

REQUEST FOR PROPOSAL(RFP)

Empanelment of chartered accountants firms/cost accountants' firms for Internal Audit of BMSICL for financial year 2018-19 & 2019-20.

Bihar Medical Services and Infrastructure Development Corporation limited
4th Floor, BSBCL, Shastri Nagar Hospital, Rajbanshi Nagar, Patna-800023
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www.bmsicl.gov.in

BIHAR MEDICAL SERVICES AND INFRASTRUCTURE CORPORATION LIMITED

4th Floor, BSBCCCL, Shastri Nagar Hospital, Rajbanshi Nagar, Patna-800023

RFP No. - BMSIC/30045/1-2013/2813 Date: 21/08/2019

INTRODUCTION

1. Bihar Medical Services and Infrastructure Corporation Limited (BMSICL) is a Bihar Government company constituted under the Companies Act, 1956 on 26/07/2010 and is mandated with the procurement of various drugs & equipment and development of infrastructure related work of Medical institution/hospitals.
2. BMSICL hereby invites proposal from interested Chartered Accountants firms empaneled with the C&AG /Cost Accountants firms of India meeting all the minimum eligibility criteria given in Request for Proposal (RFP) for providing their services for carrying out the Internal Audit of BMSICL of Financial Year 2018-19 and 2019-20.
3. The details about background of the Auditee, scope of work, Terms of Reference (ToR), eligibility criteria for selection of the Chartered/Cost Accountant firms and Guidelines for submitting the Proposal can be downloaded from the website www.bmsicl.gov.in from 30th August, 2019 onwards.
4. All bidder must submit a sum of Rs.10,000/- (Rupees ten thousand only) as bid security and Rs.1,180/- inclusive of GST (Rupees one thousand and one hundred eighty) as tender processing fee, in form of demand draft in favor of Managing Director, BMSICL, Patna payable at Patna.

INDICATIVE BIDDING SCHEDULE

S.No.	Event Description	
1.	Issuance and uploading of Request for proposal (RFP) document	30 th August, 2019
2.	Date for pre-bid meeting at BMSICL	5 th September, 2019 at 3.00pm
3.	Last date for submission of Proposal to BMSICL	20 th September, 2019 till 05.00pm
4.	Opening of part -I (Technical offer)	23 rd September, 2019 at 3.00pm
5.	Opening of part-II (Financial offer)	To be announced later

Venue for Pre-bid meeting: BMSICL Conference Hall, 4th Floor, Shastri Nagar Hospital, Rajbanshi Nagar, Patna-800023.

SD/-
CGM (Supply Chain)
BMSICL

REQUEST FOR PROPOSAL (RFP)

Preface:

1. The intent of this Request for Proposal (RFP) is to solicit proposals from Chartered Accountants firm empaneled with C&AG/Cost Accountants firms meeting the minimum eligibility criteria for providing their services for Internal Audit of BMSICL for the Financial Year 2018-19 & 2019-20.
2. The details about the background of the auditee, scope of work, terms of reference, and the eligibility criteria for selection of the C. A. firms are given in the following paragraphs.
3. This RFP is not an agreement and is neither an offer nor invitation by BMSICL to the prospective Bidders or any other person. The issue of this RFP does not imply that the BMSICL is bound to select a Bidder or to appoint the Preferred Bidder, as the case may be, for the said Project. BMSICL reserves the right to reject all or any of the Bidders or Proposals without assigning any reason whatsoever.
4. Whilst the information in this RFP has been prepared in good faith, it is not and does not purport to be comprehensive or to have been independently verified. The information contained in this RFP is selective and BMSICL may in its absolute discretion, but without being under any obligation to do so, update, amend or supplement the information, assessment or assumptions contained in this RFP.
5. Information provided in this RFP to the Bidder(s) is on a wide range of matters, some of which depends upon interpretation of law. The information given is not an exhaustive account of statutory requirements and should not be regarded as a complete or authoritative statement of law. BMSICL accepts no responsibility for the accuracy or otherwise for any interpretation or opinion on law expressed herein.
6. The Bidder shall bear all its costs associated with or relating to the preparation and submission of its Proposal including but not limited to preparation, copying, postage, delivery fees, expenses associated with any demonstrations or presentations which may be required by BMSICL or any other costs incurred in connection with or relating to its Proposal. All such costs and expenses will remain with the Bidder and BMSICL shall not be liable in any manner whatsoever for the same or for any other costs or other expenses incurred by a Bidder in preparation or submission of the Proposal, regardless of the conduct or outcome of the bidding process.

TERMS OF REFERENCE (ToR)

A. Background:

Bihar Medical Services and Infrastructure Corporation Limited (BMSICL) was constituted under Section 617 of Companies Act, 1956 on 26th July 2010. The authorized Share Capital is Rs.10,00,00,000 (Rupees ten crore only).

The main objective of BMSICL includes procurement of Quality drugs & Equipment and development of infrastructure related work of Medical institution/hospitals and is also mandated to ensure that above mentioned services are being procured at minimum prescribed rate.

BMSICL has been declared as 'State Purchase Organization' under Rule 129 of Bihar Finance Rule.

B. Standards

- The audit will be carried out in accordance with the Standards of Internal Audit (Internal Auditing Standards Board) issued by the Institute of Chartered Accountants of India in this regard. The auditor should accordingly plan and perform the audit to reduce the risk to an acceptable level that is consistent with the objective of the audit.

Section II-Objective & Scope of Audit

1. Objective of Audit:

The objectives of the audit are: –

- i. To ensure that the Financial and operating information is accurate and reliable.
- ii. To review the efficacy, adequacy and application of accounting, financial and operating controls and thereby ensuring the accuracy of the books.
- iii. To ensure that financial statements give a true and fair view of the financial position of the BMSICL.
- iv. To ensure that the funds were utilized for the purposes for which they were provided.
- v. To identify areas of significant inefficiencies in existing systems and to suggest necessary remedial measures.
- vi. To verify that the policies, procedures, plan, laws and regulations which are applicable to the company are complied with.
- vii. To ensure that the assets are safeguarded against loss and theft and
- viii. To ensure that the resources are used economically and efficiently
- ix. To ensure that all necessary supporting documents, records and accounts have been kept in respect of all financial and non-financial transactions.
- x. To ensure that Bank Reconciliation Statements have been prepared timely.
- xi. To ensure that prior period items and old outstanding items have been booked and adjusted accordingly.

2. Scope of Audit:

- i. The responsibilities of the Internal auditors should include reporting on the adequacy of internal controls, the accuracy and propriety of transactions, the extent to which assets are accounted for and safeguarded, and the level of compliance with financial norms and procedures of the operational guidelines.
- ii. Funds have been spent in accordance with the conditions laid down by fund provider from time to time with due attention to economy and efficiency, and only for the purpose for which the financing was provided.
- iii. A partner/representative of the firm must visit concerned BMSICL, Finance & Accounts wing atleast once in a fortnight.

3. Contents of Audit Report:

(A) Internal Audit Report of the “**BMSICL**” should contain the following financial statements and documents:

- Financial Statements as prescribed
 - Audited Trial Balance
 - Audited Receipts & Payments A/c
 - Audited Income & Expenditure A/c
 - Audited Balance Sheet
 - Audited SOE (Statement of Expenditure)
 - Bank Reconciliation Statement
 - List of outstanding advances – Activity-wise & Age-wise
 - Statement of reimbursable expenditure
 - Programme-wise statement of expenditure
 - Scheme-wise certified utilization certificates
 - Loan & Advances (Age-wise analysis)
 - Unspent grant of individual programmes
- **Observations and Recommendations of Auditor – particularly covering the following aspects:**
 - Deficiencies noticed in internal control
 - Suggestions to improve the internal control
 - Extent of non-compliance with guidelines issued by GoI

Section III-Minimum Eligibility Criteria

1 Eligibility Criteria: -

The firms must be-

- Empaneled with Controller and Auditor General of India in case of Chartered Accountant firm's only (Proof must be attached with technical bid).
- having Branch office at Patna.
- registered with Institute of Chartered Accountants of India/ Institute of Cost Accountant of India and have at least 2 fellow members of the Institute of Chartered/Cost Accountants of India;
- having experience of more than five years in Internal audit of Central Govt. undertaking/State Govt. undertaking/ PSU.
- the firm or any partners of the firm should not be black listed by any PSUs or Govt. Co. or any other agency in respect of any issues including assignment or behaviour and firm should submit an affidavit in this respect.
- CA firms will also provide their latest Certificate of Firm Constitution as on 1st April, 2019 of the current year issued by Institute of Chartered/Cost Accountants of India and their latest Income Tax Return i.e. for the financial year 2018-19 duly acknowledge by IT Department.

Financial qualifications

The Average Annual turnover of the Audit Firm shall be at least Rs.50 lacs based on the turnover of last three years ending on FY 2017-18. For this, audited financial statement of last three years ending on FY 2017-18 will be required to be submitted.

Any firm not qualifying these minimum criteria need not apply as their proposal shall be summarily rejected.

Section IV- Guidelines for Submitting the Proposal

1. The Bidder should submit the Proposal in accordance with the guidelines prescribed in this RFP and ensure that the Proposal is complete in all aspects. BMSICL reserves the right to reject Proposals that do not conform to the guidelines prescribed.

2. The Proposal shall be submitted in two parts in two sealed envelopes, viz., **a) Part I - Technical Offer and b) Part II – Financial Offer** as described below. The Financial Offer should be contained in Part II only. Inclusion of any Financial Offer in other parts would lead to disqualification of the Proposal and bidder should put these 2(two) sealed envelope in a big envelope duly sealed.

3. All envelopes, both outer and inner, should be addressed to: Managing Director, BIHAR MEDICAL SERVICES AND INFRASTRUCTURE DEVELOPMENT Corporation Ltd, #4th Floor, BSBCL, Hospital Road, Shastri Nagar, Patna-800023.

4. All envelopes must also be super scribed with the following information:

- a. Name and Address of Bidder
- b. Authorized Contact person and Designation,
- c. Phone number, Fax number and Email id.

5. **Proposal must be in Hard Copies.** Bids submitted by fax, telex, telegram or e-mail shall not be entertained and shall be rejected.

6. **Submission of Proposals – Content and Formats**

A. Part I – Technical Offer

Part I – Technical Offer should be submitted in line with the formats prescribed (Form no -1B)

B. Part II – Financial Offer

Part II – Financial Offer" should be submitted in line with the formats prescribed (Form no -1D)

C. Proposal Due Date

1. Proposals addressed to Managing Director, BMSICL should be submitted through registered post / speed post/ By Hand delivery on or before **20th Sep 2019 till 05.00 pm at** the following address:

Bihar Medical Services and Infrastructure Development Corporation Ltd, #4th Floor, BSBCL, Hospital Road, Shastri Nagar, Patna-800023, adhering to the terms and conditions outlined in this RFP. BMSICL may, in its sole discretion, extend the Proposal Due Date by issuing an Addendum to this RFP to all Bidders and BMSICL will not accept any Proposal received by it after the Proposal Due Date for any reason whatsoever.

7. Overview of the Bidding Process

A. Bidders are called upon to submit their Proposals in respect of the Project, in accordance with the formats, terms and conditions of the RFP for Hiring services of chartered accountants firms/cost accountants' firms for Internal Audit of BMSICL for financial year 2018-19 & 2019-20.

B. The selection of the Preferred Bidder for this project is envisaged through a single-stage process involving evaluation of **two-part Proposals** received from Bidders covering:

Part I – Technical Offer

Part II – Financial Offer

C. The **first step** involves opening and evaluation of **Part I - Technical Offers** of the Proposals of Bidders. Financial Offers of Bidders who do not qualify at this step will not be opened.

D. The **second step** involves opening and evaluation of **Part II - Financial Offers** of the Proposals of those Bidders whose Technical Offers have been qualified and who have submitted the Financial Offer in accordance with criteria laid down in this RFP document.

8. Amendment of RFP

At any time prior to the deadline for submission of Proposal, BMSICL may, for any reason, whether at its own initiative or in response to queries requested by a Bidder, modify the RFP by the issuance of Addendum to the RFP. BMSICL may also on its own initiative, issue interpretations and clarifications to all Bidders.

(i) Any Addendum thus issued will be uploaded on www.bmsicl.gov.in. All clarifications and interpretations issued by BMSICL thus shall be deemed to be part of the RFP.

(ii) Verbal clarifications and information given by BMSICL or its employees or representatives shall not in any way or manner be binding on BMSICL.

(iii) In order to afford the Bidders a reasonable time for taking an Addendum into account, or for any other reason, BMSICL may, at its own discretion, extend the Proposal Due Date.

9. Conflict of Interest: Neither the Bidder nor any of its officer/ employees should have any association with BMSICL or its officials or consultants in any way.

10. Validity Period:

Proposal shall remain valid for a period not less than 180 days from the Proposal Due Date. BMSICL reserves the right to reject any Proposal, which does not meet the requirement.

Section V -Others:

Reporting and Timing

The audit of Financial Year 2017-18 & 2018-19 shall be conducted in following way:

- (a) For the financial year 2018-19, audit will be conducted for the whole year in totality.
- (b) For the financial year 2019-20, audit will be conducted on quarterly basis.

The draft internal audit report for the financial year 2018-19 should be submitted to BMSICL & addressed to Managing Director within 60 days of execution of agreement.

Payments

The payment terms shall be as under:

- (i) 60% payment on submission of final report
- (ii) 40% payment on finalization of Statutory Audit

General

- a) The auditor would be given access to any information relevant for the purpose of conducting the audit. This will normally include (other than all financial and procurement records) the contracts and agreements signed, instructions issued by BMSICL regarding scheme guidelines, administrative orders and respective state department.
- b) The appointment of Internal Auditor is specifically for the period of 2 financial year i.e 2018-19 & 2019-20 and the same may be extended for one or more years subject to mutual consent. However, BMSICL reserve the right to terminate the contract at any point of time for what so ever reasons the BMSICL may deem fit.

Dispute Resolution

In Case of any dispute arising out of this RFP/Contract between the parties, the same shall be decided by Managing Director, BMSICL and his decision in this respect shall be final and binding upon both the parties.

Jurisdiction.

The Courts of Patna shall have exclusive jurisdiction with respect to this RFP/ Contract Agreement.

7. FORMATS FOR PROPOSAL

Form 1A - Covering Letter for Proposal

[On Letterhead of the Bidder]

Date / Location

To

Managing Director

Bihar Medical Services and Infrastructure Development Corporation

Government of Bihar

Sub: with reference to RFP no._____dated____of BMSICL for appointment of Firms for Internal Audit of BMSICL for financial year 2018-19 & 2019-20.

Dear Sir,

We, the undersigned, offer to provide the services for *[Insert title of assignment]* in accordance with your Request for Proposal dated *[Insert Date]* and our Proposal. We are hereby submitting our Proposal for the same.

We are submitting our Proposal in our own individual capacity without entering into any association / 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.

Our Proposal is binding upon us and subject to the modifications resulting from project specific contract and contract negotiations.

We understand that you may cancel the Selection Process at any time and that you are neither bound to accept any Proposal you receive nor to select the firm, without incurring any liability to the Applicants. We acknowledge the right of BMSICL to reject our application without assigning any reason or otherwise and hereby waive our right to challenge the same on any account whatsoever.

We shall make available to BMSICL any additional information it may find necessary or require to supplement or authenticate the Proposal.

We certify that in the last three years, we/ any of the members have neither failed to perform on any contract, as evidenced by imposition of a penalty or a judicial pronouncement or arbitration award, nor been expelled from any project or contract nor have had any contract terminated for breach on our part.

We declare that:

- a. We have examined and have no reservations to the RFP Documents issued by BMSICL;

- b. We have not directly or indirectly or through an agent engaged or indulged in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice in respect of any tender or request for proposal issued by or any agreement entered into with any public sector enterprise or any government, Central or State; and
- c. We hereby certify that we have taken steps to ensure that no person acting for us or on our behalf will engage in any corrupt practice, fraudulent practice, coercive practice, undesirable practice or restrictive practice.
- d. We declare that We/any member of the firm, are/is not a Member of a/any other firm applying for Selection.
- e. We certify that we have not been convicted by a Court of Law or indicted or adverse orders passed by a regulatory authority which would cast a doubt on our ability to undertake the services for the assignment or which relates to a grave offence that outrages the moral sense of the community.
- f. We further certify that in regard to matters relating to security and integrity of the country, we have not been charge-sheeted by any agency of the Government or convicted by a Court of Law for any offence committed by us or by any of our member.
- g. We further certify that no investigation by a regulatory authority is pending against us or against any of our Partners/ employees.
- h. We hereby irrevocably waives any right which we may have at any stage at law or howsoever otherwise arising to challenge or question any decision taken by BMSICL in connection with the Selection of Firm or in connection with the Selection Process itself in respect of the above-mentioned Project.
- i. We agree and understand that the proposal is subject to the provisions of the RFP document. In no case, I/We shall have any claim or right of whatsoever nature if the Assignment is not awarded to me/us or our proposal is not opened.
- j. We agree to keep this offer valid for 180 days from the Proposal Due Date specified in RFP.

In the event of my/our Firm being selected, I/We agree to enter into an Agreement for the assignment awarded to us by the BMSICL.

We agree and undertake to abide by all the terms and conditions of the RFP Document. In witness thereof, I/we submit this Proposal under and in accordance with the terms of the RFP Document.

Yours sincerely,

Authorized Signature [*In full and initials*]:

Name and Title of Signatory:

Name of Firm:
Address:

Form-1B
Technical Bid

Provide here a brief description of the background of your firm for this Assignment/job. The brief description should include both functional and sectoral experiences of the applicants. **It should not exceed more than 6 pages.**

1.	Status of the Firm	Partnership firm/Sole Proprietorship
2.	Name of the Firm	
3.	Addresses of the Firm: Head Office	Phone No: Fax No: Mobile of Head Office In-charge:
4.	Branch Office 1, 2, 3..... (Particulars of each branch to be given)	Phone No: Fax No: Mobile of Head Office In- charge:
5.	Firm Income Tax PAN No.	Attach copy of PAN card
6.	Empanelment with C&AG (In case of Chartered Accountant firm)	Attach copy of empanelment certificate
7.	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of registration certificate
8.	Audit Experience of the Firm: No. of audit assignments of Internal /Statutory Audit of Corporate/PSUs Entities except Bank Branch Audit for the years for which the audit has been done in the last 5 years.	A list of audit assignments of last five years must be submitted (except bank Audit) along with Copies of the Offer Letters.
9.	No. of part-time partners if any, as on 01 st July, 2019	
10.	Number of Full time Chartered Accountant/Cost accountant as on 1st July, 2019	
11.	Number of audit staff employed full-time with the firm (a) Articles/Audit Clerks (b) Other Audit Staff (with knowledge of book keeping and accountancy) (c) Other Professional Staff (Please specify)	
12.	Whether there are any court/arbitration/any other legal case against the firm	If yes, give a brief note of the case indicating its present status

Undertaking

I/We do hereby declare that the above-mentioned information are true & correct and I/We also undertake to abide the terms & condition of the contract and would make compliance of terms laid-down in the contract if executed by us with the State.

Date:

Place:

Signature of Sole Proprietor/Partner

Form 1 C

Details of Full Time Partners / Semi-qualified Staffs of the firm

(A) Details of Full time Partners (Chartered Accountants/Cost Accountants)

S.No.	Name of the Partner/Sole proprietor	Length of Association with the firm (in years)	Educational qualification	Area of key expertise	Membership No.

[Documentary proof, please attach a copy of the certificate]

(B) Details of Semi-qualified Staff (including Article, Clerks etc.)

S.No.	Name of Staff	Length of Association with the firm (in years)	Educational qualification	Area of key expertise	Relevant Experience	Remarks

[Documentary proof, as previously indicated, to be submitted]

Experience of audit in PSUs/Govt. company/Any other organization

Sl. No.	Name of the Auditee organisation	Turnover of the Auditee organization	Type/Nature of Assignment	Scope & coverage of the Assignment	Duration of completion of Assignment	Proof of the letter of work or assignment awarded by the Auditee organisation

[Documentary proof, as previously indicated, to be submitted]

Name of the Member

Signature with date

Financial Proposal Covering Letter (Form - 1D)

(To be placed in the sealed cover containing financial bid)

[Location, Date]

To,

Managing Director

Bihar Medical Services and Infrastructure Development Corporation Limited
4th Floor,BSBCCL,
Hospital Road, Shastri Nagar
Patna-800023

Dear Sir,

We, the undersigned, offer to conduct “**Internal Audit of Bihar Medical Services and Infrastructure Corporation Limited for Financial Year 2018-19 and 2019-20**” in accordance with your Request for Proposal [Insert Date] and our Technical Proposal. Our attached Financial Proposal is for the sum of [Insert amount(s) in words and figures¹] is fee for the services to be provided. This amount is inclusive of GST.

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.

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

Thanking you,

Sincerely,

Authorised Signature [In full]:

Name and Title of Signatory:

Name of Applicant:

Fin 2- Summary of Professional Fees

Sr. No.	Description of Services	Fees	
		Rs. (in figures)	Rs.(in words)
A.	Fees for Conducting Internal Audit		
B.	Add GST as per prevailing rates		
C.	Total Fees including GST		

ELIGIBILITY CRITERIA & TECHNICAL EVALUATION

Sl. No.	Particulars*	Minimum Criteria	Max Marks	Evaluation Criterion
1.	Number of Full Time Fellow members associated with the firm for not less than three years (As per certificate of Institute of Chartered/Cost Accountants of India as on 01.04.2019)	2 FCAs		Mandatory Criteria
2.	Experience of the Firm (More than 5 years)	5 years		Mandatory Criteria
3.	Turnover of the firm (Average annual in last three financial years.)	Minimum Rs. 50 Lakhs		Mandatory Criteria
4.	Nature of Experience			
	(i) Govt. Sector Audit		25	5 marks per audit
	(ii) Number of Internal Audit assignments of State Govt. undertaking/Central Govt. undertaking/PSUs entities except Bank Branch Audit		25	5 marks per audit
	TOTAL		50	
	Name of Member	Signature/ Designation/date		

*Supporting Documents for Eligibility Criteria: Following supporting documents must be submitted by the firm along with the technical proposal:

- (i) For S. No. 1 & 2, the firm must submit an attested copy of Certificate of Institute of Chartered/Cost Accountants of India as on 01.04.2019
- (ii) For S. No. 3, the firm must submit a copy of the Audit Report along with Income & Expenditure/Receipt & Payment Account & Balance Sheet for the last three years.
- (iii) For S. No.4, the firm must submit a copy of the appointment letters along with the completion certificate (if any) from the auditee organizations in support of assignments.

Selection Process of the Auditor:

First Stage:

- i. Only Technical Proposals shall be opened first for all the firms.
- ii. Thereafter, a technical evaluation shall be carried as per the evaluation parameters provided in the "Eligibility Criteria & Technical Evaluation" section.
- iii. The technical proposal scoring at least 60% of the marks shall be considered as "Qualified on Technical Parameters".

Second Stage:

- i. Financial Proposals shall be opened only for those firms who have Qualified on Technical Parameters (i.e. secured at least 60% of maximum marks on evaluation criteria).

Award of Contract: On completion of selection process, the firm selected shall be eligible for award of the contract of audit of BMSICL. The firm should execute a Contract with BMSICL within one week of the award. The firm shall enter in to an agreement with BMSICL.