

**MYSORE SALES INTERNATIONAL
LIMITED**



Short Term
e-TENDER

FOR

**“Forensic Auditing For All MSIL Chit
Funds Branches across Karnataka”**

Mysore Sales International Limited
'MSIL House', No.36, Cunningham Road, Bangalore-560 052
080-22264023

Date: 15.06.2023

Tender Notification No.: MSIL/CF/01/2023-24

SHORT TERM e-TENDER NOTIFICATION

Sub: Forensic Auditing in All MSIL Chit Funds Branches across Karnataka.

Mysore Sales International Limited (MSIL) is a Government of Karnataka Undertaking, involved in marketing multifarious goods & services for more than five decades. It has developed, well-entrenched marketing network all over the state & also in different parts of the country with its varied products/services ranging from Manufacturing & selling of Student notebooks & Stationaries, operating Chit funds, liquor retail outlets, marketing solar water heaters, Tours & Travels, Exporting Iron ore etc., MSIL also has expertise handling Air Cargo, operating State lottery & is presently engaged in inter alia operating liquor retail outlets across the state on special assignment entrusted by Government of Karnataka.

The tentative specification of the work to be done is indicated at

Annexures-A and B

Please note that tender has to be submitted through e-procurement portal of GoK - <https://kppp.karnataka.gov.in> latest by 22.06.2023 before 3:30 pm. The tender processing fee is Rs. 500/- (non-refundable) which shall be credited to the account of centre for e-procurement through a. Credit card b. Debit Card c. NEFT d. Remittance at the bank counter e. Net Banking.

The Tender documents should be signed on each page and same is to be uploaded through e-portal along with all required documents.

The Managing Director, MSIL reserves the right to reject any or all tenders without assigning any reason what so ever.

Sd/-

Chief General Manager
Chit Funds Division

TENDER SCHEDULE

Short Term e-Tender for Forensic Auditing in all MSIL Chit Funds Branches across Karnataka.

Tender Reference	No. MSIL/CF /01/2023-24 dt:15.06.2023
EMD Amount	Rs. 1,00,000/-(Rupees one lakh only)
Tender Commencement date	15.06.2023
Last date and Time for submission of tender	22.06.2023 on or before 3:30 PM
Pre-Bid meeting	19.06.2023 at 11:30 AM Mysore Sales International Limited, No. 36, MSIL House, Cunningham Road, Bangalore- 560 052
Time and date of opening of technical bids	23.06.2023
Time and date of opening of Commercial bids	Shall be Intimated to successful bidders later
Place of opening of Tenders	O/o Chief. General Manager – Chit Funds Division. Mysore Sales International Limited, No. 36, MSIL House, Cunningham Road, Bangalore- 560 052

INFORMATION TO BIDDERS

A. GENERAL INFORMATION

1. Mysore Sales International Ltd. (MSIL) operates invites bids through this e-tender **for Forensic Auditing in all MSIL Chit Funds Branches Across Karnataka** in association with the eligible bidder and the rates should include all the associated charges.
2. The bidder should be having relevant experience.
3. The prospective bidder should not coerce any other bidders to derail the healthy and competitive bidding process. Such acts if found entail to disqualification from participating in the tender process.
4. MSIL reserves the right to modify any information mentioned in this tender document at any stage during the tender process. Such details would be uploaded in the e-portal through addendum and interested bidders shall refer the same and MSIL is not responsible if such addendums are not noticed by the prospective bidders.
5. The bids which do not meet eligibility criteria and product specification are liable for rejection However, MSIL reserves the right to accept or reject any bids without assigning any reason.
6. MSIL reserves the right to recall/withdraw the tender at any time at its own discretion.
7. MSIL reserves the right to accept or reject all or some of the bids without assigning any reasons thereof.

B. ELIGIBILITY CONDITIONS

1. The audit firm/concern should have minimum 10 years of previous experience as members of Institute of Chartered Accountants of India or the Institute of Cost Accountants of India (the firm should upload the certificate issued by the respective institute in this regard).
2. The Head Office of the CA/CMA firms/concern should be situated in Bangalore. Preference will be given to the local CA/CMA firms, having their office in the same or adjacent districts.
3. The audit firm/concern should be in existence for more than 10 years, registration certificate shall be submitted as proof.
4. The audit firm /concern should have a turnover of more than 10 Crores per annum in any of the previous three years (copy of the financials shall be uploaded) i.e. for the FY 2020-21, 2021-22 & 2022-23
5. Minimum one partner of the audit firm/concern or proprietor should have studied Kannada as one of the subjects and must be well versed in writing and reading of Kannada language. (Proof of study of Kannada subject should be uploaded).
6. The Firm/concern should have experienced in carrying out Forensic audit specialization (acceptance letter on company letter should be uploaded).

7. The audit firm /concern should be registered with GST and should indicate GSTIN number.
8. The forensic auditor should carry out the audit at the location of MSIL assigned to them by the Company (acceptance letter on company letter should be uploaded).

General Conditions.

1. Management reserves all the right to accept or reject any or all without assigning any reasons.
2. MSIL shall not be responsible for technical problems encountered at the time of submitting and auditors are requested to submit their applications well in time considering the process time involved.
3. Since all the applications will be evaluated strictly on the basis of selection criteria, please avoid uploading unsolicited information/documentation to process the application expeditiously.
4. The eligible firms fulfilling the criteria and conditions whose office is situated in Karnataka may submit their tender on the e-portal on or before the due date.
5. The auditors appointed through short term e-tender shall not sub-assign the job to other firms/concerns. In case of such sub assignments, the company reserves its right to terminate

the services of the chartered accountants/ Cost Accountants firms/ concerns without prior intimation.

SUBMISSION, RECEIPT AND OPENING OF TENDER PROPOSALS

1. The Technical and Financial bids shall be prepared and submitted separately through e-Procurement platform only.
2. The bidder shall digitally sign and submit the proposal electronically through the unified e-Procurement platform:
<https://kppp.karnataka.gov.in>
3. The completed Technical and Financial bids must be submitted separately in the e-Procurement platform on or before the due date for bid submission specified in the e-Procurement platform.
4. Bidders, who have not registered in the GoK e-Procurement portal, may do so by registering through web site <https://kppp.karnataka.gov.in> or approach Centre for e-Governance for any clarification.

Other details can be seen in the tender documents.

5. Tender Processing Fee: Each bidder shall pay bid processing fee of Rs. 500/- (non-refundable) to the account of centre for procurement through any of the e-Payment options only:
 - Credit Card
 - Debit Card
 - NET Banking
 - National Electronic Funds Transfer (NEFT)/Right Time Gross Settlement(RTGS)
 - OTC – Remittance at the Bank Counter

Please note that payments submitted through cheque or demand draft shall not be accepted. Further details regarding e-Payment; please refer to e-Procurement website – <https://kppp.karnataka.gov.in>

6. Earnest Money Deposit (EMD): Each bidder shall pay the Earnest Money Deposit of Rs.1,00,000/- to the account of centre for e-procurement through any of the following e-payment options only:

- Credit Card
- Debit Card
- NET Banking
- National Electronic Funds Transfer (NEFT)/Right Time Gross Settlement(RTGS)
- OTC – Remittance at the Bank Counter

Please note that payments submitted through cheque or demand draft shall not be accepted. Further details regarding e-Payment; please refer to e-Procurement website – <https://kppp.karnataka.gov.in>

7. Technical Bid: To qualify in the technical bid, the bidder should meet all the eligibility conditions prescribed and must upload all the required documents as stated at **Para B. Eligibility conditions.**

8. Commercial Bid: Bidders shall quote basic price and applicable taxes only through e-portal as per the format given in **Annexure-C**. The basic rates quoted must include transportation, Accommodation etc., exclusive of GST. The price quoted by the bidder must be in conformity with the Scope of work given in **Annexure -A**. No minor variations may be considered in technical specification at the sole discretion of MSIL without compromising on overall quality of the products.

9. **Pre-Bid Meeting and Clarifications**

All the eligible bidders who intend to bid shall participate in a pre-bid meeting on scope of work and related clarifications. The pre-bid meeting will be held on **19.06.2023 at 11.30 am** at MSIL House, No.36, Cunningham Road, Bangalore – 560 052. Changes, if any in schedule, will be intimated in advance.

10. The successful bidder shall be responsible for the collection of data from all the Chit Fund Division across Karnataka.
11. Any extension of time required for Auditing should be obtained from the Company prior to the work.
12. In case of delayed Auditing without prior approval by the Company, then a penalty may be levied by MSIL as per the agreement terms. Nevertheless, if such delay is caused by any reasons beyond the control of bidder, MSIL may condone the delay at its own discretion.
13. The bills of the qualified bidder shall be settled after verification of acknowledgement from concerned officers of MSIL. The payments will be made after deducting applicable taxes or statutory charges if any.
14. The scope of work should be strictly as specified in this tender document. Under no circumstances inferior quality work shall be entertained. If so, the bidder will be made responsible.

AMENDMENT TO TENDER DOCUMENTS

1. Any time prior to the deadline for submission of tenders, MSIL has right to make any changes in the tender document or in the specification and same will be informed through addendum in the e- procurement portal.
2. In order to allow prospective tenderers, reasonable time to take the addendum into account in preparing their tenders, MSIL, at its direction, may extend the deadline for the submission of tenders and issue corrigendum on e-procurement portal.

TERMINATION OF CONTRACT

1. If in the opinion of MSIL the work is unsatisfactory or the progress is so slow that the bidder shall not be able to complete the work in scheduled period or if the completion date is delayed beyond the specified period, MSIL shall have the right to terminate the contract at the bidder's risk by giving notice in writing to that effect. The period of such notice shall be seven days. MSIL shall then have the right to award the contract to such other agencies as they may deem fit and any loss or expenses incurred on this account as assessed by MSIL will be deducted from the money due to contractor.

PAYMENT UPON TERMINATION

1. If the contract is terminated because of a fundamental breach of Contract by the Contractor, the MSIL shall prepare bill for the value of the work done less taxes due to be deducted at source as per applicable law and deductions due

to deviation from standard specifications and less the percentage to apply to the work not completed as indicated in the Contract Date. If the total amount due to MSIL exceeds any payment due to the Contractor, the difference shall be a debit payable to MSIL and the same will be recovered as per company norms.

DISPUTES

1. It case of any disputes or difference or claim arising out of, or in connection with, or relating with to the present agreement or the breach, termination or invalidity thereof, shall be attempted to be resolved by mutual discussion between the parties, failing which, the same shall be referred and settled under the Arbitration Centre- Karnataka (Domestic & International) Rules 2012 by one or more arbitrators appointed in accordance with its rules and the Competent Courts at Bangalore will have the jurisdiction for adjudication of any disputes or difference to the exclusion of other courts in India.

WORKMANSHIP:

1. Workmanship shall be best of the respective kind described in the specification.
2. The decision of MSIL regarding rates and quality of workmanship shall be final and binding on both parties.

PERIOD OF VALIDITY OF TENDER

1. Tender shall remain valid for 90 days after the opening of technical bid. A tender valid for a shorter period shall be rejected by the Purchaser as non-responsive.

OTHER GENERAL CONDITIONS

1. The Company reserves the right to accept or reject any tender either partially or in full without assigning any reasons whatsoever.
2. Earnest Money Deposit in respect of unsuccessful tenders will be returned at the earliest possible time from the date of finalization of the tender and in the case of the successful bidder, the same will be retained by MSIL.
3. Rates must be quoted through e-portal only, inclusive of transportation, Accommodation and any other charges.
4. All the terms and conditions mentioned above are binding on the bidders and any other counter terms and conditions by them are not accepted.
5. The decision of the Evaluation Committee of MSIL on short listing of bidders who qualify technically/commercially will be final & binding on all bidders.
6. MSIL reserves the right to accept or reject or annul the bidding process at any time without any liability or obligation for such rejection or annulment without assigning any reasons, whatsoever.
7. The MSIL reserves the right to reject any tender, if at any time it is discovered that the bidder has made misrepresentation or does not respond promptly to request for

supplementary information that may be required for evaluation. Such rejected bidders' EMD will be forfeited.

8. In the event, the bid after qualification is rejected for such reasons, MSIL reserves the right to invite the bidder with the next best offer for negotiations or take any such measure as deemed fit at its sole discretion, including annulment of the whole process. Such rejected bidders' EMD will be forfeited.
9. Withdrawal of the Tender during the interval between the closing date of Tender and final selection will result in forfeiture of EMD.
10. At any time, prior to the closing date of Tender, the Company may issue an addendum for modifying the Tender. The Company will publish the addendum through e- procurement portal only. Interested bidders shall keep verifying the e-procurement portal till last date and time of submission to fulfill additional requirements if any issued through such addendum.
11. In order to provide bidders a reasonable time to examine the addendum or for any other reason, the Company at its own discretion may extend the last date for submission of Tender.
12. Tenders must be submitted along with required EMD. The Tenders without EMD will be rejected.

LETTER OF SUBMISSION

(must be uploaded in the letter head with seal and signature)

From:

(Name of the bidder and address)

To:

The Chief General Manager,
Chit Funds Division,
Mysore Sales International Ltd.
36, MSIL House, Cunningham Road,
Bangalore – 560 052

Dear Sir / Madam,

Sub: Forensic Auditing in all MSIL Chit Funds Branches across Karnataka

With reference to your notification no MSIL/CF/ 01 /2023-24 dated 15.06.2023 inviting tenders for **Forensic Auditing in all MSIL Chit Funds Branches across Karnataka**, we are pleased to submit our tender through e-portal and we agree for all the tender norms.

I / We, hereby accept all the terms & conditions forming part of the tender.

Bidder's signature with seal

Place:

Date:

ANNEXURE – A

Scope of Work includes following

The scope of Forensic Audit as detailed below:-

1. Physical Verification of Securities in respect of Prize Chits along with corresponding pledged securities as reported in the software, confirmation of securities from the issuer of securities and proper execution of documents to ensure enforceability.

Sl No	Description of documents to be verified
1	Chit Application properly filled in/signed
2	Chit Agreement copy
3	Verification of KYC , Income Proof
4	Auction proceedings register cop
5	Minutes register copy
6	Receipt
7	Receipt for Auction difference
8	Co-obligant's consent letter
9	Scrutiny Note on Prize Money
10	Checklist for payment of prize money
11	Personal ledger certified by the Foreman
12	Letter for early payment
13	Application for acceptance of security
14	Demand Promissory Note
15	Letter evidencing execution of documents

2. Verification of documents relate to liquid securities given as security to the prized chit fund

Sl No	Description
1	Copy of security items like FDR/Insurance policy etc duly verified and signed as true copy
2	letters/papers applicable to the security, duly signed

	by the owner of the security to be used at the time of encashment
3	Assignment endorsements and letter from LIC on the LIC policies and Surrender Value certificates
4	Lien marked on security instrument duly signed by the issuer of the instrument with proper seal
5	Interest calculation sheet @ 18% in case NPPB as security
6	Discharge of FDR/NSC/KVP Etc., properly executed

3. Verification of document related to land & Building given as Security to Prized chit fund

Sl No	Description
1	Original legal opinion from the empanelled advocate without any qualification
2	Original Valuation Report from the empanelled valuer
3	Property Inspection Report/ Address verification Report/Address proof of the Mortgagor
4	Up-to-date Encumbrance certificate
5	Latest Khata extract/certificate and latest Tax paid receipt
6	Confirmation from the Foreman for having verified the originals and mother documents wherever application
7	Original Registered Memorandum of Deposit of Title Deeds/supply Deed duly stamped/signed
8	Entry in the Mortgage Register

4. Accounting of chit installments Subscriber wise.
5. Audit of All receivables and outstanding dues in respect of all the subscribers
6. Identifying cases of any accounting irregularities (errors and omissions pertaining to receipts remittances to bank, reconciliation etc.)
7. Verification of confirmation of outstanding/chit installments paid directly from subscribers, if available on record
8. Identifying cases/instances of misappropriation of cash/cheques/receipts by the branch in regard to chit subscribers amount

9. Any other issues that may come to the notice of auditors during audit/review

ANNEXURE – B

This is part of technical bid and must upload by filling all required details

FORMAT FOR DETAILS OF BIDDER (use additional sheets if required)

1. (a) Name :
(b) Address of the registered office :
(c) Date of registration/incorporation :
(d) Date of commencement :
2. Details of individual(s) who will serve as the point of contact / communication with MSIL, Bangalore:
(a) Name :
(b) Designation :
(c) Company :
(d) Address :
(e) Telephone Number :
(f) E-mail address :
(g) Fax number :
(h) Mobile number :
3. Name, designation, address and phone numbers of Authorized Signatory of the Bidder :
(a) Name :
(b) Designation :
(c) Company :
(d) Address :
(e) Telephone Number :
(f) E-mail address :
(g) Fax number :
(h) Mobile number :

ANEXURE - C

FORMAT FOR QUOTING COMMERCIAL BID
(TO BE QUOTED THROUGH e-PORTAL ONLY)

Forensic Auditing for MSIL Chit Funds across Karnataka (26 Branches)

S.No	Particulars		Qty (Account /Subscriber file)	Base Price
1.	Physical Verification of Securities in respect of Prize Chits along with corresponding pledged securities as reported in the software, confirmation of securities from the issuer of securities and proper execution of documents to ensure enforceability.	LUMP SUM	1	
2.	Verification of documents relate to liquid securities given as security to the prized chit fund			
3.	Verification of document related to land & Building given as Security to Prized chit fund			
4.	Accounting of chit installments Subscriber wise.			
5.	Review of outstanding dues in respect of all the subscribers			
6.	Identifying cases of any accounting irregularities (errors and omissions pertaining to receipts remittances to bank,			

	reconciliation etc.)			
7.	Verification of confirmation of outstanding/chit installments paid directly from subscribers, if available on record			
8.	Identifying cases/instances of misappropriation of cash/cheques/receipts by the branch in regard to chit subscribers amount			
9.	Any other issues that may come to the notice of auditors during audit/review			
10.	Transportation Charges wherever applicable			
11.	Accommodation/Lodging Charges wherever applicable			
12.	Any other Charges which will be specified at the time of entering agreement.			
TOTAL				

IMPORTANT NOTE:

- 1. The bidder shall submit the quote for one Account (subscriber file).**
- 2. The price must exclude GST and all other statutory taxes/levies.**