

**BIHAR STATE EDUCATION INFRASTRUCTURE
DEVELOPMENT CORPORATION LIMITED
Shiksha Bhawan, Campus of Rastrabhasha Parishad
Saidpur, Rajendra Nagar, Patna-800 004**

**Selection of Chartered Accountant firms for the concurrent audit of
BSEIDC LTD**

Expression of Interest is invited from Chartered Accountants Firms in the prescribed format for short listing for the engagement of audit of the accounts of BIHAR STATE EDUCATIONAL INFRASTRUCTURE DEVELOPMENT CORPORATION LTD.

1. The Internal audit of Bihar State Educational Infrastructure Development Corporation Ltd. for the year 2014-15 will be conducted in following way:-

- (a) For the period of April–September 2014 audit will be conducted at once and one consolidated half yearly report will be required
- (b) Concurrent Audit for the period of October 2014 –March 2015

2. Submission of Report:-

(a) For the period of October 2014-15 Quarterly Reports Addressed to the Board Of Directors and /or Audit Committee Shall be submitted within one Month from the End of each Quarter.

3. Eligibility criteria of Firms:-

- (a) Firm must have minimum **Three(3) Full time Chartered Accountants** as Partners/Employees.
- (b) Firm must be Registered **on or before 1st Apr,2004.**
- (c) Firm must have **Average Annual Turnover Twenty Lakh (20 Lakh)** on the basis of last three year's turnover.

- (d) Firm must have minimum **ten(10) Article Clerk/ Audit staff** (CA Inter/PCC/IPCC Qualified).
- (e) Firm's registered **Head office** must be Located at **Bihar** and a **branch at Patna**. BSEIDC will make all its correspondence with Branch office at Patna only.
- (f) Firm Should have experience of at least 3 years in the audit of Central or State Government PSU/ Banks/ Autonomous Bodies /Societies/Projects etc.

4. Scope of Audit:-

- i.) The Auditor will undertake verification of 100% of transaction, its entry in books of accounts (Tally System), monthly closure of books of accounts, Bank Reconciliation Statement, prior period adjustment, compliance with the statutory and regulatory provisions of the various laws applicable to the company.
- ii.) The audit will undertake verification of ALL transactions undertaken by the BSEIDC Ltd during the reporting period and ensure proper accounting thereof in the Tally Accounting System.
- iii.) The audit will also ensure that the transactions represented by book entries are actually required and are not prejudicial to the interest of BSEIDC Ltd.
- iv.) Normal entries for receivables and payables, including adjustment of advances must be carried out by the BSEIDC Ltd, Accounts Department at the time of monthly closure of books.
- v.) The BSEIDC Ltd, Accounts Department Shall prepare up to date bank reconciliation statements. The audit will report all unusual and long outstanding entries appearing in the bank reconciliation statements.

vi.) Special attention must be paid to booking and adjustment of prior period items and old outstanding items.

vii.) A partner / CA employee of the firm must visit concerned BSEIDC Ltd, Accounts Department, once in a fortnight.

viii.) The audit will report any matter not covered by the above that in their opinion it requires the attention of the management.

5. The Accounts Department of the BSEIDC Ltd. is centralised and located at its Registered office Situated at Shiksha Bhawan, Bihar Rastra Bhasha Parisad Parisar, Acharya Shivpujan Sahay Path, Saidpur, Patna-4.

6. **The Two Bid System**

The Audit firm will submit the two bids viz. technical bid and financial bid in separate envelop. The work will be allotted to the firm's whose financial rates are L1. L2, & L3 firm will submit an undertakings that they are agreeable to work on L1 Rates.

7. The Audit firm will quote their rate(Audit Fee) in lump sum amount the Quoted fees will be inclusive of all taxes, duties, cess, surcharge & expenses incurred during the working i.e lodging, fooding and transportation etc. No additional cost will borne by the BSEIDC LTD, Patna.

8. The last date for receipt of Tender in the specified format is 7/11/2014. Incomplete formats and / or format received after the prescribed last date will not be entertained.

9. **The Firm's full time partners / CA employees do not include those persons [Partner] who are:-**

(i) Partners in other firms.

(ii) Employed part-time / full-time elsewhere, practicing in their own name or engaged in practice otherwise or engaged in any other activity which would be deemed to be in practice under section 2 (2) of the Chartered Accountants Act, 1949.

(iii) Partners who have earned more professional income from other sources than their income from the firm.

10. The Tender must be submitted in the prescribed format given in the attachment. Only the Tender in the prescribed format accompanied with all requisites would be considered.

11. **All firms are required to enclose the following documents along with the Bids.**

(i) A copy of constitution certificates of firm issued by the ICAI containing inter-alia.

(a) Date of formation of the firm

(b) Date of formation of the firms with a full time FCA

(b) Details of partners / CA Employees as on 1st January of the relevant year, date of joining the firm, date of becoming FCA, their other interest, if any.

(ii) A copy of the latest partnership deed in the case of partnership firms.

(iii) A copy of the acknowledgement of the Income Tax Return of the firm and of all full time partners for the last Three Assessment Year and a copy of computation of income of full time partners.

Note:- Full time partners joining the firm on or after 1st April of the relevant year and firms constituted on or after this period should submit their latest available acknowledgement of IT return / computation statement.

(iv) A copy of financial statement of the firm along with schedules for the preceding three financial year(2013-14 to 2011-12)

(v) Details of court cases / arbitration cases / or any other case pending against the firm if any

12. Details of audit experience of the firm for the last 5 years in the following Performa. (Only assignments which carry a fee of Rs. 15,000/- and above should be mentioned).

Name of the area/ sector	Name of the company /body audited (a) Society/PSU/ autonomous body (b) Companies in private sector (c) Banks (d) Social Sector Programmes / Projects (e) Externally aided social sector projects (f) Education Projects / Programmes	Years of audit e.g.			Fees charged for each of the assignments in each year	Nature of audit assignment viz. Statutory audit / or Branch audit	Nature of special assignment	Name of the full time partner who supervised the audit or signed the financial statements and who is still working in the firm
		2013-14	2012-13	2011-12				

13. The Expression of Interest must be delivered sealed two envelope indicating Technical bid & Financial bid by post or by hand in the office of the MD, BSEIDC LTD , BIHAR .

The Bids must be placed under a large envelop with the following marking in Bold

**EXPRESSION OF INTEREST FOR CONDUCTING
CONCURRENT AUDIT OF BSEIDC LTD.FOR 2014-15**

And must be addressed to:-

**The Managing Director,
Bseidc Ltd
Shiksha Bhawan, Campus of Rastrabhasha Parishad
Saidpur, Rajendra Nagar
Patna – 800 004**

14. Suitable weightage will be given to firms, which are implementing quality control policies and procedures as provided in statements on Standard Auditing Practices (SAP 17). A brief note on the procedures adopted by them is to be given by the firms for this purpose.

15. **Please indicate: -**

The particulars of specialisation gained by the firm in audit of

(i) EDP systems

(ii) IT assisted audit

(iii) Any other important special assignments etc. in the following format

Sl. No.	Description of specialization	Specify nature of assignment, if other than audit	Name of the organization	Name of the partner / sole proprietor who handled this assignment	Whether partner / sole proprietor mentioned in is still with the firm (Y/N)

16. All full time partners should invariably sign the undertaking appended as Section B to the Expression of Interest. Similarly, all the full time Chartered Accountant employees of the firm should sign in the column provided at Annex A-3 to the format.

17. **Penalty Provision in case of delay in submission of Audit Report**

(a) If Firms delay in submission of report on due date i,e one month from end of the Quarter it shall be liable for Penalty .

(b) If Firms delay up to Five days in submission of their Audit Report from the due date of submission of respective Report then it will be liable to 10% penalty of its Audit Fees of respective month and after Five days delay of submission of report the amount of penalty increase to 20% of audit of respective month's Audit fees and after that management can take any other disciplinary action against the Firm for late submission of report.

(Above mention five days limit for delay in submission of report exclude the days which are declared public holiday by Government of Bihar.)

(c) The BSEIDC LTD management reserves the right to reduce or waive the penalty imposed due to late submission of report if there is reasonable cause for that and it would acceptable by the management.

(d) The firms selected for such concurrent audit have no right to any arbitration on this matter.

18. Termination/ Cancellation of Appointment :

(i) If the selected firms has not sent the Technical Bid/ Financial Bid duly signed by them within the stipulated time, their bid is liable to be rejected.

(ii) If any of the information/ documents furnished by the auditor is found to be incorrect, the BSEIDC LTD offer will automatically stand cancelled without entertaining any further correspondence.

(iii) In case the bid is rejected for reasons mentioned in one and two above, the BSEIDC LTD shall identify a new auditor for the BSEIDC LTD, at its discretion and they shall not claim any right for audit.

(iv) The appointment for concurrent auditor is purely contractual and for a specific period of one financial year (i,e 2014-15) and the same may be renewed on a yearly basis subject to satisfactory performance/ eligibility for concurrent Audit.

The maximum period of contract shall be restricted to three financial years. However, the BSEIDC LTD reserve the right to terminate the contract at any point of time for what so ever reasons the BSEIDC LTD may deem fit.

(v) After termination of the contract the Auditor/ Firm shall not use or keep any of the material information given by the BSEIDC LTD or make any representations to public or outsiders as continuing this agreement. The auditor/firms shall return all materials belonging to BSEIDC LTD after termination of the agreement, unless otherwise instructed in writing by the BSEIDC LTD.

(vi) The BSEIDC LTD shall have the absolute discretion in allotting, revising fee structure, stipulating terms and conditions of the appointment like experience in the concurrent audit of BSEIDC LTD and termination of services of the appointed auditor after giving due notice at any point of time including during the pendency of the contract .

19. The jurisdiction of the court shall be at Patna.
20. All taxes, cess, duties and surcharge like income tax, service tax etc as applicable from time to time shall be deducted from the gross amount of the bills of the CA firms.
21. BSEIDC Ltd reserves all the right to cancel the tender at any time without assigning any reason.

22. EVALUATION PROCESS OF TECHNICAL BID :

Evaluation will be done on the basis of Technical & Financial Proposal i.e. on quality and cost basis. 60% points will be given on Technical evaluation and 40% point on financial evaluation.

The Technical Proposal received must be strictly in the format prescribed in Section A and will first be checked against the eligibility criteria listed in above. In case the format of the Proposal differs materially from the format prescribed in Section-A or the firm fails to meet any one or more of the criteria listed above the proposal shall be declared as “Non-responsive” and the evaluation process in respect thereof will not be continued any further.

Such Proposals that are submitted in the prescribed format AND fulfil all the eligibility criteria will be evaluated further and points will be awarded to the firm as per the following norms:

Sl.No.	Criteria	Basis of Evaluation	Points	Maximum Points
I	Age of Firm	More than 10 years up to 15 years	3	9
		More than 15 years up to 20 years	6	
		More than 20 years	9	
ii	Full-time Partners'/CA Employees' Association with the Firm	In case of a FCA associated with the Firm for:		16
		more than 1 year but up to 5 years	2*4	
		more than 5 years but up to 10 years	3*4	
		more than 10 years	4*4	
		In case of an ACA associated with the Firm for:		
		more than 1 year but up to 5 years	1*4	
		more than 5 years	2*4	
iii.	Number of semi-qualified staff	Staff,Articled/Audit Clerks employed by the firm who have passed the Intermediate/IPCC Examination		9
		More than 5 but up to 8	3	
		More than 8 but up to 11	6	
		More than 11	9	
iv.	Average Annual Turnover	From 20 Lac and up to 30 Lac	6	12
		More than Rs. 30 Lac and up to 40 Lac	9	
		More than 40 Lac	12	
v.	Head office& Branch office	Firm has Branch office in Patna	3	6
		Firm has Head office in Patna	6	

vi.	Past Experience in similar assignment	Completed at least 3 but less than 5 concurrent audit assignments of Central/State Govt. Organisations in the past	4	8
		Completed 5 or more concurrent audit assignments of Central/State Govt. Organisations in the past	8	
Maximum total Points				60

- In case of merger, the partners of the merging firms will be assigned points after one year from the date of merger.
- Firms obtaining 60% points i.e 36 points or more through the above evaluation process will be deemed to be technically qualified for the assignment. Proposals of all other firms shall be considered “Non-responsive”.

23. EVALUATION ON FINANCIAL PROPOSAL

The points will be given on quoted rate by the Chartered Accountants Firms. The following formula will be applied for allotment of points on financial bid:-

$$\frac{\text{Lowest Bid} \times 40}{\text{Bid being considered}}$$

24. AWARD OF CONTRACT

i.). Only those firms that are deemed to be technically qualified as per ‘23’ above, i.e. firms having secured 60% i.e. 36 points or more in the technical evaluation will be considered for financial evaluation.

ii.) BSEIDC Ltd. shall notify those firms whose proposals did not meet the minimum qualifying mark or were considered non-responsive for any other reason that their Financial Proposals will be returned unopened after completing the selection process. BSEIDC Ltd. shall simultaneously notify the firms that have secured the minimum qualifying points, indicating the date and time set for opening of Financial Proposals. The notification may be sent by registered letter, facsimile, electronic mail or telephone.

iii.) The Financial Proposals shall be opened publicly in the presence of the firm's representatives. Each firm must ensure that they are represented by a person duly authorised to accept or reject a proposal for carrying out the assignment applied for at a Total Fee other than that quoted by in their Financial Proposal. The name of the firm, the technical scores obtained, and the proposed prices shall be read aloud and recorded when the Financial Proposals are opened.

iv.) The evaluation committee will determine whether the Financial Proposals are complete and rectify calculation errors, if any.

v.) The firms securing minimum 60% i.e. 36 points and above will be added to secured financial points. The ranking will be finalised and allotment will be done as follows:-

The firm which has secured highest point and ranked 1st will be selected for the Concurrent Audit Work on their quoted rate and Shall be the L1 Firm.

vi.) Contracts will be executed by BSEIDC Ltd. in favour of the firm selected through the above method for carrying out the concurrent audit assignment. Please note that BSEIDC Ltd. is not bound to select any of the firms submitting a proposal in response to these presents.

25. TERMINATION/CANCELLATION/AMENDMENT OF CONTRACT

i.) If any of the information/documents furnished by the firm is found to be incorrect or fraudulent, the contract shall be treated as terminated forthwith and BSEIDC Ltd. shall notify the firm of such termination along with reasons for such termination.

ii.) BSEIDC Ltd. may decide to terminate the contract at any time during its pendency for any valid and cogent reason(s). In such a case, BSEIDC Ltd. shall

forthwith intimate the appointed firm of such termination and the reasons for such termination.

iii.) The contract for carrying out concurrent audit of the of BSEIDC Ltd. covers the reporting period from April 1, 2014 to March 31, 2015 only. BSEIDC Ltd. at its discretion and subject to the consent of the appointed firm may extend the contract to cover one more reporting period from April 1, 2015 to March 31, 2016. However, BSEIDC Ltd. reserves the right not to extend the contract without assigning any reasons for the same.

iv.) After termination of the contract either during its pendency or on its expiry, the appointed firm shall return and not retain any materials/documents that are the property of BSEIDC Ltd. save and accept copies of such materials/documents that validly form the audit working papers or audit documentation as per the relevant Standards on Auditing issued by the ICAI.

v.) After termination of the contract either during its pendency or on its expiry, the appointed firm shall not make any representation before the public at large or to any specific person(s) that may directly or indirectly imply the continuation of the contract beyond its actual date of termination.

vi.) BSEIDC Ltd. retains the right to make need-based amendment to any and all terms of the contract after giving due notice to the appointed firm and with its consent.

26. PRE-BID MEETING

Clarifications for any queries arising from the above may be sought at the pre-bid meeting

scheduled at 3.00 p.m. on 22nd October, 2014 at the Registered Office of the BSEIDC Ltd. at Shiksha Bhawan, Patna.

27. OPENING OF TECHNICAL BID

The Technical Bid Shall be opened at 4.00 P.M. on the 7th day of November 2014 in the office of Managing Director, BSEIDC Ltd. at Shiksha Bhawan, Patna, in the presence of the authorised representative of the bidder who may wish to be present.

**BIHAR STATE EDUCATIONAL INFRASTRUCTURE DEVELOPMENT
CORPORATION LIMITED**
Shiksha Bhawan, Campus of Rastrabhasha Council
Saidpur, Rajendra Nagar, Patna-04

Section -A
Particulars/ Deatils of Chartered Accountant Firms

Status of Firm Partnership

1. (a) Name of the firm (in Capital letters)-----

(b) Address of the Head office-----

(Please also give telephone no. And e.mail address)

Tel. No. : Mobile: email:

.....

(c) PAN No. of the firm-----

2. ICAI Registration No. _____ Region Name _____ Region Code No. _

3. (a) Date of constitution of the firm: -----

(b) Date since when the firms has five full time FCA -----

4. Full-Time Partners of the firm as on 01.04.2014 (Please fill up Annex A-1) -

S.No.	Years of continuous association in the firm	Number of FCA	Number of ACA
(a)	Less than one year		
(b)	1 year or more but less than 5 years		
(c)	5 years or more but less than 10 years		
(d)	10 years or more but less than 15 years		
(e)	15 years or more		

5. Number of Part Time Partners if any, as on 01.04.2014
(Please fill up Annex A-2) -----

6. Number of Full Time Chartered Accountant Employees
as on 01.04.2014 (Please fill up Annex A-3) -----

7. Number of audit staff employed full-time with the firm
(a) Articles / Audit Clerks (CA Inter) -----
(b) Other Audit Staff (with knowledge of book
keeping and accountancy)-----
(c) Other Professional Staff (Please specify) -----

8. Number of Branches (Please fill up Annex-A-3) -----

9. Fees earned by the firm from April 2011 to March-2014

Particulars	PSU Companies	PSU Bank	Autonomous Bodies/Socities	Private sector	Total
(i) Statutory / Branch Audit / 6 monthly Audit Review					
(ii) Internal / Concurrent Audit					
Grand Total					

10. Whether the firm is engaged in any internal / concurrent audit or any other services of any Govt. Companies / Corporations etc. - Yes/No
If yes, details may be given Annex 'C'.
11. Whether the firm is implementing quality control Policies and procedures designed to ensure that all audits are conducted in accordance with Statements on Standard Auditing Practices (SAP 17) (If yes, a brief note on the procedure adopted is to be given) - Yes/No
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) - Yes/No

SECTION-B

Undertaking

I/We the following partners of M/s. _____, Chartered Accountant do hereby jointly and severally verify and declare-

(i) that the particulars given are complete and correct and that if any of the statements made or the information so furnished in the application from is later found not correct or false or there has been suppression of material information, the firm would not only stand disqualified from allotment but would be liable for disciplinary action under the Chartered Accountants Act, 1949 and the regulations framed thereunder;

(ii) that the firm, proprietor or partners has not been debarred or cautioned by ICAI during the last three years, (if debarred, give details);

(i) that individually we are not engaged in practice otherwise or in any other activity which would be deemed to be in practice under Section 2 (2) of the Chartered Accountants Act, 1949;

(ii) that the constitution of the firm as on 1st January of the relevant year shown in the Expression of Interest is same as that in the constitution certificate issued by the ICAI.

Sl. No.	Name of the partner	Membership Registration No.	PAN No	Signature of partner

(Seal of the Firm)

Place:

Date:

Enclosures: _____ pages

For Office Use Only

Whether firm has done

(a) Statutory/Branch Audit

Yes/No

(b) Internal/Concurrent Audit

Checked by
updated by

Verified by

Date

(Annex A-1)

1. Firm's name _____

Details of Full Time Partners of the firm (Please refer to Sl.No. 3(a) of the Expression of Interest format)

S.No.	Name of the Partner / sole proprietor	Membership No	Whether FCA / ACA	Date of Joining the firm (full time)	Date of becoming FCA	Station & Region where residing at present	Whether acknowledgement of Income Tax Return for the relevant year _____ — attached Yes / No	Whether has ISA (Information systems Audit / CISA or any other equivalent qualification (specify the qualification) *

*If yes, please attach a copy of the certificate

(Annex A-2)

Details of full time Chartered Accountant Employees (Please refer to Sl.No. 10 of the Expression of Interest format)

S.No.	Name	Member ship No.	Whether FCA / ACA	Date of joining the firm as full time employee	Whether has ISA (Information systems Audit / CISA or any other equivalent qualification* (specify the qualification)	Signature of the employee

*If yes, please attach a copy of the certificate

(Annex A-3)

Particulars of Branches (including foreign branches, if any)

S.No	Station at which located	Complete address with PIN Code & Telephone No	Name of the partner incharge of the branch	Date of opening of the branch	Region	Whether included in last year application (Yes / No)

(Annex C)

Details of internal audit work / any other accounting work of Public Sector Undertaking in hand with the firm (please refer to Sl. No. 10 of the Expression of Interest format)

S.No	Name of the PSU/Unit	Nature of assignment	Year for which appointed

FORMAT FOR FINANCIAL BID

Sl. No	Period of Audit	Total Amt. (in Rs.)			
		Both in numeric & in words			
		Audit Fee	T.A.	Others	Total
01.	2014-15				

Note:

The Quoted fees will be inclusive of all taxes, duties, cess, surcharge & expenses incurred during the working i.e lodging, fooding and transportation etc. No additional cost will bear by the Bihar State Educational Infrastructure Development Corporation Limited,Patna.

(Signature of Bidder and seal of the Firm)

Name:

Designation:.....

Mob.No.....