



REQUEST FOR PROPOSAL(RFP)

FOR

Empanelment of Chartered Accountant Firms to be appointed as Statutory Auditor for all schemes of Bihar Rural Development Society (BRDS) at Headquarters Level for the Financial year 2023-24.

Ref-No. - 672 dated - 25.07.2024

BIHAR RURAL DEVELOPMENT SOCIETY (BRDS)

RURAL DEVELOPMENT DEPARTMENT

GOVERNMENT OF BIHAR

Address for Correspondence:

CEO,
Bihar Rural Development Society
5th Floor, BISCO MAUN BIAWAN,
West Gandhi Maidan, Patna-800001,
Bihar (India)

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1. Invitation to Bidders

- i. The Bihar Rural Development Society (BRDS), Rural Development Department, Government of Bihar (Purchaser) invites sealed bids (two bid system) from eligible & qualified Bidders for "Empanelment of Chartered Accountant Firms to be appointed as Statutory Auditor for all schemes of BRDS at Headquarters Level for the Financial year 2023-24".
- ii. The bid document is available on the website www.brds.bihar.gov.in and can be freely downloaded by interested bidders. "The bidders, who have downloaded the bid documents, shall be solely responsible for checking the website for any addendum/amendment/corrigendum issued subsequently to the bid document and take into consideration the same while preparing and submitting the bids.

iii. Bid Procedure:

The Bidder should submit the proposals in two parts:

- A. Technical Bid
 - B. Financial Bid
- a. Technical part should contain all such details as mentioned in the Bid Document and it should be kept in one envelop marked as "TECHNICAL BID"
 - b. Financial part should contain the financial bid inclusive of all admissible taxes, duties and levies etc. It should be kept in another envelop marked as "FINANCIAL BID".
 - c. Both these separate sealed and superscripted envelops should then be sealed in a third envelop marked as "Empanelment of Chartered Accountant Firms for BRDS".
 - d. If both bids (Technical + Financial) are found in one envelope, those offers will be rejected.
- iv. The bid must be delivered to the office of BRDS before the date and time indicated in Datasheet. Electronic bidding (Fax, Email etc.) will not be permitted. Late bids will be rejected.
 - v. Bids will be publically opened in the presence of Bidders' designated representatives who wish to attend at the address given above on the specified date and time.
 - vi. The undersigned reserves the right to cancel any or all the bids without assigning any reason.



25/7/24

CEO

Bihar Rural Development Society



2. About the Auditee

- i. The Rural Development Department (RDD) Government of Bihar is implementing several Centrally Sponsored Schemes (CSS) including Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), Pradhan Mantri Awas Yojana- Gramin (previously known as Indira Awas Yojana), Shyama Prasad Mukherji Rurban Mission (SPMRM), AADHAR, SANSAD ADARSH GRAM YOJNA (SAGY), SOCIO ECONOMIC AND CASTE CENSUS(SECC) and State Schemes like MUKHYAMANTRI GRAMEEN AWAS SAHAYTA YOJNA (MMGASY), MUKHYAMANTRI GRAMEEN AWAS YOJNA (MMGAY), MUKHYAMANTRI VAAS STHAL KRAY SAHAYATA YOJNA(MMVSKSY). These schemes at the state level, are managed by Bihar Rural Development Society (BRDS).
- ii. The Bihar Rural Development Society (BRDS), an autonomous society set up under Societies Registration Act, 1860 under the aegis of the Rural Development Department (RDD), Government of Bihar, invites Proposals from *C&AG empaneled Chartered Accountant firms* for conducting the statutory audit of annual Financial Statements of all schemes under BRDS for the Financial year 2023-24 at the Headquarters level.
- iii. The implementation of the above-mentioned schemes is carried out through District, Block, and GPs level administrative structures and processes.
- iv. At the State level, BRDS works under the overall supervision of the Rural Development Department, Govt. of Bihar. The Department has no accounting role for the schemes. The Department undertakes monitoring of performance of the schemes, approves and authenticates financial reports of districts as well as their funding requests, establishes systems and procedures for efficient financial, accounting and fiduciary management across the state for RDD schemes. The Department also coordinates with the funding agencies like MORD, GOI, UIDAI and the Finance Department, GoB regarding allocation of funds to the districts.
- v. All accounting is scheme specific and consolidated at the district level. District Statements of Expenditure and Utilization Certificates (UCs- duly audited annually through statutory audit) form the basis for reviewing financial & physical performance and for seeking funds.
- vi. Funds for various CSS and state schemes are transferred from MORD/State to the State Treasuries and then from Treasuries to the BRDS. The Government of India transfer funds in the form of Grants-in-Aid to BRDS on the basis of respective State Program Implementation Plan (SPIPs) and approved Annual Work Plans, which are prepared based on the Action Plans of each district in the State. Under the umbrella of BRDS, each program has separate bank accounts, maintains separate books of accounts and other financial records as per the requirements of each program, and submit separate financial activity reports at specified intervals to the respective monitoring unit.



3. Scope and Objectives of Audit:

- i. The scope of the audit will cover financial activities of the BRDS HQs for the Fin. Year 2023-24; besides, it will work with BRDS in consolidating statutorily audited financial statements submitted by districts, Preparing audited UCs along with audit reports.
- ii. The objective of the audit by Chartered Accountant is to ensure auditor's opinion on the financial statements of each scheme at the end of Financial Year 2023-24 and of the funds received and expended for the accounting period ended to report whether the funds were utilized properly to achieve the intended objectives of the Program, and the covenants of the funding were adhered to. The scheme guidelines related to financial management provide the basis for preparation of the Financial Statements of schemes against which statutory audit has to be undertaken.
- iii. Audited Financial Statements include Audited Balance Sheets, Income & Expenditure Accounts, Receipt & Payment Accounts, prepared following relevant accounting policies, notes to accounts and schedules, Bank Reconciliation Statements, Statement of Funds Position, to enable the auditor to express a professional opinion as to whether: -
 - a) the financial statements give a true and fair view of the Financial Position of the individual Schemes and Consolidated Financial Statements at the end of each financial year and of the funds received and expenditure incurred for the accounting period ended March 31.03. 2024.
 - b) The funds were utilized for the purposes for which they were provided, and
- iv. The books of accounts as maintained by the Bihar Rural Development Society shall form the basis for preparation of the individual scheme's financial statements as well as the consolidated financial statements for the State as a whole.



4. Eligibility and Evaluation:

- Eligibility Criteria include pre-evaluation and final selection parameters. Pre-evaluation parameters will be used for screening purpose and final selection parameters will use objective marking evaluation system to determine the final selection.
- The selection of the Auditor Shall be through an Open Tender basis.

3.1 Eligibility Criteria:

Following are the minimum criteria to be met by CA Firms for the evaluation of RFP documents: -

- 1. Empanelment of CA Firm with C&AG, MEF of ICAI for RBI** (Documents showing proof of Empanelment with C&AG & RBI Unique Code Number must be attached herewith: Chartered Accountant firms empaneled with C&AG, MEF of ICAI for RBI for the year 2023-24 and eligible for doing PSU audits only will be eligible for the audit of the BRDS).
- 2. Age of the Firm:** 10 Years old as per the ICAI Firm Constitution Certificate (FCC) as on 01-04-2024 or immediately preceding the last date of application.
- 3. Location of Firm's Office as per ICAI Firm Constitution Certificates (FCC)**
 - 3.1. Firm must have its Head Office or Branch office in Patna since 01-01-2019 onwards continuously (without break) as per the ICAI Firm Constitution Certificate (FCC)
 - 3.2. Firm must attach FCCs for 6 Calendar years i.e; Jan,2019, Jan,2020, Jan, 2021, Jan,2022, Jan,2023, Jan,2024 and current certificate as on the last date of submission of RFP in support of continuity of office in Patna.
- 4. Turnover of C.A. firm:** - Average Annual Turnover of Minimum Rs.20 Lakhs or more during last three financial years (2020-21, 2021-22 and 2022-23) [Proof to be enclosed GST Return (Summary return may be attached), IT Return, (detailed copy of ITR showing turnover must be submitted).
5. The Firms must provide a **self-declaration** or an **affidavit** stating that neither the Firm nor any of its partners has been blacklisted, banned, convicted or terminated by any Government entity, PSU, Bank, Government Society or similar organisation.
6. The Applicant CA Firm has not been engaged as Statutory Auditor of any districts in Bihar as appointed by the Rural Development Department, Bihar for FY 2022-23 onwards.

Awe (CA)

3.2 EVALUATION / SCORING CRITERIA FOR EMPANELMENT OF CA

- Overall Evaluation will be done on the Weightage System (as in Quality and Cost based selection)
- 80% Weightage for Technical Score and 20% for Financial proposal

3.3 TECHNICAL SCORE CRITERIAS

Sr.	Criteria	Marking Scheme	Maximum Marks
1	Age of Firm	<p>Minimum 10 years ----- 5 marks More than 10 years ----- 0.5 marks per year in addition to above</p>	10
2	Firm's Office	<p>Office in Patna since 01-01-2019 onwards without break</p> <p>Head Office in Patna ----- 10 marks Branch Office in Patna ----- 5 marks</p>	10
3	Average Annual Turnover	<p>Average Annual Turnover for FY 2020-21, 2021-22, 2022-23</p> <p>Minimum 20 lacs ----- 5 marks More than 20 lacs to 28 lacs ----- 7 marks More than 28 lacs to 36 lacs ----- 9 marks More than 36 lacs ----- 10 marks</p> <p>(0.25 marks for per lacs; figures more than Rs.0.50 lakh to be rounded off to Rs. 1.00 lakh)</p>	10
4	No. of Partner & Paid CAs (as per ICAI records)	<p>Minimum 2 Partners ---- 6 Marks (3 marks for each FCA Partners)</p> <p>More than 2 Partners or Paid CAs as per ICAI records (3 marks for each FCA Partners and 2 marks for ACAs for each Partners)</p>	17
5	CISA/DISA qualification for Partner or Paid CA Staff (as per ICAI records)	<p>One Partner or CA paid staff (as per ICAI records)</p> <p>Should have 3 years old CISA / DISA qualification, as on date of 01/01/2024)</p> <p>(This may be additional marks for partner or Paid CA staff included in above point no. 4)</p>	3

6	Semi Qualified Audit Staffs and Article Trainee	<p>Semi Qualified Audit Team Members - Maximum Number --- 3 CA Inter qualified, 3 years from the date of completion of Article ship training and with post qualification experience more than 3 Years in Audit field.</p> <p>(3 persons x 2 marks each) = Maximum 6 Marks.</p> <p>2) Article Trainees Maximum Number --- 4 (As per ICAI records such as Firm Card displayed on ICAI Website as under training.)</p> <p>(4 Trainees x 1 Marks each) - Maximum 4 marks</p>	10
	Working Experience of the firm*	<p>1) SIMILAR AUDIT ASSIGNMENT of Government Scheme, Work under DBT & like Audit (Statutory or Internal) work experience of Government Schemes of Rural Development, Panchayati Raj, Social Welfare, Education, Health, Agriculture, Infrastructure, Urban Local Bodies, Externally Aided Projects i.e; World bank, ADB, DFID and like projects etc. and like, Audit work under PFMS System / DBT (Direct Benefit Transfer) / ERP such as Oracle, Finacle, TCS software, other Software used by Ministry of Rural Development and other Government departments. 3 marks per financial year of audit allotment Only one relevant assignment for a Financial year will be considered for evaluation. (period of experience will be reckoned Since 01-01-2015 onwards).</p>	15
		<p>2) AUDIT ASSIGNMENT OF Banking Sector, Cooperative Sector, Insurance Sector, & OTHERS Audit work allotment under MEF (Bank Audit Year-wise), Concurrent & Internal Audit of Banking sector, Government Societies, Government Cooperative societies, and like organization where Government Fund is utilized. Internal Audit Work experience of PSUs. 2 marks per financial year of audit allotment Only one relevant assignment for a Financial year will be considered for evaluation. (period of experience will be reckoned Since 01-01-2015 onwards).</p>	10

Handwritten marks: a checkmark, a circle with a checkmark, and a circle with a cross.

	<p>3) C & AG AUDIT ASSIGNMENT Statutory Audit work allotment by C & AG for PSUs (Year-wise)</p> <p>Only one relevant assignment for a Financial year will be considered for evaluation. (period of experience will be reckoned Since 01-01-2015 onwards).</p> <p>Maximum 1 mark per financial year of CAG Audit of PSUs allotted to Chartered Accountants,</p>	<p>5</p>
	<p>4) CONSOLIDATION OF AUDITED ACCOUNTS (at Head Office/ Zonal /Regional Level)</p> <p>Experience of consolidation of District audit report at Head Office level of Government Society / Zonal level & Regional level Auditors of Government PSUs, Bank, Insurance Company consolidating branch offices accounts at Zone, Regions, Divisions etc.</p> <p>Auditors at Head Quarter level / Regional Level / Zonal level of Government Scheme, Banks, other organization consolidating Districts Audited accounts will be considered under Consolidation of Audited Accounts</p> <p>Auditors at District level of Government Scheme Consolidating Block & GP accounts under Government Scheme at District level will not be considered for evaluation under this point for "CONSOLIDATION OF AUDITED ACCOUNTS "</p> <p>Maximum 2 marks per Financial year of Consolidation work / Experience of preparation of Consolidated Financial Statements assignment at Controlling level</p> <p>(period of experience will be reckoned Since 01-01-2015 onwards)</p> <p>Only one relevant assignment for a Financial year will be considered for evaluation.</p>	<p>10</p>
<p>Documents must be duly attached with RFP so that experience may be evaluated properly in support of Educational Certificates of Partners, Paid CA Staff as per ICAI records, Semi-qualified staff, C & AG, MIEF of ICAI for RBI with Unique Code Number, Appointment letter by CAG, PSU, Bank, Government Department and so on for Audit work.</p> <p>Copy of Appointment letter must contain letter ref. number & date, Work Completion certificate if any issued by organization to whom service rendered.</p> <p>MINIMUM QUALIFYING MARKS FOR EMPANELMENT OF CA FIRM WILL BE 70</p>		

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3.4 FINANCIAL CRITERIA

- i. **Audit Fees and TA/DA:** The minimum fees for Statutory Audit of BRDS for the Financial Year 2023-24 was Rs.2,05,000/- (Excluding Taxes & Audit out of pocket expenses, TA/DA) and the tender shall not be accepted if the financial bid is less than Rs. 2,05,000/-.
- ii. **Evaluation of Financial Proposal (Price bid):** The Evaluation Committee will open the financial proposals of bidders who have qualified in technical evaluation.
- iii. For financial evaluation, the quoted amount (in words) indicated in the Financial Bid only shall be considered.
- iv. After Technical and financial evaluation, qualified bidders will be given weightage of awarded score which will be determined as under:
 - a. **80% weightage will be given to the Technical Score.**
 - b. **20% weightage will be given to the Financial Score.**

3.5 Combined and Final Evaluation

Formula for Combined and Final Evaluation:

- i. The lowest quoted and evaluated Financial Proposal (Fm) is given the maximum financial score (Sf) of 100.
- ii. The formula for determining the financial scores (Sf) of all other Proposals is calculated as following:
- iii. $Sf = 100 \times Fm / F$, in which "Sf" is the financial score, "Fm" is the lowest price, and "F" the quoted price of the proposal under consideration.
- iv. The weights given to the Technical (T) and Financial (P) Proposals are:
- v. $T = 0.80$, and $P = 0.20$
- vi. Proposals are ranked according to their combined technical (St) and financial (Sf) scores using the weights (T = the weight given to the Technical Proposal; P = the weight given to the Financial Proposal; $T + P = 1$) as following: $S = St \times T\% + Sf \times P\%$.
- vii. The successful bidder shall be the highest ranked bidder (whose total bid score is the highest). The second ranked bidder shall be kept in reserve and may be invited at the rate of ranked one bidder rate in case the first ranked bidder withdraws, or fails to comply with the requirements of tender conditions. In case the second ranked bidder replacing the first bidder also withdraws, the third ranked bidder could be assigned the task.
- viii. In the event of two or more bids having the same score in final ranking, the bids with

highest technical score will be III.

- ix. In case of same Technical Score and same Financial Score are same by two or more CA firms, the selection of Auditor shall be done considering the following Order of Priority-
- a. Number of Partners in the Firm
 - b. Turnover of the firm as per GSTR & ITR
 - c. Age of Firm as per FCC downloaded from ICAI website

5. Selection Process of the Auditor:

For the purpose of the appointment of the statutory auditor for 2023-24, following points should be taken into account-

- i. Open advertisement in leading newspapers at State level and National level for inviting proposals from CAG empaneled Chartered Accountant firms for statutory audit of Bihar Rural Development Society, – Advertisement along with the detailed RFP shall also to be uploaded on the website of BRDS. Interested firms may download detailed Request for EOI from <https://brds.bihar.gov.in/>, at tender section.
- ii. A pre-bid conference shall be held (date to be indicated in the advertisement) where in clarifications that the potential bidders shall be clarified.
- iii. BRDS will form a Selection Committee for evaluation and ranking of Bids received. This committee will undertake evaluation & opening of bids, final selection of the Firm, negotiations (if any) on various terms and conditions, mentioned in RFP. The Committee will subsequently monitor the audit process and the follow up on audit paras and Action Taken Reports on those audit paras.
- iv. At the time of selection, the Statutory Auditor must ensure that the firm was not engaged as Concurrent Auditor/Internal Auditor of the BRDS during the year for which the audit was engaged or if he has been appointed for the year 2023-24.
- v. On completion of selection process, the firm selected shall be awarded the letter of appointment of BRDS. The firm will submit the acceptance letter within 2 weeks from receiving of appointment letter.
- vi. In case the bidding firm is found not suitable for audit on any reasonable ground like information by the Ministry/ICAI/ any State etc., the State may reject such proposal without giving any reason.

6. Appointment and Re-appointment of Auditor:

- i. Top scorer Empaneled CA firm will be appointed as Statutory Auditor of BRDS for FY 2023-24 and CA Firm/s once appointed may be reappointed for further two more Financial Years, as per decision of Competent Authority of State i.e.; Executive committee & General Body of BRDS. If after appointment, appointed CA firm decline the work or desires to keep away from working as an auditor, the next top scorer in the list of empaneled auditor will be appointed as Statutory Auditor for FY 2023-24.
- ii. The second ranked bidder shall be kept in reserve and may be invited at the rate of ranked one bidder rate in case the first ranked bidder withdraws, or fails to comply with the requirements of tender conditions. This process will continue till the last ranked bidder, if BRDS decides.

7. Revision of Audit Fees:

Audit fees may be revised for subsequent Financial Year based on inflation index if Competent Authority of State wishes to re-appoint the same auditor.

Further, any comments/remarks/observation of the Ministry in this regard shall have to be considered while re-appointing the same auditor.

8. The other major points related to Statutory Audit is as follows:

- a. In the pre-bid meeting, participating firms will be briefed on the Audit requirements pertaining to BRDS.
- b. After the completion of audit, State shall organize an exit conference of the auditors to discuss the audit observations.
- c. All points raised during the audit shall be discussed with BRDS and a copy of the Discussion paper along with Audit Working papers shall be shared to BRDS by auditors.
- d. The consolidation of audit reports of BRDS along with all the necessary requirements such as, Accounting Policies, Notes on Accounts and Management Letter is to be completed by the BRDS State HQ in time and final report have to be Submitted as per given time frame in the Appointment Letter issued by BRDS.
- e. Audit Report as per Scheme, ICAI & CAG guidelines, after discussion with BRDS, has to be submitted in triplicate with spiral binding along with the soft copy (PDF/Scanned) mailed to brdsfinance@gmail.com.

9. Financial Statements, Utilization Certificates its format: Presentation & Disclosure

Presentation and Disclosure of Financial Statements will be done following Scheme Guidelines as issued by the Ministry of Rural Development, Government of India, Ministry of Finance, Department of Expenditure, and other departments of Government of India and State Government from time to time such as MGNREGA Guidelines issued for MGNREGs and other scheme guidelines.

A format of such financial statements and relevant schedules showing the consolidation of all the program is given at (*APPENDIX A - FORMAT of FINANCIAL STATEMENTS*)

Project Financial Statement (MGNREGS, PMAY, etc.) and Consolidation shall include the following:

- i. Audit Opinion as per *APPENDIX-C*.
- ii. Balance sheet showing accumulated funds of the project balances, other assets of the project, and liabilities, if any.
- iii. Income & Expenditure account for the year ending on 31st March 2024.
- iv. Receipt and Payment Account for the year ending on 31st March 2024.

Other Schedules to the Balance sheet as appropriate, but shall include

- Statement of Fixed Assets in the form of a Schedule,
 - Schedule of Loans and Advances (Age-wise analysis),
 - Schedule of All Cash & Bank Balances (Supported by bank reconciliation statements)
 - Program wise statement of expenditure.
- v. Notes on Accounts showing the accounting policies followed in the preparation of accounts of the society, BRDS and any other significant observation of the auditor.
 - vi. In the Audit Report, Auditor shall have to specify the significant observations, including internal control weaknesses for each program and also identify the institution to which these relates, to enable/ facilitate appropriate follow up action.
 - vii. Sanction wise annual Utilization Certificates (UCs) as per prescribed format under scheme; duly tallied with the Receipt & Payment Account, during the financial year (Attach a statement showing the details of expenditures clubbed in the Utilization Certificate tallying with the Receipt & Payment Account and Schedules forming part of it).

In addition to the audit reports, the auditor will prepare a "Management Letter" as per *Appendix-D*, in which the auditor should summarize the observation on the internal control issues (other than those which materially affect his opinion on the financial statements) as under:

- Give comments and observations on the accounting records, systems and internal controls that were examined during the course of the audit;
- Identify specified efficiencies and area of weakness in the system and internal controls and make recommendations for their improvement;
- Report on the level of compliance with the financial internal control.
- Report procurements which has not been carried out as per the procurement manual/guidelines of the state for the individual program such as; MGNREGS, IAY, PMAY, ADIHAR, SHAYAMA PRASAD RURBAN MISSION, SANSASD AADARSHI GRAM YOJNA, MUKHYAMANTRI AAWAS YOJNA, MUKHYAMANTRI VAAS STHAL KRAY SAHAYATA YOJNA, SECC etc.
- Communicate matters that have come to the attention during the audit which might have significant impact on the implementation of the project; and
- Bring to Society's attention any other matter that the auditor considers pertinent.

Note: - The observations in the management letter must be accompanied by the implications, suggested recommendations from the auditors and management comments/ response on the Observations/recommendations have to be obtained and reported along with the Audit report.

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10. RFP Data Sheet

The final Audit Report should be submitted to the BRDS as per given time frame in the Appointment Letter issued by BRDS. BRDS should promptly forward these Hard Copies (3 copies spiral bound) and a soft copy in MS Excel / MS Word and Scanned format either via e-mail or on a CD, of the Audited Financial Statement and Audit Report along with the final Utilization Certificates signed by both BRDS and Auditor to MoRD, GOI including any comment if applicable.

Sr.	Particular	Date
1	Date of Publishing of RFP	30-07-2024
2	Date of Pre-bid Conference	06-08-2024 (03:00 PM) at Bihar Rural Development Society 5 th Floor, Biscomaun Bhawan, Gandhi Maida, Patna - 800001
3	Last date & time for submission of sealed proposal (Technical + Financial)	20-08-2024 (Up to 3:00 PM) addressed to CEO, Bihar Rural Development Society 5 th Floor, Biscomaun Bhawan, Gandhi Maidan, Patna - 800001
4	Date of Opening of Technical Proposal	20-08-2024 (3:30 PM)
*Note- The dates mentioned above are indicative and may be changed if required. The changed dates will be duly communicated.		

11. Audit Completion:

The Selected CA Firm shall ensure the completion of Audit schedule as per the timelines detailed in the Appointment Letter issued by BRDS.

The State should make sure that complete cash book, ledgers, vouchers and other financial statements are ready at the time of visit of auditors.

12. Required Team Composition:

The audit team for statutory audit of BRDS schemes will comprise, at the minimum, the following personnel who would be evaluated:

Sr.	Key Professionals	Unit	Brief Description of services to be provided	Qualification and experience
1	Engagement Partner and Team Leader	1	Overall coordination and planning, team leadership, reporting, liaison with client.	Qualified Chartered Accountant. Minimum 10 years post qualification experience as practicing Chartered Accountant and minimum 5 years continuously with the firm.
2	DISA Partner or Paid CA staff	2	Responsibility to lead the audit teams in the field, planning and execution of audit, discussion with unit heads and sub-implementing agencies and report writing and finalization.	Qualified Chartered Accountant. Minimum 5 years of post-qualification experience and minimum three years continuously with the firm.
3	Audit team Members (Semi Qualified & Article Trainee)	3	Audit at BRDS and preparing reports.	C. A. (Inter) with at least three years' post training experience in accounting, audit and report writing.

CA Firm on being appointed as Statutory Auditor shall engage such Partner, Qualified / DISA CA, Semi Qualified Staff as proposed in RFP.

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13. Guidelines for Submitting the Proposals:

Agencies are required to submit the proposal as per the guidelines and formats detailed out in the following paras:

- i. One original and one soft copy in pen drive/CD of the Technical Proposal shall be placed in a sealed envelope clearly marked "TECHNICAL PROPOSAL" Similarly, the original Financial Proposal (Copy of Financial proposal should not be attached) shall be placed in a separate sealed envelope clearly marked "FINANCIAL PROPOSAL" followed by the name of the assignment and with a warning "DO NOT OPEN WITH THE TECHNICAL PROPOSAL." The envelopes containing the Technical and Financial Proposals shall be placed into an outer envelope and sealed. This outer envelope shall bear the submission address, reference number and title of the Assignment, and be clearly marked "DO NOT OPEN, EXCEPT IN PRESENCE OF THE OFFICIAL APPOINTED".
- ii. The Society shall not be responsible for misplacement, loss or premature opening if the outer envelope is not sealed and/or marked as stipulated. This circumstance may provide a ground for Proposal's/ bid's rejection. If the Financial Proposal is not submitted in a separate sealed envelope duly marked as indicated above, this shall constitute grounds for declaring the Proposal non-responsive/ invalid.
- iii. All agencies must comply with the Technical Specifications, General Conditions and Format/Requirements for Technical and Financial proposal.
- iv. The Technical Proposal shall be marked "ORIGINAL" or "COPY" as appropriate. All required copies of the Technical Proposal are to be made from the original. If there are discrepancies between the original and the copies of the Technical Proposal, the original governs.
- v. Financial proposals submitted by the firm should be valid for 6 months from the date of submission of the proposal by the firm.
- vi. Each page, Form, Annexure and Appendices of the Technical and Financial Proposal must be signed by the Authorized signatory of the firm. Each page of the Technical Proposal will be numbered and index page should be attached after the cover page.
- vii. All blank spaces in the financial proposal must be filled in completely where indicated, either typed or written in ink.
- viii. Bihar Rural Development Society (BRDS) reserves the right to accept or reject any proposal without giving any explanation and can change the evaluation criteria as per its requirements in the interest of the organization.
- ix. The team shall have to be headed by a qualified chartered accountant.
- ix. If the required constitution of the team is not deployed, the state can take appropriate action as it deems fit (including blacklisting of the firm) against the firm, keeping the Ministry informed.



14. Documents Required for Technical & Financial Proposal:

- i. Letter of Transmittal (*Form T-1*)
- ii. Technical Proposal format (*Form T-2*)
- iii. Details of Qualified Staff with CV (*Form T-3*)
- iv. Brief of Relevant Experience (*Form T-4*)
- v. Financial Bid format (*Form F-1*)
- vi. Undertaking of presence of HO/Branch offices in State (*Form U*)
- vii. Annexure–A, B, C & D


25/7/24
CEO

Bihar Rural Development Society



Form T-1Letter of Transmittal

To,
The CEO
Bihar Rural Development Society,
Bihar.

Sir,

We, the undersigned, offer to provide the audit services for Bihar Rural Development Society, Bihar in accordance with your Request for Proposal dated [Insert Date]. We are hereby submitting our Proposal, having details about the firm and proposed audit fees.

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.

The Fees quoted by us is valid till six months from the date of submission of the proposal. We confirm that this proposal will remain binding upon us and may be accepted by you at any time before the expiry date.

Prices have been arrived independently without consultation, communication, agreement or understanding (for the purpose of restricting competition) with any competitor.

We agree to bear all costs incurred by us in connection with the preparation and submission of the proposal and to bear any further pre-contract costs.

We understand that Bihar Rural Development Society (BRDS) is not bound to accept the lowest or any proposal or to give any reason for award, or for the rejection of any proposal.

I confirm that I have authority of [Insert Name of the C.A. Firm] to submit the proposal and to negotiate on its behalf.

Yours faithfully,

()



Form T-2**Format for Technical Proposal**

Sl. No.	PARTICULARS	Supporting Documents required to be submitted along with this Form
1	Name of the Firm	
2	Addresses of the Firm:	
	Head Office	Phone No:
		Fax No:
		Mobile No.of Head Office In-charge:
	Date of establishment of the firm	
	Date since when is H.O. at the existing Station	
	Branch Office 1,2,3.....(Particulars of each branch to be given)	Phone No: Fax No: Mobile of each Branch Office In-charge:
	Mention the date of establishment of each branch offices since when existed at the existing place	
3	Firm Income Tax PAN No.	Attach copy of PAN card
4	Firm GST Registration No.	Attach copy of Registration
5	Firm's Registration No. with ICAI	Attach a copy of certificate downloaded from ICAI Website showing the name & address of H.O., B.O. and partners etc.
6	Empanelment No. with C&AG	Attach proof of empanelment with C&AG for the year under Audit (2023-24) confirming that the firm is eligible for major PSU audits.
7	No. of Years of Firm Existence & Date of establishment of Firm	Attach copy of Partnership Deed
8	Turnover of the Firm in last three years	Attach a copy of Balance Sheet and P & I. Account of the last three years or Certificate of Turnover along with GSTR & ITR must be attached with RFP showing required turnover of the CA firm.
9	Audit Experience of the Firm: 1. Number of Assignments in Relevant to the assignment (Statutory Audit at State Level of Govt. Organization/Society) 2. Experience in the BRDS audit.	Copy of the Offer Letter & the Fee Charged for each assignment. (Relevant evidences to be given of the turnover and fee)

10	<p>Details of Partners: Provide following details:</p> <ul style="list-style-type: none"> • Number of Full Time Fellow Partners associated with the firm • Name of each partner • Date of becoming ACA and FCA • Date of joining the firm • Membership No. • Qualification • Experience • Whether the partners are engaged full time or part time with the firm • Their Contact Mobile No., email and full Address (Attested copy of Certificate/letter of ICAI not before 01/01/2024) 	<p>Attested copy of Certificate of ICAI not before 01.01.2024</p>
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Note: The firm shall give an undertaking that the team members are proficient in the State's official language (both oral and written).

Form F-1

FORMAT FOR FINANCIAL BID

(Please provide the break-up of Firm's quoted fees for each work and unit)

Particulars	Total Amount (in Rupees)
AUDIT FEE Audit fees----- (Including cost of TA/DA) b. Service Tax/GST----- c. Total Fees----- Note: Percentage of funds involved shall not be a basis of quoting the Audit Fee.	Both in Numeric and in Words. Rs. /- (Rupees).

Note: In case of change in the rate of Service Tax/GST the revised Service Tax/GST shall be paid.

Form U

(Letter of undertaking for having the HO/Branch office in state Capital)

To,
The CEO
Bihar Rural Development Society,
Bihar.

Sir,

We, the undersigned offer to provide the audit services for Bihar Rural Development Society, in accordance with your Request for Proposal dated [*insert date*]. We here by submit our Proposal, having details about the firm and proposed audit fees.

We here by declare that our firm is having Head/Branch offices in the State of.....
And is situated at.....
.....address proof (photocopy of letter for incorporation of firm, lease agreement, phone connection, Electric Connection etc..) in regard of this office in the state is enclosed herewith for needful.

We hereby also give an undertaking that the firm's staff deputed for the audit are proficient in State's/U. T's local language, both in oral and written form.

We, hereby understand that any information given here if found to be false or misleading will be treated as fraud and appropriate action can be taken in this regard.

Yours

faithfully

()

Encl:

- 1.....
-
- 2.....

Annexure -B

Declaration

Date:.....

To whom so ever it may be concern

Ref:

To:
CEO,
Bihar Rural Development Society
5th Floor, Biscomaun Bhawan West of Gandhi Maidan Patna-800001, Bihar

We (name of the CA Firm) here by confirm, Address hereby
certify and confirm that:-

We or any of our member of the firm/Company are not blacklisted/barred/convicted/terminated by any court of law for any criminal or civil offences/declared ineligible by Rural Development Department or any other entity of GoB or any entity of state government or Govt. of India, or any local self-government body or public undertaking in India for participating in future/any bids for unsatisfactory performance, corrupt, fraudulent or any other unethical business practices or for any other reasons, and no any disciplinary action/pending cases ICAI/GoB/ any State Govt./Gol/ over the firm/Member of the Company as on date of submission of bidding document.

And that we are hereby, declaring all ongoing litigations where our promoter(s)/director(s) are involved in with any government agency/state/central department/PSU, and as mentioned below:

1. None
- 2.
- 3.
- 4.

We further confirm that we are aware that, our Application for the captioned Project would be liable for rejection in case any material misrepresentation is made or discovered at any stage of the Bidding Process or thereafter during the contract period and the amounts paid till date shall stand forfeited without further intimation.

Dated this.

Name of the CA Firm :

Signature of the Authorized Person:.....

Name of the Authorized Person:

Designation of the Authorized Person:



Annexure B, Details of Litigation(s)

Details of Litigation(s)

Ref:.....

Date:

(A) Details of litigation(s) the Bidder is currently involved in, or has been involved in for the last three years:

1. Party in dispute with:	
2. Year of initiation of dispute:	
3. Detailed description of dispute:	
4. Resolution / Arrangement arrived at (if concluded):	

(B) Blacklisted by any Govt. /PSU/Reputed Listed Company for corrupt or fraudulent practices or non-delivery, non-performance in the last three years.

Witness:

Bidder:

Signature:

Authorized Signatory:

Name and Address:

Name and Address:

Date:

Date:

Annexure-C

Check list for submission of documents along with RFP

Sl No.	Description	Yes/No	Remark, if any
1.	Proof that the Firm is empanelled with CAG / MEF of ICAI or RBI .		
2.	Proof for the C.A. firm having at least 10 years' experience		
3.	Firm must attach Firm Constitution Certificates (FCC) as issued by the Institute of Chartered Accountants of India (ICAI), New Delhi. for 6 Calendar years i.e.; Jan,2019, Jan,2020, Jan, 2021, Jan,2022, Jan,2023, Jan,2024 and current certificate as on the last date of submission of RFP in support of continuity of office in Patna		
4.	Proof for an average annual turnover of Rs.20.00 Lakhs or more during last three financial years (2020-21, 2021-22 and 2022-23) based on GST returns and Income Tax Return. A Certificate of Turnover along with GSTR & ITR must be attached with RFP showing required turnover of the CA firm.		
5.	An Undertaking through an Affidavit that the firm has not been black listed (as per Pre-Evaluation Criteria)		
6.	Declaration by firm that Firm or any of its partner is not engaged as Statutory Auditor for audit of Districts, blocks, GPs (DRDA Audit) as appointed by Rural Development Department, Bihar for FY 2022-23 onwards.		
7.	Copy of Member cards of partners of CA firm (as downloaded from the ICAI website) along with FCC showing Article clerks are under training period of 3 years.		
8.	Copy of Work Orders/ Appointment letters as issued by the appointing authorities in support of working experience. Work Orders/ Appointment letters must be in proper forms with letter no., date of issue of documents		



Sample Management Letter

(Audit Firm Letter head)

(Date)

To
The CEO,
Bihar Rural Development Society,

In connection with our audit of financial statements of BRDS and all the schemes administered by the said BRDS for the year ended, we familiarized ourselves with internal guidelines and letters/circulars issued by the Rural Development Dept. applicable during the period under audit. This letter to the department includes observations noted during the course of our audit examination in the following areas:

1. Status of compliance of Audit observations pertaining to pervious audit period.

Scheme	Audit Observation	Action taken by BRDS	Auditor's Comments

2. Matters arising current year and having significant impact on the financial statements of the schemes and/or BRDS.

Scheme	Audit Observation	Status of the issue (Critical/Moderate/Negligible)	Auditor's Recommendation for resolution

3. Specific comments with respect to compliance of specific guidelines issued to the BRDS by the Department.

Date of issue of instruction(s)	Dept. Letter No.	Status of compliance by BRDS	Auditors' suggestions/ comments

4. Status of maintenance of program books and records.
5. Opportunities for strengthening financial management records, systems and controls, together with recommendations for improvements.

The matters contained in this Management letter are intended solely for the information of Rural Development Department, for such timely consideration and action as the department may deem appropriate. They have been considered by us in formulating the audit opinion expressed on the project financial statements in our audit report dated _____. And they do not alter the opinion expressed in that audit report.

We wish to take this opportunity to thank the department or the courtesies and cooperation extended to our auditors.

Yours Truly,
(Name and title)

Form T-3

Details of Qualified Staff with CV (Chartered Accountants)

S. No.	Name of Staff	Length of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Membership No.	Relevant Experience
1						
2						
3						

Details of Semi-Qualified Staff (including Article Clerks etc)

S.No.	Name of Staff	Duration of Association with the Firm (in years)	Educational Qualifications	Area of Key Expertise	Relevant Experience	Remarks
Semi Qualified Staffs:						
1						
2						

[Handwritten signature]

Brief of Relevant Experience:

Experience of audit					
S. No.	Name of the Auditee Organization	Period of Audit of Accounts		Duration of Completion of Assignment	Proof of the letter of Work or Assignment awarded by the Auditee Organization (Pls attach a copy of the letter)
		From	To		
1					
2					
3					
4					

Handwritten signature and initials at the bottom left of the page.