done on concurrent basis headed by at least one qualified Chartered / Cost Accountant who can be replaced only with prior approval of KMRL along with required personnel who must be at least semi qualified. The audit firm shall employ such more qualified and experienced personnel as and when required for internal audit. The firm shall furnish the list of personnel deputed for audit with details before commencement of audit. The list shall be reviewed and approved by KMRL with or without modification. Except as KMRL may otherwise agree, no change shall be made in the approved list of personnel. If for any reason beyond the reasonable control of the Audit Firm, it becomes necessary to replace any of the Personnel, the Audit Firm shall forthwith provide as a replacement, a person of equivalent or superior qualification with the prior approval of KMRL.

C. OBJECTIVE

- To monitor the achievement of organizational objectives.
- To identify, assess and suggest to manage risks to those objectives.
- To ensure compliance with manuals, policies, delegation of powers, laws and regulations including all statutory requirements.
- Review of operations to assure whether the operations are conducted economically and efficiently.
- To assure whether the systems, procedures, adopted by the company are adequate and effective to achieve company's objectives and goals.
- To assure the compliances of legal, regulatory, accounting standards, policies and prescribed procedures.
- To add value to improve the company's operations .
- To review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensure the accuracy of the books of accounts;
- Verify that the system of internal check is effective in design and operation in order to ensure the prevention of and early detection of defalcations, frauds, misappropriations and misapplications;

- Identify areas of significant inefficiencies in existing systems and suggest necessary remedial measures;
- To evaluate and improve the effectiveness of risk management control and governance processes.

D. EXTENT OF COVERAGE OF INTERNAL AUDIT

The illustrative (but not exhaustive) list of tasks to be performed for Internal Audit by Practicing Audit Firm Partnership/Proprietorship/Individual is given as under:-

No.	Particulars	Frequency
1	Verification of all accounting vouchers	75%
2	Review of all expenses as per delegation of powers, supporting documents, statutory deductions, head of accounts etc.	75%
3	Payments to project vendors with reference to compliance with the contract agreement, compliance of foreign exchange payments etc	100%
4	Pre audit of payment vouchers as per threshold limit set by KMRL	100%
5	Verification of Bank Reconciliation statement.	100%
6	Verification of statutory payments, filing of returns etc	100%
7	Review of the Fixed Assets Register , physical verification of the fixed assets on perpetual inventory verification system so as to cover all assets atleast once in a year	twice in a financial year
8	Physical verification of Inventory/spares at head office/ stations / depot & issue of report	twice in a financial year
9	Review of revenue accounting from stations / head office 1) Fare Box collection 2) Non fare box collection (including verification of certificate issued by Axis bank with transfer of funds to KMRL's bank account)	100%

	<p>3) Lease/ Rental income / Advertisement / property development/ station oriented development and any other income</p> <p>4) Interest earned from short term deposit</p> <p>5) Consultancy income</p> <p>6) Revenue leakage, if any</p>	
10	Ensuring compliance with the SOP's on "Revenue management at stations" including physical verification of cash at stations	Quarterly
11	<p>Special Audit of all contracts (from RFP till execution)</p> <ul style="list-style-type: none"> • Contracts with value upto Rs. 25 lakh • Contracts with value above Rs. 25 lakh 	<p>50%</p> <p>100%</p>
12	<p>Special Audit of Procurement of stores/spares/miscellaneous (from RFP till execution)</p> <ul style="list-style-type: none"> • Contracts with value upto Rs. 5 lakh • Contracts with value above Rs.5 lakh 	<p>50%</p> <p>100%</p>
13	<p>Special Audit of contracts /PO awarded on single tender and nomination basis</p> <ul style="list-style-type: none"> • Contracts with value upto Rs. 5 lakh • Contracts with value above Rs. 5 lakh 	<p>50%</p> <p>100%</p>
14	<p>HR Department</p> <ul style="list-style-type: none"> • Monthly salary payments including statutory deductions • Recoveries • Leave records • Claims • Any other areas not listed above 	100%
15	Audit of stores/depot/spares department (verification of documentation, procedures, adherence to SOP's)	Half yearly
16	Verification of valuation of closing stock	Half yearly
17	Verification of title deeds of land	100%
18	Verification / certification of documents submitted towards reimbursement procedure /	100%(please see clause 17)

	fund utilization of external / domestic borrowings / foreign remittance / for any other purpose	
19	Compliance of manuals, standard operating procedures, delegation of powers.	100%
20	Verification & Filing of all statutory returns (IT, TDS, /GST/PF etc)	100%
21	Orientataion program by Senior partner on new laws , amendments or any other relevant matters as applicable to KMRL	twice in a financial year
22	Assist in finalization of accounts	Quarterly/yearly
23	Ensuring compliance with the “Audit Manual” / “Accounting manual” of KMRL.	100%
24	To ensure adequacy of various manuals in the company and advise modifications to the management from time to time.	On needs basis
25	Analysis of Sundry Debtors / Sundry creditors/ Loans and sub debts/ Expenses/ Income / CWIP etc.	Quarterly
26	Advise on Ind AS, Direct & Indirect Tax related Matters	100%
27	Verification of Fixed asset capitalization workings as and when asset capitalization take place	100%

E. REPORTING REQUIREMENTS – INTERNAL AUDIT

The internal audit is to be carried out and report to be submitted on quarterly basis within fifteen days of the close of each quarter. The auditor has to highlight the critical issues immediately to the Management, which require immediate attention. The audit report shall be issued to Director Finance, KMRL. The report shall be submitted on-line / in soft as well as hard copies. KMRL may prescribe separate forms, if any, applicable for furnishing the audit reports on-line.

All work done by the Internal Audit Service should be properly documented, evidenced and filed for any reference. The auditor shall obtain, maintain and submit sufficient audit working papers as evidence to the Employer for support of their findings and audit opinion. The documentation shall comply with the guidelines prescribed by the ICAI/ICMAI.

On completion of the audit, the auditor shall follow steps before finalization of the audit report,

- i. The preliminary audit observation shall be first discussed with the Finance officer nominated by KMRL for coordinating the audit along with the head of the department.
- ii. The observation of the audit shall be prepared after seeking clarifications from the finance department
- iii. Based on the preliminary audit observation and after discussions, a final report shall be compiled /prepared

The report should be structured in a manner to provide the following:

- i. Audit observations
- ii. Risk and Implications of the observations
- iii. Recommendations
- iv. Management comments
- v. Audit observation on the management comments

Internal Audit Report shall also include report on verification of contracts valuing more than Rs.10 lakh highlighting the financial and commercial critical issues, if any, which requires the immediate attention of KMRL.

In addition to above, report on the action taken on previous recommendations / observations shall be incorporated.

F. SCOPE OF PRE-AUDIT

The audit compliance includes the 100% pre-audit of vendors' bill valuing more than the threshold limit fixed by KMRL (At present Rs. 1 lakh) and detailed pre-audit verification of the final bill of the contractors for the project activity within the time frame as per KMRL existing policy & procedures. Only with auditor certification, the payment will be released to the contractors on such bills.

The pre audit team must include persons with a minimum qualification of CA/ICWA inter to conduct the pre-audit of accounts of the company.

The scope of pre-audit includes -

- i) To ensure approvals as per delegation of power.
- ii) To verify and scrutinize payments to contractors with reference to respective agreements and adjustment thereof while accounting for the work done by them and ensure that deductions in respect of mobilization & other advances,

Statutory deductions, etc. are correctly made from the bills. Also verify that all vendor accounts are reconciled from time to time.

- iii) To verify work-in-progress with reference to field records such as Interim payment certificates and certification of progress issued by the executive, quantum of work-in-progress recorded should be compared with work orders/ contracts and subsequent approvals for variations, to ensure that payments are duly authorized.
- iv) To check that adjustments for returns, shortages, damages and unserviceable stores and materials at sites are properly made.
- v) To review terms and conditions of tender documents and agreements, verification of bank guarantees, insurance policies and specific emphasis to be given on final payments.
- vi) To plug loopholes, which might have crept in the system due to passage of time and complacency on the part of persons particularly, engaged in financial concurrences, release of payments, updating accounting records, authorizations as per Financial Accounting System etc.
- vii) Pre audit of payment vouchers shall be completed within two days of receipt of request from KMRL. In case of urgent payments pre audit shall be completed within same day.

G. MINIMUM MANDAYS PER QUARTER

The minimum number of man-days required to be spent on internal audit and pre audit at KMRL by various categories of audit staffs are given below. However the bidder can increase these man-days according to his assessment of work. If the actual number of man-days attended by any category of audit staff falls below the quoted number of days, the remuneration shall be reduced accordingly. In any case, the auditor has to ensure that the optimum number of man-days is spent on internal audit of KMRL. Necessary attendance register will be maintained by KMRL for this purpose. Daily Audit Team shall include minimum one Semi –qualified assistant and one Junior Articled clerk.

The remuneration shall be paid quarter wise after completion of the audit on submission of the audit report and other reports specifically asked by KMRL, if any, and on submission of a bill by the firm. GST as applicable shall be paid extra as per extant laws. No TA or DA or food expenses or out of pocket expenses will be paid for the assignment. The bidder shall carry its own system for executing the work. In the event of outstation travel (as approved by KMRL), TA/DA as per KMRL travel policy shall be reimbursed. Partner/Qualified Assistant shall be equated to the level of AGM and other audit staff to the level of Executives.

H. MINIMUM MAN-DAY REQUIREMENT PER QUARTER

Sl. No.	Particulars	Partner	Qualified assistant	Semi-qualified assistant	Junior articulated clerk
	Internal audit at head office / depot /station	2	15	60	60
	Pre Audit at Head Office			75	75

Note 1. A presence of not less than 4 hours by partners , 5 hours by fully qualified assistant, 8 hours by Semi-qualified/ Junior/articled clerk shall be deemed as one man day

4. ELIGIBILITY CRITERIA

The Consulting firms meeting the following criteria are only eligible for applying for this assignment. The prospective bidder must conform to the pre-qualification criteria given below and shall attach proof of documents for each of the qualifying requirements. Bids without adequate supporting documents and not meeting minimum eligibility criteria shall be treated as non-responsive and will be summarily rejected without considering for Technical Evaluation.

- a. The internal auditor shall be a firm of Chartered Accountants / Cost Accountants having minimum experience of 10 Years -Constitution Certificate as on 31.12.2019 should be attached.
- b. The firm should have minimum four partners out of which at least two partner should be Fellow - Status of partners as per ICAI / ICMAI record should be attached.
- c. The firm should have a Registered Office/ branch in Kochi region. Proof as per ICAI/ ICMAI records to be attached
- d. The firm should have an Average Annual Turnover of at least Rupees fifty lakh (Rs. 50,00,000/-) . For the purpose of ascertaining parameter of Turnover of the bidder average turnover for the previous three financial years ending FY 2018-19 shall be considered. Copies of Balance Sheet and Statement of profit and loss shall be submitted as proof.

SECTION 2

LETTER OF INVITATION

1. GENERAL

- 1.1 KMRL intends to **Engage firm Chartered Accountant/Cost Accountant for Internal audit and other assignments for the year 2020-2023”**
- 1.2 The total time period for the assignment will be for **3 years**.

2 CLARIFICATION AND AMENDMENTS

- 2.1 Queries can be e-mailed to **queries@kmrl.co.in**. or submitted through online portal **www.etenders.kerala.gov.in**. KMRL shall endeavor to respond to the queries within the period specified therein. KMRL will post the reply to all such queries on the Kerala e-tenders portal and KMRL portal.
- 2.2 KMRL reserves the right not to respond to any questions or provide any clarifications, at its sole discretion, and nothing in this clause shall be construed as obliging KMRL to respond to any question or to provide any clarification.

3 PREPARATION OF PROPOSAL

- 3.1 The Consultant/bidder shall submit their proposals only in the e-tendering platform as detailed above. The proposals shall be submitted as detailed in the following paragraphs and in the requisite format provided as Appendices. The proposal shall be written in the English language and all pages of the Proposal shall be signed by an authorized representative, wherever applicable.

4 PART 1: TECHNICAL PROPOSAL

- 4.1 The bidder shall examine all terms and conditions included in the documents. Failure to act or to provide all requested information will be at the bidder's own risk and may result in rejection of the bidders's proposal.
- 4.2 A good working knowledge of the language specified in the RFP is essential for key professional staff on this assignment. Reports must be in the language (s) specified in the RFP
- 4.3 The Technical Proposal must provide the information, using but not limited to the formats provided as Appendices
- 4.4 *The technical proposal must not include any financial information.

5 PART 2: FINANCIAL PROPOSAL

- 5.1** The consultant's Financial Proposal must be strictly in the BOQ provided in the e-tendering platform only.
- 5.2** Firm may express the price of their services in the Indian Rupees only.
- 5.3** The bidder shall quote quarterly fees for Internal Audit and Pre Audit Service in format provided in the e-tendering platform (BoQ) only. Remuneration for verification or certification works will be Rs.5000/- for each certification works.
- 5.4** The basic price quoted shall be exclusive of GST but including all other applicable taxes, duties and other charges.
- 5.5** In case any bidders make arithmetical errors or quote with a different percentage or omit to quote, the same will be corrected as per the percentage applicable against the quoted HSN/SAC in the financial bid. In case, if the total value as per corrected working exceeds the quoted rate inclusive of taxes in the financial bid, then the base price will be adjusted so as to maintain the originally quoted amount inclusive of taxes.
- 5.6** The tax liability as per GST Act rests with the bidder, ambiguity if any regarding the percentage for that particular work or Services Accounting Code (SAC)/HSN etc shall be cleared before offering of rates.
- 5.7** Any liability on account of wrong classification of goods or services for arriving at taxes will be only on the bidder.
- 5.8** Lowest offer will be decided based on the overall lowest amount calculated with the basic price along with GST.
- 5.9** Invoice as per GST Act should be furnished quarterly.
- 5.10** The GST ID of Kochi Metro Rail Ltd is 32AAECK5274H1ZL
- 5.11** GST shall be paid on the applicable value as per GST law in India after submission of appropriate GST invoices with GSTIN of the bidder and GSTIN of Kochi Metro Rail Ltd - 32AAECK5274H1ZL.
- 5.12** Under GST law the bidder shall also comply regarding filing of all the returns to the GST network/government departments within the stipulated time every month or such other period as required by the Government. If the bidder does not comply with any of the GST laws and procedures and if KMRL incurs any liability on this account or does not get the input credit from the GST Network/Government as goods and/or service receiver due to the bidder's failure to comply with the procedures of filing / uploading of data/submissions of documents etc in time then all such liability including the input credit of the GST lost by KMRL and the penalties and interest incurred by KMRL would be the liability of the bidder and the same shall be recovered either by recovery from any amount payable by KMRL to the bidder or through direct payment. The bidder shall submit the copy of latest filed return - GSTR1 along with the invoice.

6 DOCUMENTS TO BE SUBMITTED

- 6.1 The Applicant shall upload the documents related to a particular Appendix as per the provisions provided in the Kerala e-tenders portal. Similarly, documentary evidence for particular submission / appendix shall be uploaded alongwith the relevant submission / Appendix, as mentioned therein.
- 6.2 Technical proposal to be submitted as per the attached format in Appendix 1. Along with technical proposal applicant need to submit documents specified for the technical bid.
- 6.3 Financial bid as per BOQ only.
- 6.4 Signed and sealed copy of RFP
- 6.5 All annexures and appendices as stated in this RFP document.

7 CRITERIA FOR EVALUATION

- 7.1 Prior to evaluation of Technical Proposals, KMRL will determine whether each Proposal is responsive to the requirements of the RFP. KMRL may, in its sole discretion, reject any Proposal that is not responsive hereunder. A Proposal shall be considered responsive only if:
 - 7.1.1 Bidder has remitted cost of bid documents
 - 7.1.2 the Technical Proposal is received in the form specified at Appendix 1
 - 7.1.3 it is received by the Proposal Due Date including any extension thereof it is accompanied by the Bid Security.
 - 7.1.4 applicants have submitted all Documents in specified format as mentioned in Section 5
 - 7.1.5 it is not non-responsive in terms hereof.
- 7.2 KMRL reserves the right to reject any Proposal which is non-responsive and no request for alteration, modification, substitution or withdrawal shall be entertained by KMRL in respect of such proposals.

8 EVALUATION OF TECHNICAL PROPOSAL

First of all it will be determined whether each tender is responsive as per Section 2, clause 4 - Minimum Eligibility Criteria. Bids not considered substantially responsive shall be rejected by KMRL and shall not be allowed subsequently to be made responsive by correction or withdrawal of the nonconforming deviation or reservation.

Bids which are responsive will be evaluated as per Selection Criteria given in Annexure A Audit Firms, who will secure 70% marks and above as per Scoring Criteria will be declared as technically qualified bidders and price bid will be opened for them only.

The decision of the KMRL as to which of the bids are not substantially responsive and scoring as per table below A shall be final.

Sl. no.	Particulars	Points to be allocated	Maximum points
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1	Overall experience of the firm (Period from registration till 31.01.2020)	1.5 point per year for experience above 10 years (fraction of year to be ignored)	15 (fifteen)
2	Number of full time Partners	2 points per Partner for partners more than 4 Nos.	10 (ten)
3	Number of Qualified Assistants	1.5 points per Qualified Assistants	6 (six)
5	Exposure of the firm in PSU being infrastructure company with Turnover more than 100 Crores under Central/State government as statutory auditors in last five preceding year commencing from FY 2014-15	3 points per PSU per year of audit	18(eighteen)
6	Exposure of the firm in PSU being infrastructure company with Turnover more than 100 Crores under Central/State government as internal auditors in last five preceding year commencing from FY 2014-15	3 points per PSU per year of audit	18 (eighteen)

7	Exposure of the firm in PSU/reputed private organizations not being infrastructure company with Turnover more than 100 Crore as Statutory/internal auditors in last five preceding year commencing from FY2014-15 (Experience in audit of Trading companies will not be considered)	3 points per company per year of audit	15 (fifteen)
8	Experience in other Audit assignments of PSUs in Kerala auditors in last five preceding year commencing from FY 2014-15 <ul style="list-style-type: none"> • Tax Audit • VAT Audit • GST Audit • Other Audit if any	3 points per assignment	12 (Twelve)
9	Project implementation audit auditors in last five preceding year commencing from FY 2014-15	points per assignment	6 (six)
TOTAL POINTS			100 (hundred)

The Minimum qualifying mark is 70

Note: Bank Audits and Branch Audits of PSUs will not be considered. Only Central/ Joint Statutory Audit of PSUs will be considered.

9 EVALUATION OF FINANCIAL PROPOSAL

Those bidders who don't satisfy the technical criteria will not be considered for the financial bid evaluation.

The formula for determining the financial scores is as below:

$S_f = 100 \times F_m / F$ where S_f is the financial score, F_m is the lowest price quoted by any consultant and F the price of the Proposal under consideration.

The weights given to the Technical & financial proposal are:

$T = 0.8$ & $F = .2$

Total of all the score = $S_f \times .2 + S_t \times .8$

The firm with highest score will be awarded the Contract

SECTION 3
INSTRUCTIONS TO BIDDERS

1. GENERAL

- a. KMRL hereby invites eligible applicants to submit their proposals **Engagement of firm Chartered Accountant/Cost Accountant for Internal audit and other assignments for the year 2020-2023**
- b. The intending Bidders must read the terms and conditions carefully and should only submit his tender if he considers himself eligible and he is in possession of all the documents required.
- c. The Consultant/bidder participating in the RFP hereafter will be called as “Applicants”
- d. Any entity which has been barred / blacklisted by the Government of India, any State Government, a statutory authority or a Public-Sector Undertaking, as the case may be, from participating in any project, and the bar / blacklist subsists as on the date of Proposal, would not be eligible to submit a Proposal either by itself or through its Associate.
- e. The applicant should be a legal entity registered under the relevant law applicable.
- f. The applicant is required to examine carefully all the contents of the RFP Document including instructions, conditions, forms, terms, specifications and take them fully into account before submitting the Bid. Failure to comply with the requirement(s) of RFP Document will be at the Bidder’s own risk & responsibility.
- g. M/s.Kochi Metro Rail Ltd(KMRL) will not be responsible for any delays reasons what so ever in receiving as well as submitting offers, including connectivity issues.
- h. M/s.Kochi Metro Rail Ltd(KMRL) will not be responsible for the cost incurred in preparation and submission of bids including the cost of digital certificate, regardless of the conduct of outcome of the bidding process.
- i. M/s.Kochi Metro Rail Ltd(KMRL) reserves the right to accept any offer in whole or in part or reject any or all offers without assigning any reason M/s.Kochi Metro Rail Ltd.(KMRL) reserves right to accept any or more offers in part. Decision of M/s. Kochi Metro Rail Ltd(KMRL) in this regard shall be final and binding on the bidder.

2. INSTRUCTIONS FOR E-TENDER SUBMISSION

- A). This tender is an e-Tender and is being published online from the registered and eligible firms through e-procurement portal of Government of Kerala (<https://www.etenders.kerala.gov.in>). Prospective bidders willing to participate in this tender shall necessarily register themselves with above mentioned e-procurement portal.
- B). The tender timeline is available in the critical date section of this tender published in www.etenders.kerala.gov.in.The Server Date & Time as appearing on the website <http://etenders.kerala.gov.in> shall only be considered for the critical date and time of tenders.

C). Please note that queries related to enquiry specifications, terms & conditions etc. should be submitted online only by logging in at <http://etenders.kerala.gov.in> before the clarification end date/time. M/s.Kochi Metro Rail Ltd(KMRL), at its sole discretion, may not entertain the queries sent by post/fax/e-mail or through any other mode of communication. The KMRL will post the reply to all such queries in “seek clarification”section of the portal.

D). Tender opening will be done online at the time and dates specified in the tender “Critical Dates View” of “Work Item Details”.

E). The bidders are requested to go through the instruction to the bidders in the website <http://etenders.kerala.gov.in>. The bidders who submit their bids for this tender after digitally signing using their Digital Signature Certificate (DSC), accept that they have clearly understood and agreed the terms and conditions in the website including the terms and conditions of this tender.

F). Online Bidder registration process:

Bidders should have a Class II or above Digital Signature Certificate (DSC) to be procured from any Registration Authorities (RA) under the Certifying Agency of India. Details of RAs will be available on www.cca.gov.in. Once, the DSC is obtained, bidders have to register on www.etenders.kerala.gov.in website for participating in this tender. Website registration is a one-time process without any registration fees. However, bidders have to procure DSC at their own cost.

Bidders may contact e-Procurement support desk of Kerala State IT Mission over telephone at 0471-2577088/188/388 or via email: helpetender@gmail.com / etendershelp@kerala.gov.in for assistance in this regard.

G). Online Tender Process:

The tender process shall consist of the following stages:

- i. **Downloading of tender document:** Tender document will be available for free download on www.etenders.kerala.gov.in. However, tender document fees shall be payable at the time of bid submission as stipulated in this tender document.
- ii. **Publishing of Corrigendum:** All corrigenda shall be published on www.etenders.kerala.gov.in and shall not be available elsewhere.
- iii. **Bid submission:** Bidders have to submit their bids along with supporting documents to support their eligibility, as required in this tender document on www.etenders.kerala.gov.in. Manual submission of bids (ie.Offers sent through post, telegram, fax, telex, e-mail, courier) will not be accepted under any circumstances.

- iv. In case bidder encounters any technical issues pertaining to e-Procurement system while acting on the tender, computer screen shot of the error message with date & time stamp on the web-browser along with the query shall be e-mailed by the bidder to the help desk (**helpetender@gmail.com/ etendershelp@kerala.gov.in**), for resolution of the problem. At the same time, problem must be intimated to the concerned Tender Inviting Authority via email.
- v. The time taken to ascertain, evaluate and suggest a solution for the problem reported by bidder may vary from case to case. Hence bidders are advised to submit the bid **at least 2 working days before the due date** and time of bid submission to avoid any last-minute issues that may come up.
- vi. **Opening of Technical Bid and Bidder short-listing:** The technical bids will be opened, evaluated and shortlisted as per the eligibility and technical qualifications. All documents in support of technical qualifications shall be submitted (online). Failure to submit the documents online will attract disqualification. Bids shortlisted by this process will be taken up for opening the financial bid.
- vii. **Opening of Financial Bids:** Bids of the qualified bidder's shall only be considered for opening and evaluation of the financial bid on the date and time mentioned in critical date's section.

H). Two cover system

Bidders are required to submit offer in Two covers, namely “Fee/Prequal/Technical “ and “Financial”.

I. Cover I (“Fee/Prequal/Technical”)-All documents requested other than price bid(BOQ) to be uploaded in cover 1

II. Cover II (Price Bid)

I). Documents Comprising Bid:

Bidders are requested to quote rates in (BOQ) only. **PLEASE DO NOT QUOTE/MENTION RATES ANYWHERE ELSE IN THE TENDER OTHER THAN BOQ**

Note: The blank price bid should be downloaded and saved on bidder's computer without changing file-name otherwise price bid will not get uploaded. The bidder should fill in the details in the same file and upload the same back to the website.

Fixed price: Prices quoted by the Bidder shall be fixed during the bidder's performance of the contract and not subject to variation on any account. A bid submitted with an adjustable/ variable price quotation will be treated as non - responsive and rejected.

J). Tender Document Fees

The Bidder shall pay, a tender document fees of Rs.1180(including 18% GST)

Online Payment modes: The tender document fees can be paid in the following manner through e-Payment facility provided by the e-Procurement system

State Bank of India Multi Option Payment System (SBI MOPS Gateway): Bidders are required to avail Internet Banking Facility in any of below banks for making tender remittances in eProcurement System.

During the online bid submission process, bidder shall select **SBI MOPS** option and submit the page, to view the **Terms and Conditions** page. On further submitting the same, the e-Procurement system will re-direct the bidder to MOPS Gateway, where two options namely **SBI** and **Other Banks*** will be shown. Here, Bidder may proceed as per below:

- a) SBI Account Holders shall click **SBI** option to with its Net Banking Facility., where bidder can enter their internet banking credentials and transfer the Tender Fee.
- b) Other Bank Account Holders may click **Other Banks** option to view the bank selection page. Here, bidders can select from any of the 54 Banks to proceed with its Net Banking Facility, for remitting tender payments.

*Transaction Charges for Other Banks vide SBI Letter No. LHO/TVM/AC/2016-17/47 – 1% of transaction value subject to a minimum of Rs. 50/- and maximum of Rs. 150/-

* Bidders who are using Other Banks option under SBI MOPS Payment Gateway, are advised by SBI to make online payment 72 hours in advance before tender closing time.

Any transaction charges levied while using any of the above modes of online payment has be borne by the bidder. The supplier/contractor's bid will be evaluated only if payment status against bidder is showing “**Success**” during bid opening.

K). SUBMISSION PROCESS:

For submission of bids, all interested bidders have to register online as explained above in this document. After registration, bidders shall submit their Technical bid and Financial bid online on www.etenders.kerala.gov.in along with online payment of tender document fees

It is necessary to click on “Freeze bid” link/ icon to complete the process of bid submission otherwise the bid will not get submitted online and the same shall not be available for viewing/ opening during bid opening process.

3. BID VALIDITY

- a. The Bid shall remain valid and open for acceptance for a period of 180 days from the last date for submission of the Bid (“Bid Validity”).
- b. In exceptional circumstances, prior to expiry of the original Bid Validity period, KMRL may request the Bidder for extension in the period of validity for a specified additional period. A Bidder may refuse

the request without becoming liable for forfeiture of Bid Security if applicable. However, a Bidder agreeing to the request of extension in the Bid Validity period will be required, in accordance with provisions mentioned herein, to extend the validity of its Bid Security suitably. Moreover, the Bidder agreeing to the request will not be permitted to modify its Bid.

4. FORMAT AND SIGNING OF BID

- a. The Bidder shall prepare and submit Technical Bid as per the format given in Appendix 1 and the Financial Bid as per the BOQ uploaded.
- b. The Bid shall be prepared and shall be signed by the Bidder or a person or persons duly authorized to bind the Bidder to the Contract
- c. All the pages of Bid shall initial all pages by any partner of audit firm including supporting documents and printed literature. Each page of the Bid must be numbered. The Bid shall contain no interlineations, erasures or overwriting except as necessary to correct errors made by the Bidder. Any interlineations, erasures or overwriting shall be valid only if the person or persons signing the Bid have authenticated the same with their respective signature alongside such interlineations, erasures or overwriting.
- d. All prices and other information having a bearing on the price shall be provided only in the prescribed BOQ as provided in the Kerala e-tenders platform.

5. BID SUBMISSION

- a. The tenderer shall submit their ‘Technical Bid’, ‘Financial Bid’, and the ‘Cost of Tender’ through online tender portal only.
- b. The Employer may, at his discretion, extend the deadline for submission of tenders by issuing an amendment, in which case all rights and obligations of the Employer and the Tenderer previously subject to the original deadline will thereafter be subject to the deadline as extended.

6. DEADLINE FOR SUBMISSION OF BID

- a. Bids complete in all respects must be uploaded in www.etenders.kerala.gov.in as per the ‘Key Details’ in Section 1 , not later than the time and date indicated therein. KMRL may, at its discretion, extend this deadline for the submission of Bids by amending / issuing corrigendums to the RFP Document and in that case all rights and obligations of KMRL and the Bidders previously subject to the original deadline shall thereafter be subject to the deadline as extended.

7. RIGHT TO ACCEPT ANY BID AND TO REJECT ANY OR ALL BIDS

- a. Notwithstanding anything contained in the RFP Document, KMRL reserves the right to accept or reject any Bid in its sole discretion or to reject all Bids and annul the bidding process without assigning any

reason whatsoever at its sole discretion at any time before issuance of a Letter of Acceptance without incurring any liability.

8. MODIFICATION AND WITHDRAWAL OF BID

- a. Any modification or withdrawal of the tenders shall be made online only before the deadline for submission of Tenders.

9. BID OPENING

- a. Technical bids of those bidders who have submitted will be opened online.
- b. Financial Package of all qualified tenders will be opened in the presence of representatives of bidders who choose to attend online on the date & time as intimated. If such nominated date for opening of Tender is subsequently declared as a Public Holiday by KMRL, the next official working day shall be deemed as the date of opening of bid. The bid of any bidder who has not complied with one or more of the foregoing instructions may not be considered.
- c. The bidders name, details of the tender security and such other details as KMRL or his authorized representative, at his discretion, may consider appropriate will be announced at the time of tender opening.

10. NON EXCLUSIVE: KMRL reserves the rights to avail the similar services from other Service Providers/ others during the Contract period.

11. NOTIFICATION OF AWARD

- a. Prior to the expiry of the period of validity of the Bid, the Successful Bidder shall be notified through a Letter of Acceptance sent through fax/post/email to be confirmed in writing by Registered/Speed Post/ By hand that its Bid has been accepted

12. SIGNING AND ACCEPTANCE OF LETTER OF ACCEPTANCE

- a. Upon receipt of the “Letter of Acceptance” (LOA), the Successful Bidder shall return one copy of the Letter of Acceptance duly signed and stamped by its authorized signatory within 7 (seven) days from the date of issue of Letter of Acceptance

13. COMMENCEMENT OF ASSIGNMENT

The selected applicant i.e., the Consultant shall commence the services within 7 (seven) days from the date of issue of LOA.

SECTION-4
FORMATS FOR SUBMISSION
APPENDIX 1 – Technical Proposal

(On letter-head of Firm/Proprietorship/Individual)

Technical Bid

To

Director Finance

Kochi Metro Rail Ltd,

Ref: Engagement of firm of Chartered Accountant/Cost Accountant for Internal audit and other assignments for the year 2020-2023

Dear Sir,

We enclose herewith the Particulars and Details of the Firm, Technical bid and price bids in connection with the above assignment.

We also state as follows:

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.

1. The prices quoted by us in the price bid are valid for 180 days from the date of opening of bid. We confirm that this proposal will remain binding upon us.
2. Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.
3. We agree to bear all costs incurred by us in connection with the preparation and submission of the offer and to bear any further pre-contract costs.
4. We understand that M/s. KMRL is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.
5. I confirm that I have authority of.....(name of the firm) to submit the proposal and to negotiate on its behalf.
6. **DECLARATION:** We have gone through carefully and understood the contents of this RFP Document and the information furnished by us is true to the best of our knowledge and belief and nothing has been concealed there from.

Thank you

Signature of Partner with Name & Seal of the Audit firm

Date:

APPENDIX 2

BIDDER DETAILS

1. Name and address of the firm
2. Registration number of the firm
3. Address of the Kochi branch of the firm (If different from above)
4. Year of establishment of the firm
5. Constitution Certificate issued by ICAI/ICMAI as on 31.12.2019 (enclose copy)
6. Latest Empanelment certificate issued by CAG (enclose copy)
7. GST Registration Number (enclose copy)
8. PAN (enclose copy)
9. Contact Person Details (Name, Mobile Number, Email ID)
10. Firm's Bank A/C No, Bank Name and IFSC Code (Enclose cancelled cheque)

APPENDIX 3

List of Partners as on 31.12.2019

Sl.No.	Name of the Partner	Membership No.	Membership Status (ACA/FCA)	CISA/DISA/ISA	Date of joining the firm as partner

APPENDIX 4

Number of paid Chartered Accountant/Cost Accountant employed by the firm on 31.01.2020

Sl.No.	Name of the Qualified Assistant (QA)	Membership No.	Membership Status (ACA/FCA)	CISA/DISA/ISA	Date of joining the firm as partner

APPENDIX 5

Exposure of the firm in PSU being infrastructure company with Turnover more than 100 Crores under Central/State government as statutory auditors in last five preceding year commencing from FY 2014-15

No.	Name of the PSU	Financial Year of audit	Turnover (In Crores)	State in which Registered Office is situated

Documents to be submitted:

- 1 . Copy of Appointment letter
- 2 Copy of Signed Balance Sheet and Statement of Profit and Loss
- 3 Proof of Address of Registered Office (Company profile as per MCA website may be attached)
- 4 Proof that company is a State/ Central PSU (Company profile as per MCA website may be attached)

APPENDIX 6

Exposure of the firm in PSU being infrastructure company with Turnover more than 100 Crores under Central/State government as internal auditors in last five preceding year commencing from FY 2014-15

No.	Name of the PSU	Financial Year of audit	Turnover (In Crores)	State in which Registered Office is situated

Documents to be submitted:

- 1 . Copy of Appointment letter
- 2 Copy of Signed Balance Sheet and Statement of Profit and Loss
- 3 Proof of Address of Registered Office (Company profile as per MCA website may be attached)
- 4 Proof that company is a State/ Central PSU (Company profile as per MCA website may be attached)

APPENDIX 7

Exposure of the firm in PSU/ reputed private organizations not being infrastructure company with Turnover more than 100 Crore as Statutory/internal auditors in last five preceding year commencing from FY 2014-15

No.	Name of the PSU	Financial Year of audit	Turnover (In Crores)	State in which Registered Office is situated

Documents to be submitted:

- 1 . Copy of Appointment letter
- 2 Copy of Signed Balance Sheet and Statement of Profit and Loss
- 3 Proof of Address of Registerd Office (Company profile as per MCA website may be attached)

Note: *Experience in audit of Trading companies will not be considered*

APPENDIX 8

Experience in other Audit assignments in PSUs in Kerala

Sl.No.	Name of the PSU	Financial Year of audit	Nature of Audit Assignment	State in which Registered Office is situated

Documents to be submitted:

- 1 . Copy of Appointment letter
- 2 Proof of Address of Registered Office (Company profile as per MCA website may be attached)
- 3 Proof that company is a State/ Central PSU (Company profile as per MCA website may be attached)

APPENDIX 9

Experience in Project implementation audit

Sl.No.	Name of the Company	Financial Year	Nature of Assignment

Documents to be submitted:

1 . Copy of Appointment letter

1. Copy of work completion certificate

APPENDIX 10

DETAILS OF ANNUAL TURNOVER

Sl No	Financial Year	Turnover	Balance Sheet / Statement of Profit and Loss – YES/NO
1	2016-17		
2	2017-18		
3	2018-19		
	Average T.O		

APPENDIX 11

CHECKLIST FOR FULFILLMENT OF MINIMUM ELIGIBILITY CREITERIA

SI No	Eligibility Criteria	Yes/No	Proof attached (Yes /No)
	Minimum experience of 10 Years		
	Minimum four partners out of which at least two partner should be FCA		
	Firm should have a Registered Office/ branch in Kochi region		
	Av .Annual Turnover of at least Rupees fifty lakh (50,00,000/-)		

SECTION -5

GENERAL CONDITIONS OF CONTRACT (GCC)

1. SUPPLY/ REPLACEMENT OF PERSONNEL

The qualifications and experience of the personnel who are sent by Firm to work on the project shall be acceptable to KMRL. In case KMRL is not satisfied with the performance of any personal, the same shall be replaced on KMRL's request with a person acceptable to KMRL.

2. CHANGES IN PERSONNEL

If it is necessary to replace any personnel of Firm, the latter shall immediately arrange for replacement by a person of comparable competence.

3. The internal Auditor shall ensure the compliance of the following and give an undertaking at the time of acceptance of the Audit assignment that the audit shall not -

- i. At any time disclose the private affairs or secrets of the Company which he may learn during his appointment; or
- ii. At any time, directly or indirectly, communicate to any third party or other unauthorized person, firm or company any confidential matters concerning the Company or the Business; or
- iii. Directly or indirectly communicate upon any matter concerning the Company or the Business with any of the Company's employees, customers, suppliers, bankers, competitors or other persons or companies with whom the Company does business, except as instructed in the course of his duties; or
- iv. During this Agreement and for a period of twelve months following its termination, solicit, or endeavor to entice away from the Company any person who was an employee of the Company at any time during this Agreement; or
- v. At any time take away any documents or data or working papers of the Company other than as necessary in the course of his duties; or

- vi. At any time generally take any action injurious to the interests of the Company or the Business.
4. The appointment of the Audit firm shall be initially for a period of three years i.e from financial year 2020-21 onwards, extendable upto two years with 15% increase in the audit fees from fourth year, subject to satisfactory yearly performance of the firm.
 5. In the event of non-performance, KMRL reserves the right to terminate the appointment of the firm by giving one months notice. In such event no fee shall be payable to the Auditors in respect of any period subsequent to the determination and such determination shall be without prejudice to any right of action by the Company to claim damages or other relief against such default, breach or non-observance.
 6. Any notice under this shall be given in writing by either party to the other and may be delivered or sent by post/courier/by hand addressed, in the case of the Company, to its Director (Finance) at the registered office and, in the case of the Auditors, to their address last known to the Company. Any such notice shall, in the case of delivery, be deemed to have been served at the time of delivery and, in the case of posting on the expiration of seventy two hours after it has been posted by first class mail.
 7. On the termination of the empanelment (for whatever reason) the Internal Auditors shall immediately deliver up to the Company any documents, papers or other written information which either belongs to the Company or relates to the Business and which came into the possession of the Auditors in the performance of their duties under this Agreement.

8. AGREEMENT EFFECTIVE DATE

The Contract shall come into effect from the date of issue of the Letter of Acceptance by KMRL.

9. DELAY AND LIQUIDATED DAMAGES

In case of delay in submission of report, penalty of Rs. 500 per day shall be leived till submission of the report.

Penalty equivalent to 10% of the quarterly billing rate will be recovered on non-deployment of the mandays per quarter.

10. PAYMENT TO THE FIRM

The audit fees as per appointment letter shall be paid on submission of signed audit quarterly reports (in hard and soft copies) and on its approval by the competent authority. TDS as per extant law shall be deducted.

Rs. 5,000/- (Rupees Five Thousand only) plus GST (extra) will be paid per verification / certification assignment on completion of assignment and production of original tax invoice.

11. CURRENCY OF PAYMENT

All payments shall be made in Indian Rupees.

12. DISPUTED INVOICES

If any item or part of an item in an invoice submitted by the FIRM is contested by KMRL, then KMRL shall give prompt notice with reasons and shall not delay payment on the balance of the invoice.

13. TAXES AND DUTIES

The FIRM and their personnel shall pay such taxes, duties, fees, GST and other impositions as may be levied under the Applicable Laws, the amount of which shall be deemed to have been included in the Contract Price.